AGREEMENT

Between

KANSAS CITY SOUTHERN

And

THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES
(including the Kansas City Southern, Louisiana and Arkansas Railway, Joint Agency, and Texas Mexican Railway Company)

Kansas City Southern and its affiliated rail carriers (collectively, “Carrier”) is continually upgrading its heavy track maintenance capability and equipment and desires to operate this equipment with employees capable of safely obtaining maximum performance, production, and utility. One such piece of equipment is the Kribber, the operation of which is complex and calls for specialized training and, accordingly, a separate system operator classification. The Parties recognize this need, and therefore

IT IS AGREED:

1) The Carrier will develop and establish a program for training employees to test for, qualify on, and become assigned as Kribber Operators. Employees wanting to test for, qualify on, or become assigned as Kribber Operator must first satisfactorily complete, or be deemed by the Carrier to have completed, the training program. No employee may be tested, qualified, or assigned as Kribber Operator without first having satisfactorily completed the training program. Carrier may waive testing and qualification requirements where appropriate.

2) New positions and vacancies will be advertised by bulletin for a period of fourteen (14) days. Bulletin advertisements will be posted in the usual and ordinary location(s) used for such postings on each separate property. During the fourteen (14) day advertisement period the employees may file their application with the official whose name appears on the bulletin. Assignment will be made by bulletin within thirty (30) days from the date advertisement is posted, such bulletin to be posted in the same manner and at the same location as the advertisement, and copies provided local and general chairmen in the usual manner. Kribber Operator positions governed by this agreement shall be considered promoted positions, and as such, assignments shall be based on ability, merit, and seniority. Ability and merit being satisfactory, in the judgment of the Management, seniority shall prevail.

3) A new common-seniority classification designated “Kribber Operator” shall be established on the properties identified in the heading of this agreement. Kribber Operator seniority shall be established on the first day an employee renders service as Kribber Operator. Seniority for purposes of assignment as Kribber Operator shall be determined on the basis of each employee’s relative standing on the “Kribber Operator System Bid and Displacement List.” Only a qualified senior employee who has been

Kribber Operator Agt.
p. 1 of 4
4) Kribber Operators may operate over the properties referred to in the heading of this agreement. All such positions shall be governed by the collective bargaining agreement between the Kansas City Southern Railway Company ("KCS") and the Union revised July 1, 1979, as amended, except as otherwise provided herein.

5) Employees assigned to Kribber Operator positions will be required to remain in their positions for no less than a nine (9) month period. An employee bidding away from such position after the completion of the nine (9) month period will be released within thirty (30) calendar days subject to the availability of a qualified employee off the System Bid and Displacement List. An employee assigned as Kribber Operator may bid to other positions while in his/her nine (9) month period as long as the effective date of such position is subsequent to the end of the employees' nine (9) month period.

6) Release from the position prior to the completion of the nine (9) month period will be allowed for documented hardship reasons that involve the personal health of the employee, the personal health of an immediate family member, or other extenuating reasons. The employee's Director or his designee and the employee's general chairman will have to agree to such a release. An employee granted a hardship release will be released within thirty (30) days subject to the availability of a qualified employee off the System Bid and Displacement List. The released employee will be allowed to exercise seniority rights pursuant to the terms of the collective bargaining agreement.

7) The Kribber Operator's rate of pay shall be $19.89 per hour subject to general wage increases and cost of living adjustments.

8) Each employee assigned as Kribber Operator who does not vacate the assignment voluntarily for a period of at least nine (9) months (an employee who remains assigned as Kribber Operator for one (1) continuous nine (9) month period as measured from the date assigned to the same date nine (9) months following) shall be entitled to a periodic lump sum payment not exceeding $2,000.00 for each nine (9) month period so assigned, and the lump sum(s) shall be paid within 30 days after completion of the nine (9) month period. If during any nine (9) month period the carrier abolishes the position, the carrier will be responsible for payment of the prorated production incentive earned as of that date. Employees vacating a Kribber Operator position pursuant to the hardship provisions of Section 6 herein shall be eligible for the prorated portion of the lump sum. Employees promoted to foreman general positions and employees voluntarily leaving the employ of the KCS shall also be eligible for the prorated portion of the lump sum. The proration provided for herein shall be measured as a percentage of the number of continuous calendar days assigned during any nine (9) month assignment period divided by 275.

9) The work week of a Kribber Operator may be established to coincide with the work week of the gang to which assigned, or generally, under a five-eights arrangement, a four-tens arrangement, an accumulated rest day arrangement, or a compressed half arrangement. Other arrangements, as deemed satisfactory between the Carrier and the Kribber Operator, may only be established with advice and consent of the general chairmen. Changes in the work week cannot be made without four (4) working days notice to the Operator.

Kribber Operator Agt.
p. 2 of 4
10) In regard to the Kribber Operator classification, the terms and conditions set forth in this Agreement shall supersede conflicting positions in the collective bargaining agreement.

11) In regard to the Kribber Operator classification, no provision of the Mediation Agreement dated February 7, 1965, as amended, (Feb. 7th) shall operate to divest an employee of his or her Feb. 7th protection. While employees may secure Feb. 7th protected status while employed in this classification, no employee shall be required to exercise seniority to, or otherwise accept employment in, the Kribber Operator Classification in order to retain Feb. 7th protected status.

12) Counterparts. This agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement. Each counterpart may be faxed to the Carrier, with faxed signature sufficient to evidence execution, and original to follow in U.S. mail.

13) This Agreement may be cancelled effective on December 31st of each calendar year provided that notice is received by the other party no later than September 1st. Faxed service of notice will be sufficient to trigger the notice period, with original to follow in U.S. mail. Prior to service of notice, the serving party shall advise the other of the condition or circumstance giving rise to the notice, and, when practicable, the parties shall meet in an effort to resolve the condition or circumstance. Following service of notice, the parties shall meet within thirty (30) days in an effort to resolve the condition or circumstance giving rise to the notice.

14) This Agreement will be effective March 15, 2007. It is without prejudice to the respective positions of either party and will not be referred to in any other forum except as necessary to resolve issues arising out of this Agreement.

FOR THE EMPLOYEES: 

Bill R. Palmer  
General Chairman BMWE  
5-23-07  
Date

FOR THE CARRIER: 

J. G. Albano  
General Director Labor Relations  
5/1/07  
Date

Jeffrey T. Finch  
General Chairman BMWE  
5-27-07  
Date
APPROVED:

Roger D. Sanchez
Vice President BMWE

5-29-07
Date