



BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES DIVISION
of the International Brotherhood of Teamsters

Allied Federation

Dennis R. Albers
General Chairman

315 West Main Street, Suite 20, Hendersonville, TN 37075
(615) 338-0027 Fax (615) 338-0209

June 16, 2010

**TO: ALL ALLIED FEDERATION MEMBERS EMPLOYED AT
KANSAS CITY SOUTHERN RAILWAY COMPANY**

Dear Brothers and Sisters:

This will serve to advise you of a few updates to the Kansas City Southern Agreement;

- 1) As of July 1, 2010, your per diem allowance will be \$66.30 as prescribed by Addendum 21.
- 2) As of June 2, 2010, an employee who obtains a displacement will be entitled to bid upon and occupy a temporary vacancy.
- 3) "Bid down" issue. I did meet with the Kansas City Southern Labor Relations Department in early June and neither side would change their position. Therefore, we have agreed to a temporary fix for a year while we continue to seek a solution.

I have attached a copy of these updates for your reference.

This will also serve to advise you that Vice Chairman Malcolm Davison retired on May 1, 2010.

Should you have any questions please feel free to call the Allied office.

Fraternally,

Dennis R. Albers, General Chairman
Allied Federation, BMWED-IBT

KANSAS CITY SOUTHERN

MAILING ADDRESS: P.O. BOX 219335 • KANSAS CITY, MO 64121-9335



FOUNDED 1887

June 2, 2010

VIA HAND DELIVERY

MR D R ALBERS
GENERAL CHAIRMAN BMWED/IBT
315 WEST MAIN ST STE 20
HENDERSONVILLE TN 37075

Dear Mr. Albers:

This refers to our discussions this date in regard to the exercise of seniority under Rules 3-1 and 3-2 of the controlling agreement.

Notwithstanding prior interpretations and applications, the parties agree that an employee who has obtained a displacement right pursuant to Rule 3-1 or 3-2 shall, in addition to the rights set forth therein, be entitled to bid upon and occupy a temporary vacancy and shall be afforded a new ten (10) day displacement if the temporary vacancy is subsequently occupied by a senior employee.

Note that for the purposes of this letter agreement, the phrase "temporary vacancy" is defined as a vacancy pending bulletin and assignment or a vacancy created by the temporary absence of the incumbent due to sickness, injury, or other approved leave of absence.

If you are amenable to the above, please signify your concurrence by signing and dating in the space provided below.

Sincerely,

Tammy Hodge Stephenson
Director Labor Relations

CONCUR:


General Chairman BMWED

06/02/2010
Date

APPROVED:


Vice President BMWED

KANSAS CITY SOUTHERN

MAILING ADDRESS: P.O. BOX 219335 • KANSAS CITY, MO 64121-9335



June 16, 2010

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

MR D R ALBERS
GENERAL CHAIRMAN BMWED/IBT
315 WEST MAIN ST STE 20
HENDERSONVILLE TN 37075

Sir:

This refers to our meeting in Kansas City on Wednesday, June 2, 2010. During our meeting, we discussed the right of an employee to "bid down" from a higher classification to a lower classification. We also discussed the consequences associated with such a seniority move. As conveyed at the meeting, the Carrier's position was that the employees indeed had the right to bid down, but exercising seniority in that fashion move would result in loss of seniority associated with the position relinquished. The Organization, on the other hand, argued strenuously that employees maintained the right to bid down without consequence to seniority associated with the position relinquished. After much discussion the parties elected to resolve the matter as follows on a non-referable, non-precedential basis, without prejudice to the positions of either:

1. Classifications I - IV are established as set forth in Attachment A to this letter agreement, with Classification I established as the lowest classification, ascending through Classification IV, the highest classification.
2. Employees assigned to headquarterd gangs may bid/bump to a lower classification at the headquarter point without losing seniority associated with the position relinquished.
3. Employees in any class of service retain the right to may bid/bump to a higher classification, or laterally within the classification, without consequence to seniority associated with the position relinquished.
4. Except as otherwise provided in applicable agreements, employees assigned in other than headquarterd service may bid/bump seniority to a lower classification, but shall forfeit seniority associated with the position relinquished.
5. The parties contemplate that this agreement offers an interim solution to the issues presented, and the parties agree to revisit the matter when so requested.
6. This agreement may be cancelled following thirty (30) days written notice served upon all parties, with faxed or e-mailed notice being sufficient to trigger the cancellation period. The thirty (30) day notice period is intended to allow the parties a sufficient

period to address the reasons giving rise to the notice. Notwithstanding the above, this agreement may be extended or amended by the parties on the effective anniversary date.

7. This effective date of this agreement is June 7, 2010.

If the above fairly characterizes our agreement, please so indicate by signing and dating in the spaces provided below.

Sincerely,



Tammy Hardge Stephenson
Director Labor Relations

CONCUR:




General Chairman BMWED KCS/L&A

6-16-10

Date

APPROVED:



Vice President BMWED

CC: Mr. Steve Powers
Mr. Buck Jones
Mr. Jeff Songer

JOB CLASSIFICATION

Class I:

Trackman, Bridgeman, Bridge Helper, Bridge Laborer, and Park Attendant

Class II:

Machine Operator, Back Hoe Operator, Bridge Carpenter, Bridge Mechanic, Bridge Tender, Grease Truck Operator, Brandt Truck Helper and Welder Helper

Class III:

Assistant Foreman, Production Tamper Operator, Production Ballast Plow Operator, Jordan Spreader/Ditcher, Heavy Equipment Operator

Class IV:

Track Foreman, Bridge Foreman, Brush Cutter Foreman, Work Equipment Mechanic, Welder, Scale Inspector, Locomotive Crane Operator, Brush Cutter Operator, District Tamper Operator, District Ballast Plow Operator, Brandt Truck Operator, Plasser Dyna-Cat Operator and other such heavy or skilled equipment operators as the Carrier and General Chairman designate.

Special Agreements

Plasser Dyna-Cat Tamper, Brandt Truck Operator and Brush-Cutting