MEMORANDUM AGREEMENT

between CSX Transportation, Inc. and its employees represented by SMART/TD (Former L&N, NC&StL and CRR)

It is hereby agreed that, effective with the second EBS JAD following the date of this agreement, and to continue as long as this agreement is in effect, the following articles of agreement will apply –

- 1. The use of the extra boards presently designated as the AP BR C1 and AP KP C1 conductor's extra boards, and the AP BR B1 trainman's extra board, will be suspended.
- 2. The extra boards suspended by Article 1 will be replaced by a single AP BR C3 guaranteed "Work-Rest Cycle Pool." The AP BR C3 Pool will
 - A. Be established and governed under the provisions for a "Work-Rest Cycle Pool" as a Self Supporting Pool, as provided for by CSRA Article 51, Section 2, and will be located (home terminal) in Erwin, Tennessee.
 - B. Have a jurisdiction to comprise of the total jurisdiction of all the extra boards that were suspended by this agreement.
 - C. Have number assigned to the board regulated in accordance with CSRA Article 37, F, with positions being advertised in accordance with CSRA Article 11 (EBS).
 - D. Have a weekly guarantee in the amount of \$1,466.63, subject to future wage increases, with the provisions of CSRA Article 37, Section 1, Parts A-3, B, E, G-1, G-2, G-4) to apply in regards to the rules governing the prorating of, and adjustments to, an employee's guarantee.
 - E. Have the provisions of CSRA Article 37, Section 1, G, 6, apply in regards to when any employee assigned to the C3 board marks off for non-compensated reasons, with his position remaining on the board, and with no loss of guarantee if he/she marks up before his/her turn is called.

- F. Require an employee who misses a call for service to remain in unavailable status for twelve hours from the time of the missed call, while retaining his/her position on the board, and to forfeit that week's guarantee.
- 3. Other CSRA Articles of Agreement not specifically modified herein remain in effect and unchanged by this agreement.
- 4. While this agreement is in effect, the employees assigned to the AP ER S1 (Erwin), AP KP S1 (Kingsport), and AP BR B2 (Bostic) extra boards will have their guarantee due calculated by using their progressive entry rate percentage when so assigned. An employee at a 90% entry rate progression step, who has no deductions being made for unavailability, would receive 90% of the full guarantee amount less qualified deductions for earnings. Prorated days and deductions for unavailability will be made in the same manner.

This agreement will remain in effect until cancelled by either party having provided the other a thirty (30) days advance notice of their intent to do so. Should either party cancel this agreement, the extra boards suspended by Article 1 of this agreement will be returned to their state prior to the implementation this agreement.

Signed this _____ day of March, 2014.

Salvatore Macedonio CSX Transportation, Inc. O. Ed Weathers SMART-TD