

AGREEMENT

It is HEREBY AGREED this _____ day of December, 1999:

ARTICLE - THOROUGHBRED PERFORMANCE BONUS

Section 1

Effective January 1, 2000 and payable in 2001, 2002, and 2003 locomotive engineers represented by the undersigned General Committees will be eligible for a bonus up to a maximum ten percent (10%) of their engineer earnings in the preceding calendar year.

Section 2

Effective January 1, 2003 and payable in 2004 and each year thereafter, locomotive engineers represented by the undersigned General Committees will be eligible for a bonus up to a maximum of fifteen percent (15%) of their engineer earnings in the preceding calendar year.

Section 3

The terms and conditions for the administration of the Thoroughbred Performance Bonus remain as specified in Article I, Sections 3 and 4 of the June 1, 1996 Agreement between the parties, subject to the maximums stated in Sections 1 and 2 above.

Section 4

The Brotherhood of Locomotive Engineers shall have the unilateral right to accept wage increases as provided in Side Letter 1 in lieu of the bonus provided for by Section 2 of this Article I effective on and after January 1, 2005 by providing written notice to the Carrier of its intention to do so between November 1, 2004 and November 30, 2004.

Article II - WAGES

Section 1

Effective January 1, 2000 all standard basic daily rates of pay for employees represented by the Brotherhood of Locomotive Engineers in effect on December 31, 1999 shall be increased to standard rates of pay as provided in the BLE 1996 Core National Agreement.

ARTICLE III - RATE PROGRESSION

Section 1

Article IV, Section 5 of the 1991 National Document is amended to provide that in any class of service or job classification, rates of pay, additives, and other applicable elements of compensation for an employee whose seniority in engine service is established on or after the date of this Agreement will be at 85% of the rate for present employees and will increase in increments of 5 percentage points for each year of active service in engine and/or train service until the new employee's rate is equal to that of present employees.

Section 2

Employees in engine service on the date of this Agreement who have not yet attained the 100% rate will have their rate increased by 10% to a maximum of 100% on the date of this Agreement.

Article IV - DEADHEADING

Article VI, Section 2(b) of the May 19, 1986 Award of Arbitration Board No. 458 is eliminated and employees whose earliest seniority date in engine or train service is established on or after November 1, 1985 will be compensated for deadheading in accordance with Article VI Section 2(a) of the above-referenced award.

Article V - SPECIAL PAY DIFFERENTIAL

The special pay differential of \$15 per basic day, currently payable to engineers under Article II, Part A, Sections 1 and 2 of the June 1, 1996 Agreement shall be incorporated into the basic daily rates of pay of engineers working without a fireman on January 1, 2003 and will be subject to wage increases subsequent December 31, 2002. The special pay differential of \$.15 per mile for miles in excess of the number of miles encompassed in the basic day, also payable to engineers under Article II, Part A, Sections 1 and 2 of the June 1, 1996 Agreement will be incorporated into the overmile rate for engineers working without a fireman on January 1, 2003 and will be subject to wage increases subsequent to December 31, 2002.

Article VI - GENERAL PROVISIONS

Section 1 - Effect of this Agreement

- (a) The purpose of this Agreement is to fix the general level of compensation and other terms and conditions of employment during the period of the Agreement and is in settlement of the dispute growing out of the notices of November 1, 1999 served by and on behalf of the carriers listed in Exhibit A upon the organization signatory hereto, and the notices dated on or about November 1, 1999 served by the organization upon such carriers.
- (b) This Agreement shall be construed as a separate agreement by and on behalf of each of said carriers and their employees represented by the organization signatory hereto, and shall remain in effect through December 31, 2004 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.
- (c) The parties to this Agreement shall not serve nor progress prior to November 1, 2004 (not to become effective before January 1, 2005) any notice proposal for changing any matter contained in:
 - (1) this Agreement,
 - (2) the proposals of the parties identified in Section 1(a) of this Article, and
 - (3) Section 2(c) (3) of Article VIII of the National Agreement of March 6, 1975.

And any pending notices which propose such matters are hereby withdrawn.

- (d) The parties to this Agreement shall not serve nor progress prior to November 1, 2004 (not to become effective before January 1, 2005) any notice or proposal which might properly have been served November 1, 1999, and any pending notices which propose such matters are hereby withdrawn.
- (e) This Article will not bar management and committees on individual railroads from agreeing upon any subject of mutual interest.

SIGNED AT NORFOLK, VIRGINIA THIS _____ DAY OF , _____

FOR THE EMPLOYEES REPRESENTED BY THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS

FOR THE NCCC

Robert F. Allen, Chairman

W.E. Knight, General Chairman

S. D. Speagle, General Chairman

R. C. Wallace, General Chairman

Approved: _____

P. T. Sorrow, Vice President

Participating Carriers:

- Norfolk Southern Railway Company
- The Alabama Great Southern Railway Company
- Atlantic & East Carolina Railway Company
- Central of Georgia Railway Company
- The Cincinnati, New Orleans & Texas Railway Company
- Georgia Southern and Florida Railway Company
- Tennessee, Alabama and Georgia Railway Company
- Tennessee Railway Company

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Date

Side Letter No. 1

Mr. W. E. Knight
General Chairman, BLE
P.O. Box 279, South St.
Wheelersburg, OH 45694

Mr. S. D. Speagle
General Chairman, BLE
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace
General Chairman, BLE
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

This confirms our understanding in the event that the Brotherhood of Locomotive Engineers elects to exercise the opt out provision of Article I Section 4 of the Agreement of this date.

Articles I and IV of the Agreement of this date and Article II of the June I, 1996 Agreement are canceled collectively effective January 1, 2005. In lieu thereof, from and after January 1, 2005 all standard basic daily rates of pay for employees represented by the Brotherhood of Locomotive Engineers shall be increased to standard rates of pay, including Cost of Living Adjustments, entry rates, and dead-heading provisions, if any, as provided by the settlement of the National Section 6 notices served on or about November 1, 1999, and certification allowance as provided by Arbitration Board No. 564.

Please acknowledge your agreement by signing your name in the space provided below

Very truly yours,

/s/R. F. Allen, Chairman
National Railway Labor Conference

Agreed:

W. E. Knight General Chairman

S. D. Speagle, General Chairman

R. C. Wallace, General Chairman

P. T. Sorrow. Vice/President

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Date

Side Letter No. 2

Mr. W. E[Knight
General Chairman, BLE
P.O. Box 279, South St.
Wheelersburg, OH 45694

Mr. S. D. Speagle
General Chairman, BLE
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace
General Chairman, BLE
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

This confirms our understanding with respect to the Agreement of this date.

It is understood that the settlement of the National Section 6 notices served on or about November 1, 1999 will be incorporated into and become part of this Agreement, upon the effective date of the above-referenced settlement, only to the extent, if any, that the above-referenced settlement addresses the issues specifically listed below:

- Health & Welfare
- Retirement/Disability
- Meals/Meal Allowances
- Availability
- Holidays/Personal Days/Sick Days/Bereavement Leave/Vacations
- Off Track Vehicle Insurance
- Detention Time

The parties agree that the national settlement of these issues will be the full and final settlement of these issues and will be binding on the parties.

Please acknowledge your agreement by signing your name in the space provided below.

Very truly yours,

/s/R. F. Allen, Chairman
National Railway Labor Conference

Agreed:

W. E. Knight General Chairman

S. D. Speagle, General Chairman

R. C. Wallace, General Chairman

P. T. Sorrow. Vice/President

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Date

Side Letter No. 3

Mr. W. E. Knight
General Chairman, BLE
P.O. Box 279, South Street
Wheelersburg, OH 45694

Mr. S. D. Speagle
General Chairman, BLE
P.O. Box 4509
Decatur, IL 62521

Mr. R. C. Wallace
General Chairman, BLE
P.O. Box 16039
Asheville, NC 28816

Gentlemen:

This confirms our understanding that Articles III and IV of the Agreement of this date are effective January 1, 2000.

Very truly yours,

/s/R. F. Allen, Chairman
National Railway Labor Conference

I agree:

W. E. Knight, General Chairman

S. D. Speagle, General Chairman

R. C. Wallace, General Chairman

P. T. Sorrow, Vice President