

# AGREEMENT

Between

**KANSAS CITY SOUTHERN**

And

**THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES**

(including the Kansas City Southern, Louisiana and Arkansas Railway, Joint Agency, MidSouth Rail Corporation, SouthRail, and Gateway Western Railway)

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Kansas City Southern Railway (Carrier) is continually upgrading its heavy track maintenance 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 Plasser DynaCat Tamper (DynaCat Tamper), the operation of which is complex and calls for highly specialized training and, accordingly, a separate 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 DynaCat Tamper Operator. Employees wanting to test for, qualify on, or become assigned as DynaCat Tamper Operator must first satisfactorily complete the training program. No employee may be tested, qualified, or assigned as DynaCat Tamper Operator without first having satisfactorily completed the training program.
- 2) Initially, and subject to Rule 10--Promotions, the Carrier will bulletin DynaCat Tamper Operator positions for system-wide seniority choice of employees holding machine operator seniority. The bulletin will identify qualifications, the number of positions available, the date, time, and place for training, and the expected duration of the training period. Successful applicants will be timely released from their assignments so as not to interfere with the training schedule.
- 3) From the general pool of applicants the Carrier will develop a list of those meeting the qualification criteria, including the successful applicants. The list shall be referred to as the "DynaCat Tamper Operator System Bid and Displacement List." Employees populating the list will be ranked in machine operator seniority order, except that dated DynaCat Tamper Operators will be placed in seniority order above all others (see Section 7). Thereafter, as the need for additional DynaCat Tamper Operator training arises, untrained employees on the list will be canvassed in seniority order for placement in training. Employees declining training will be removed from the list. Untrained employees may elect to remove themselves from the list after a one (1) year period. Once trained, the junior-most

employee(s) on the list may be forced. From time to time the Carrier may advertise for placement on the list. The successful applicant(s) for such placement shall be placed in seniority order and entailed to the list.

4) Training sessions may be held on or off-property, for a duration to be determined by the Carrier, with the trainees' actual and necessary expenses borne by the Carrier. During the training period, trainees will not be subject to schedule agreement rules governing starting times, basic day, basic work weeks, meal periods, overtime, etc.

5) The trainees' rate of pay shall be at the hourly rate of the last position assigned. When multiple trainees are assigned to the same training session, each shall be paid the same, i.e., at the highest of the hourly rates of the last positions assigned.

6) Following satisfactory completion of the training program, if for any reason a trainee is not immediately assigned as DynaCat Tamper Operator, at the Carrier's discretion, the employee may be required to complete a refresher course of instruction (or in-house briefing) prior to testing, qualification, and assignment as DynaCat Tamper Operator.

7) A new, system-wide seniority classification designated "DynaCat Tamper Operator" shall be established. DynaCat Tamper Operator seniority shall be established on the first day an employee renders service as DynaCat Tamper Operator. Seniority for purposes of assignment as DynaCat Tamper Operator shall be determined on the basis of each employee's relative standing on the "DynaCat Tamper Operator System Bid and Displacement List," with dated DynaCat Tamper operators placed in seniority order before all others. Only a qualified senior employee who has been displaced or whose position has been abolished may displace an employee assigned as DynaCat Tamper Operator.

8) DynaCat Tamper Operators may operate throughout the Carrier's consolidated system. 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.

9) Employees assigned to DynaCat Tamper Operator positions will be required to remain in their positions for no less than a one (1) year period. An employee bidding away from such position after the completion of the one (1) year 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 DynaCat Tamper Operator may bid to other positions while in his/her one (1) year period as long as the effective date of such position is subsequent to the end of the employees' one (1) year period.

10) Release from the position prior to the completion of the one (1) year 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.

11) The DynaCat Tamper Operator's rate of pay shall be \$20.20 per hour subject to general wage increases and cost of living adjustments.

12) Each employee assigned as Dyna Cat Tamper Operator who does not vacate the assignment voluntarily for a period of at least one (1) year shall be entitled to a lump sum payment annually not exceeding \$2,000.00 and, it shall be paid within 30 days after completion of the one (1) year period. If the carrier abolishes the position in less than one (1) year, the carrier will be responsible for payment of the prorated production incentive earned as of that date.

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

14) In regard to the DynaCat Tamper Operator classification, the terms and conditions set forth in this Agreement shall supersede conflicting positions in the collective bargaining agreement.

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

16) 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.

17) This Agreement may be cancelled effective on December 31<sup>st</sup> of each calendar year provided that notice is received by the other party no later than September 1<sup>st</sup>. 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.

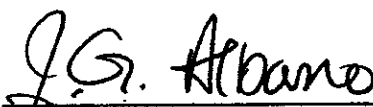
18) This Agreement will become effective December 5, 2005. It is without prejudice to the respective positions of either party and will not be referred to in any other forum except as necessary to resolve issues arising out of this Agreement.

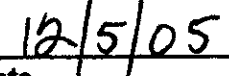
**FOR THE EMPLOYEES:**

**FOR THE CARRIER:**

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Hayward J. Granier  
General Chairman BMWWE

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Date

  
\_\_\_\_\_  
J. G. Albano  
Director of Labor Relations

  
\_\_\_\_\_  
Date

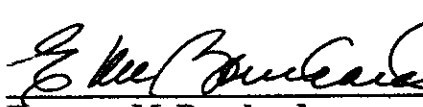
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Bill R. Palmer  
General Chairman BMWWE

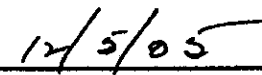
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Date

**APPROVED:**

\_\_\_\_\_  
E. Richard Spears  
Vice President BMWWE

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Date

  
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Emerson M. Bouchard  
Vice President Labor Relations

  
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Date

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FOR THE EMPLOYEES:

FOR THE CARRIER:

[Signature]  
Raymond J. Gensler  
General Chairman BMW  
12/05/05  
Date

[Signature]  
J.G. Adams  
Director of Labor Relations  
12/5/05  
Date

[Signature]  
Bill R. Palmer  
General Chairman BMW  
Date

APPROVED:

[Signature]  
E. Richard Spears  
Vice President BMW  
12/05/05  
Date

[Signature]  
Emerson M. Bouchard  
Vice President Labor Relations  
12/5/05  
Date

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**FOR THE EMPLOYEES:**

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**Hayward J. Granier**  
**General Chairman BMWWE**

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**J. G. Albano**  
**Director of Labor Relations**

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**Date**

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**Bill R. Palmer**  
**General Chairman BMWWE**

12-5-05  
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**Date**

**APPROVED:**

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**E. Richard Spears**  
**Vice President BMWWE**

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**Emerson M. Benchard**  
**Vice President Labor Relations**

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**Date**

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**Date**