



September 22, 2022

Important Message to All General Chairpersons Subject to National Negotiations  
SMART Transportation Division

Dear Sirs and Brothers:

As we are well aware, our members are eager to learn more about the 2022 Tentative Agreement, which I am enclosing with this letter, along with a Synopsis outlining the Agreement terms.

While reviewing these documents, it is important for our members keep in mind that the SMART Constitution provides a 15-day period for our affected General Chairpersons to submit questions to my office pertaining to the interpretation and the intended application of the terms of this Tentative Agreement. Immediately following that 15-day period, those questions will be consolidated into a single uniform list, and our negotiating committee will meet with the Carriers' representatives to determine the answers to those questions.

As we discussed, those agreed-upon Q&As will be made a part of the Tentative Agreement, which will then be subject to membership ratification. As is always the case, these Q&As will provide crucial clarification on several key aspects of our final Agreement.

As we move ahead with this process, we ask that you help remind our members to remain cautious of any source outside of our Organization that claims to understand or interpret the terms of this Tentative Agreement and/or our members' rights under our constitution. We have seen several websites, social media posts, and publications drawing absurd conclusions, based on nothing more than false assumptions and conjecture. Sources are even going so far as to claim that union leadership can override ratification results and impose Agreements - a claim that is patently false, as there is no such mechanism in our constitution. Our ratification process, including and especially the Q&A process, is designed to cut through that fog and help our members cast a well-informed, educated, and binding ratification vote.

With that being said, we are encouraging you to share this document with your respective Committees, and we appreciate your assistance with gathering questions from our members and forwarding them to this office for inclusion in our Q&As.

To reiterate our earlier discussions, the 15-day period for questions is set to expire at 11:59 p.m. eastern time, on Friday, October 7, 2022. We expect ratification to commence sometime in mid-to-late October.

With best wishes and sincere gratitude for your continued support, I remain

Fraternally yours,

Jeremy R. Ferguson  
President - Transportation Division



## Synopsis of 2022 Tentative National Rail Agreement

### General Wage Increases (GWIs) and Service Recognition Bonuses

- 24% compounded GWIs over the life of the agreement + \$5,000 in lump sum bonuses
  - Largest wage increase in nearly half a century
  - Full retroactivity applied to both GWIs and bonus payments (see charts below)

General Wage Increases		Service Recognition Bonuses	
Effective Date	Percentage	Effective Date	Amount
July 1, 2020	3.0%	December 1, 2020	\$1,000
July 1, 2021	3.5%	December 1, 2021	\$1,000
July 1, 2022	7.0%	December 1, 2022	\$1,000
July 1, 2023	4.0%	December 1, 2023	\$1,000
July 1, 2024	4.5%	December 1, 2024	\$1,000

Estimated Retroactive Payment + Bonuses Based on December 1, 2022 Implementation	
Annual Earnings Basis	Total Retroactive Pay
\$75,000	\$15,523
\$100,000	\$19,696
\$125,000	\$23,871
\$150,000	\$28,044

### Health and Welfare Plan Costs

- No increases to point-of-service/out-of-pocket costs
  - Co-pays, deductibles, coinsurance, prescription drugs, and out-of-pocket maximums remain unchanged
- The sole change is a small increase in monthly cost-sharing contributions, which would increase by 2.4% of premiums, from 12.6% to 15% of premiums
  - Monthly contributions frozen at 15% and capped at \$398.97 effective January 1, 2025
  - **Estimated increases** effective January 1, 2023, with no retroactivity (see chart below)

Estimated Monthly Cost-Sharing Contribution Amounts Based on Current Projections Provided by Insurance Companies	
Effective Date	Monthly Contribution
January 1, 2023	\$319
January 1, 2024	\$340
January 1, 2025	\$362

- To help limit or reduce the above projected increases, the Tentative Agreement also includes a provision for the Unions and Carriers to develop a process for re-bidding our contracts with the Plan's insurance companies and providers
  - This process will be designed specifically for the purpose of limiting unnecessary cost increases, resulting in lower premiums (and therefore limit our monthly cost-sharing contributions)
  - This process will also be designed to mitigate against unnecessary disruption (if any) to the provider networks and our members
  - This process *will not* result in higher point-of-service and/or out-of-pocket costs

### **Health and Welfare Plan Enhancements**

- All age limitations on speech therapy removed (currently limited to those 3 and younger)
- Addition of autism therapies, including Applied Behavioral Analysis (ABA) treatment
- Increase hearing benefits from \$600 per year to \$2,000 per year

### **Quality of Life Enhancements (Personal Leave, Scheduled Days Off, and Excused Absences)**

- Addition of one (1) paid personal leave day, scheduled according to current personal leave and/or daily vacation day rules, or as an awarded day off on the employee's birthday
- All road service assignments (including extraboards) will have assigned days off
  - Observing assigned days off will be completely voluntary
  - Assigned days off will be negotiated by General Committees of Adjustment, and if necessary, with expedited and binding arbitration to ensure timely implementation
- Employees in unassigned service (including extraboards) will be allowed to attend 3 annual routine/preventive medical care visits without being assessed any form of disciplinary points, demerits, or disciplinary citations under any Carriers' attendance policies.
  - Exams must be scheduled at least thirty (30) days in advance, and must take place on a Tuesday, Wednesday, or Thursday (excluding holidays)
  - Each excused absence includes the necessary time off prior to and/or following the exam (employees are entitled to 3 occurrences per year, not just 3 days)
- All absences relating to hospital admissions and surgeries will not result in any form of disciplinary points, demerits or disciplinary citations under any Carrier's attendance related policies.

*Note that this is the first time the Carriers have ever agreed to bargain over attendance policies on a national scale, and it opens the door for future negotiation over these issues!*

### **Improved Predictability, Assignment Selection, and Scheduling**

- Carriers may initiate a process to implement Automated Bid Scheduling (ABS) rules, where such rules do not already exist
  - Employees will electronically submit their assignment preferences, which will be automatically adjusted on a predetermined periodic basis
  - ABS rules will be subject to applicable on-property membership ratification rules, with expedited and binding arbitration as a backstop
- The Carriers and General Committees of Adjustment will reevaluate and reestablish pool and extraboard regulation, and may implement self-supporting pools
  - In doing so, the parties must provide:
    - Opportunities for rest outside/in addition to federal requirements
    - Procedures for employees to voluntarily swap/trade assignments
    - Procedures to ensure pre-arranged layoffs

**MEDIATION AGREEMENT**

THIS AGREEMENT, made this \_\_\_ day of \_\_\_\_\_ 2022 by and between the participating carriers listed in Exhibit A attached hereto and made a part hereof, and represented by the National Carriers' Conference Committee, and the employees of such carriers shown thereon and represented by the International Association of Sheet Metal, Air, Rail and Transportation Workers, Transportation Division ("SMART-TD") witnesseth:

**IT IS HEREBY AGREED:**

**ARTICLE I – WAGES**

**Section 1 - First General Wage Increase** (for other than Dining Car Stewards)

(a) Effective July 1, 2020, all standard basic daily rates of pay for employees represented by SMART-TD in effect on June 30, 2020 shall be increased by three (3) percent.

(b) In computing the increase for enginemen under paragraph (a) above, three (3) percent shall be applied to the standard basic daily rates of pay applicable in the following weight-on-drivers brackets, and the amounts so produced shall be added to each standard basic daily rate of pay:

- Passenger - 600,000 and less than 650,000 pounds
- Freight - 950,000 and less than 1,000,000 pounds  
(through freight rates)
- Yard Engineers - Less than 500,000 pounds
- Yard Firemen - Less than 500,000 pounds  
(separate computation covering five- day rates and other than five-day rates)

**Section 2 - Second General Wage Increase** (for other than Dining Car Stewards)

Effective July 1, 2021, all standard basic daily rates of pay for employees represented by SMART-TD in effect on June 30, 2021 shall be increased by three-and-a-half (3.5) percent, computed and applied in the same manner prescribed in Section 1(b) above.

**Section 3 - Third General Wage Increase**

(for other than Dining Car Stewards)

Effective July 1, 2022, all standard basic daily rates of pay in effect on June 30, 2022 for employees represented by SMAR-TD shall be increased by seven (7) percent, computed and applied in the same manner prescribed in Section 1(b) above.

**Section 4 - Fourth General Wage Increase**

(for other than Dining Car Stewards)

Effective July 1, 2023, all standard basic daily rates of pay in effect on June 30, 2023 for employees represented by SMART-TD shall be increased by four (4) percent, computed and applied in the same manner prescribed in Section 1(b) above.

**Section 5 - Fifth General Wage Increase**

(for other than Dining Car Stewards)

Effective July 1, 2024, all standard basic daily rates of pay in effect on June 30, 2024 for employees represented by SMART-TD shall be increased by four-and-one-half (4.5) percent, computed and applied in the same manner prescribed in Section 1(b) above.

**Section 6 – Standard Rates**

The standard basic daily rates of pay produced by application of the increases provided for in this Article set forth in Appendix 1, which is part of this Agreement.

**Section 7 – Application of Wage Increases**

(a) The adjustments provided for in this Article will not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money, but will apply to mileage rates of pay for miles run in excess of the number of miles comprising a basic day.

(b) In engine service and in train and yard ground service, miscellaneous rates based upon hourly or daily rates of pay, as provided in the schedule or wage agreements, shall be adjusted in the same manner as heretofore increased under previous wage agreements.

(c) In determining new hourly rates, fractions of a cent will be disposed of by applying the next higher quarter of a cent.

(d) Daily earnings minima shall be changed by the amount of the respective daily adjustments.

(e) Standard monthly rates and money monthly guarantees applicable in passenger train service shall be thirty times the new standard daily rates. Other than standard monthly rates



and money monthly guarantees shall be so adjusted that money differential existing as of June 30, 2020 shall be preserved.

(f) Existing monthly rates and money monthly guarantees applicable in train service other than passenger will be changed in the same proportion as the daily rate for the class of service involved is adjusted.

(g) Existing money differential above existing standard daily rates shall be maintained.

(h) In local freight service, the same differential in excess of through freight rates shall be maintained.

(i) The existing differential of \$6.00 per basic day in passenger, freight, and yard service, and 6¢ per mile for miles in excess of the number of miles encompassed in the basic day, currently payable to engineers working without firemen, shall be maintained and applied in the same manner as the local freight differential.

(j) In computing the first increase in rates of pay effective under Section 1 for engineers, firemen, conductors, brakemen and flagmen employed in local freight service, or on road switchers, roustabout runs, mine runs, or in other miscellaneous service, on runs of miles equal to or less than the number comprising a basic day, which are therefore paid on a daily basis without a mileage component, whose rates had been increased by “an additional \$.40” effective July 1, 1968, the three (3) percent increase shall be applied to daily rates in effect on the day preceding the effective date of the general wage increase provided for in Section 1, exclusive of car scale additives, local freight differentials, and any other money differential above existing standard daily rates. For firemen, the rates applicable in the weight-on-drivers bracket 950,000 and less than 1,000,000 pounds shall be utilized in computing the amount of increase. The same procedure shall be followed in computing the increases effective July 1, 2021, July 1, 2022, July 1, 2023, and July 1, 2024. The rates produced by application of the standard local freight differentials and the above-referred-to special increase of “an additional \$.40” to standard basic through freight rates of pay are set forth in Appendix 1 which is a part of this Agreement.

(k) Other than standard rates:

(1) Existing basic daily rates of pay other than standard shall be changed, effective as of the dates specified in Sections 1, 2, 3, 4 and 5 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as the standard rates were determined.

(2) The existing differential of \$6.00 per basic day in passenger, freight, and yard service, and 6¢ per mile for miles in excess of the number of miles encompassed in the basic day, currently payable to engineers working without firemen, shall be maintained and applied in the same manner as the local freight differential.

(3) Daily rates of pay, other than standard, of engineers, firemen, conductors, brakemen and flagmen employed in local freight service, or on road switchers, roustabout runs, mine runs, or in other miscellaneous service, on runs of miles equal to or less than the number encompassed in the basic day, which are therefore paid on a daily basis without a mileage component, shall be increased as of the effective dates specified in Sections 1, 2, 3, 4 and 5 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as provided in paragraph (k)(1) above.

(l) Trip Rates established pursuant to Article V of the 2002 SMART-TD (UTU) Agreement shall be adjusted by application of the general wage increases provided for in this Article I, Sections 1 through 5, in the manner set forth in Article V, Part B, Section 4(c)(1) of that Agreement.

### **Section 8 – General Wage Increases for Dining Car Stewards**

(a) Effective July 1, 2020, all basic monthly rates of pay in effect on June 30, 2020 for dining car stewards represented by SMART-TD shall be increased by three (3) percent.

(b) Effective July 1, 2021, all basic monthly rates of pay in effect on June 30, 2021 for dining car stewards represented by SMART-TD shall be increased by three-and-one-half (3.5) percent.

(c) Effective July 1, 2022, all basic monthly rates of pay in effect on June 30, 2022 for dining car stewards represented by SMART-TD shall be increased by seven (7) percent.

(d) Effective July 1, 2023, all basic monthly rates of pay in effect on June 30, 2023 for dining car stewards represented by SMART-TD shall be increased by four (4) percent.

(e) Effective July 1, 2024, all basic monthly rates of pay in effect on June 30, 2024 for dining car stewards represented by SMART-TD shall be increased by four-and-one-half (4.5) percent.

## **ARTICLE II – SERVICE RECOGNITION BONUSES**

### **Section 1 – First Service Recognition Bonus**

A lump sum payment in the amount of \$1,000 shall be made to each employee who performed active service under the collective bargaining agreement between January 1 and November 30, 2020 and who: (1) maintains an active employment relationship with the carrier as of December 1, 2020; or (2) retired or died on or after January 1, 2020.

### **Section 2 – Second Service Recognition Bonus**

A lump sum payment in the amount of \$1,000 shall be made to each employee who performed active service under the collective bargaining agreement between January 1 and November 30, 2021 and who: (1) maintains an active employment relationship with the carrier as of December 1, 2021; or (2) retired or died on or after January 1, 2021.

### **Section 3 – Third Service Recognition Bonus**

A lump sum payment in the amount of \$1,000 shall be made to each employee who performed active service under the collective bargaining agreement between January 1 and [DATE OF RATIFICATION] and who: (1) maintains an active employment relationship with the carrier as of [DATE OF RATIFICATION]; or (2) retired or died on or after January 1, 2022.

### **Section 4 – Fourth Service Recognition Bonus**

A lump sum payment in the amount of \$1,000 shall be made to each employee who performed active service under the collective bargaining agreement between January 1 and November 30, 2023 and who: (1) maintains an active employment relationship with the carrier as of December 1, 2023; or (2) retired or died on or after January 1, 2023. The payment will be made no later than December 31, 2023.

### **Section 5 – Fifth Service Recognition Bonus**

A lump sum payment in the amount of \$1,000 shall be made to each employee who performed active service under the collective bargaining agreement between January 1 and November 30, 2024 and who: (1) maintains an active employment relationship with the carrier as of December 1, 2024; or (2) retired or died on or after January 1, 2024. The payment will be made no later than December 31, 2024.



## **ARTICLE III - HEALTH AND WELFARE**

### **Part A – Plan Changes**

#### **Section 1 – Continuation of Plan**

The National Railway Carriers and United Transportation Union Health and Welfare Plan (“NRC/UTU H&W Plan”) and the Railroad Employees National Health and Welfare Plan (“the Plan”), modified as provided in this Article with respect to employees represented by the organization and their eligible dependents, shall be continued subject to the provisions of the Railway Labor Act.

#### **Section 2 – Plan Design Changes**

(a) Effective January 1, 2023, the Plan’s Managed Medical Care Program (“MMCP”) and its Comprehensive Health Care Benefit (“CHCB”) shall be modified with respect to hearing benefits to increase the maximum annual payment for tests and examinations, including those by an audiologist or hearing aid dispenser, to diagnose and determine the cause of a hearing loss, and for a hearing aid necessary to restore lost, or help impaired, hearing, to \$2,000.

(b) Effective January 1, 2023, the MMCP, CHCB, and Mental Health and Substance Abuse programs, as applicable, shall be modified to add coverage for the diagnosis and treatment of Autism Spectrum Disorder, without application of age or dollar limitations (other than generally applicable cost-sharing requirements under the terms of the Plan). Coverage for the treatment of Autism Spectrum Disorder shall include speech, occupational and physical therapies, Applied Behavior Analysis, and other medically appropriate intensive behavioral therapies; provided that any such coverage shall be subject to medical management processes (such as prior authorization or treatment plan requirements) applied by the company administering the member’s benefits.

(c) Effective January 1, 2023, the MMCP, CHCB, and Mental Health and Substance Abuse programs, as applicable, shall be modified to remove the age restriction on speech therapy as part of a treatment for developmental delay, cerebral palsy, hearing impairment or major congenital anomalies that affect speech such as, but not limited to, cleft lip and cleft palate. Medical management processes will continue to apply to such coverage.

#### **Section 3 – Other**

The parties agree to direct their representatives to the Plan’s Governing Committee to participate in the Governing Committee’s design and implementation, in a timely fashion, of an appropriate service provider rebid process to ensure that current costs are competitive and not excessive.

### **Part B – Employee Sharing of Plan Costs**

### **Section 1 – Monthly Employee Cost-Sharing Contributions**

(a) Effective January 1, 2023, each employee covered by this Agreement shall contribute to the Plan, for each month that the employer is required to make a contribution to the Plan on the employee's behalf for foreign-to-occupation health benefits coverage for the employee and/or the employee's dependents, a monthly contribution equal to 15% of the Carriers' Monthly Payment Rate. Effective on each subsequent January 1, the monthly employee cost-sharing contribution shall be adjusted to reflect 15% of the Carriers' Monthly Payment Rate for the relevant year.

(b) For purposes of subsection (a) above, the "Carriers' Monthly Payment Rate" for any year shall mean one twelfth of the sum of what the carriers' monthly payments to –

- (1) the Plan for foreign-to-occupation employee and dependent health benefits, employee life insurance benefits and employee accidental death and dismemberment insurance benefits,
- (2) the Dental Plan for employee and dependent dental benefits, and
- (3) the Vision Plan for employee and dependent vision benefits,

would have been during that year, per non-hospital association road employee, in the absence of any employee contributions in the aforementioned plans.

### **Section 2 – Pre-Tax Contributions**

Employee cost-sharing contributions made pursuant to this Part B shall be made on a pre-tax basis pursuant to the existing Section 125 cafeteria plan to the extent applicable.

### **Section 3 – Method of Making Employee Cost-Sharing Contributions**

Employee cost-sharing contributions will be made for the employee by the employee's employer. The employer shall deduct the amount of such employee contributions from the employee's wages and retain the amounts so deducted as reimbursement for the employee contributions that the employer had made for the employee.

### **ARTICLE IV – PERSONAL LEAVE**

Each employee shall be provided with an additional paid day off and will elect, by providing notice to the employer during the prior year's vacation scheduling process, to use the additional paid day off as:

(a) a personal leave day to be scheduled during the upcoming year, subject to rules associated with personal leave days;

(b) an additional single use vacation day to be scheduled during the upcoming year, subject to rules associated with single use vacation days; or

(c) an awarded day off on the employee's birthday during the upcoming year or, if such birthday falls on a scheduled rest day, on the working day immediately preceding or following the employee's birthday, subject to rules associated with scheduled vacation.

An employee who does not make an election during the prior year's vacation scheduling process will be considered to have selected option (b).

#### **ARTICLE V – SCHEDULED DAYS OFF**

Any General Committee seeking to establish rules creating voluntary assigned days off in thru freight road service shall serve a written Notice on the Carrier of its desire to establish voluntary assigned days off agreement rules. The Notice shall specify the rules the Union proposes to establish and the conditions, if any, which it proposes shall govern the establishment of such rules. The Carrier may respond with its own Notice specifying the rules that the Carrier proposes to establish and the conditions, if any, which it proposes shall govern the establishment of such rules.

The General Chairman, or their designee, and the Carrier's designated official will meet within thirty (30) days of the initial Union Notice to negotiate the terms and conditions of the proposed assigned days off agreement rules. Should the parties reach a tentative agreement, it will be subject to ratification pursuant to the Union's ratification requirements, to the extent applicable.

If the parties are unable to reach a ratified agreement on assigned days off rules within one hundred eighty (180) days of the initial Union Notice, then either party may submit the matter to final and binding, party-paid interest arbitration at any time thereafter by written request to the other party. The Arbitration Board shall have jurisdiction to determine whether and how the rules referenced in this Article will be implemented.

The Arbitration Board shall consist of one (1) member appointed by the Union, one (1) member appointed by the Carrier, and a neutral arbitrator, who shall serve as chair of the Board. The neutral arbitrator shall be mutually selected by the parties within ten (10) days of the request for arbitration, and a hearing shall be held within sixty (60) days thereafter, subject to the availability of the arbitrator. If the parties are unable to agree on an arbitrator within ten (10) days of the request for arbitration, then a list of nine (9) arbitrators shall be obtained from the National Mediation Board and the parties shall strike such list until an arbitrator is chosen with the first strike determined by coin flip or another random method.

The terms of the Board's decision shall be issued within thirty (30) days following the hearing or submission of post-hearing briefs, if any, and will be final and binding.

If agreements are reached pursuant to this Article either by ratification or arbitration where none previously existed, the Union will have exhausted all rights to serve any notices pursuant to this Article.

## **ARTICLE VI – AUTOMATED BID SCHEDULING**

Each carrier may serve a notice of its intent to implement the Automated Bid Scheduling Agreement described in (a) – (d), below, and, in doing so, may identify any carrier-specific implementation matters that it believes must be addressed in connection with such implementation. The organization may respond with its own list of carrier-specific implementation issues that it believes must likewise be addressed.

The General Chairman, or their designee, and the Carrier's designated official will meet within thirty (30) days of the initial Carrier Notice to negotiate the terms and conditions of the proposed agreement rules. Should the parties reach a tentative agreement, it will be subject to ratification pursuant to the Union's ratification requirements, to the extent applicable.

### (a) Automated Bid Scheduling (ABS)

- (1) Automated Bid Scheduling (ABS) will serve as the primary method to assign employees on a regular basis, based on seniority, qualifications and job preferences.
- (2) Carriers will maintain a system containing all employees' assignments, including pools and extra boards, which will be updated as necessary. Employees may update their assignment preferences at the designated time. New assignments will be bulletined or posted.
- (3) Employees will be responsible for accessing the system to determine if their assignment has changed.

### (b) Submitting Preferences

- (1) All employees will be required to electronically file their individual preferences for their assignment(s) on their Automated Bid Application and will specify a sufficient number of preferences to ensure a selection will be granted.
- (2) Employees may make changes or update their individual preferences on their Automated Bid Application.

### (c) Job Assignments



- (1) Assignments awarded will be posted electronically for employees. All employee assignments will be assigned based upon the individual preferences employees submitted on their Automated Bid Applications, qualifications and seniority permitting. It is the employee's responsibility to be aware of the new assignment (if applicable) and be rested and available to report when required.
  - (2) Employees changing assignments will protect their assignment until the designated date and time. Employees who are at their home terminal (and not working) will be placed on their new assignment at the designated date and time. Employees on-duty or not at their home terminal at the start of a new assignment will remain on their previous assignment until returning to their home terminal.
  - (3) Employees newly assigned to an extra board or pool freight service will be placed at the bottom of the board/pool at the start of a new assignment or when they return to their home terminal in accordance with their tie-up time. If two or more employees have the same tie-up time, they will be placed on the board in accordance with their last on-duty time.
- (d) Vacation
- (1) Weekly vacations will commence and end at a designated date and time. Employees scheduled to be off for weekly vacation will not have their Automated Bid processed and will not be assigned to a new assignment. Employees returning from weekly vacation will have their Automated Bid Application processed by the system.
  - (2) Weekly/block vacation will begin at 12:01 a.m. and will end at 11:59 p.m., unless otherwise authorized.

If the parties are unable to reach a ratified agreement on the rules referenced in this Article within one hundred eighty (180) days of the initial carrier notice, then either party may submit the matter to final and binding, party-paid interest arbitration at any time thereafter by written request to the other party. The Arbitration Board shall have jurisdiction to determine whether and how the rules referenced in this Article will be implemented.

The Arbitration Board shall consist of one (1) member appointed by the Union, one (1) member appointed by the Carrier, and a neutral arbitrator, who shall serve as chair of the Board. The neutral arbitrator shall be mutually selected by the parties within ten (10) days of the request for arbitration, and a hearing shall be held within sixty (60) days thereafter, subject to the availability of the arbitrator. If the parties are unable to agree on an arbitrator within ten (10) days of the request for arbitration, then a list of nine (9) arbitrators shall be obtained from the National Mediation Board and the parties shall strike such list until an arbitrator is chosen with the first strike determined by coin flip or another random method.

The terms of the Board's decision shall be issued within thirty (30) days following the hearing or submission of post-hearing briefs, if any, and will be final and binding.



If agreements are reached pursuant to this Article either by ratification or arbitration where none previously existed, the Carrier will have exhausted all rights to serve any notices pursuant to this Article.

#### **ARTICLE VII – POOLS AND EXTRA BOARD**

Each carrier may serve a notice of its intent to implement some or all of the items below and, in doing so, may identify any carrier-specific implementation matters that it believes must be addressed in connection with such implementation. The organization may respond with its own list of carrier-specific implementation issues that it believes must likewise be addressed.

The General Chairman, or their designee, and the Carrier's designated official will meet within thirty (30) days of the initial carrier's notice to negotiate the terms and conditions of the proposed agreement rules. Should the parties reach a tentative agreement, it will be subject to ratification pursuant to the Union's ratification requirements, to the extent applicable.

(a) Self-supporting pools

- (1) Pools will be converted to a system under which pool vacancies are primarily protected within that pool
- (2) Pools will operate on a first in/first out basis unless otherwise agreed to by a carrier and labor organization

(b) Pool and extra board regulation

- (1) Pool service will be regulated based on a target number of starts that takes the length of run into consideration
- (2) There will be a predetermined time period during which the number of starts is tabulated for use in the carrier's calculation of the requisite number of employees in the pool
- (3) There will be a predetermined time period for predicting the future number of pool starts utilizing technology
- (4) There will be a process for automatic pool adjustment to ensure consistency with the requirements and intent of the Rail Safety Improvement Act (RSIA), full-time employee availability and fatigue abatement
- (5) Pools will operate on a first in/first out basis, unless otherwise agreed to by the parties
- (6) The carrier may abolish or establish road, yard or combination extra boards which will be regulated by the carrier based on the needs of service

(c) Workforce predictability and flexibility

(1) In conjunction with adoption of the above listed in Paragraph A and/or Paragraph B above, new agreements will provide for one or more of the following:

- (a) Opportunity for employees to observe rest outside the requirements of the Rail Safety Improvement Act
- (b) A procedure under which employees may trade assignments
- (c) A procedure under which employees may receive a pre-arranged layoff

If the parties are unable to reach a ratified agreement on the rules referenced in this Article within one hundred eighty (180) days of the initial carrier notice, then either party may submit the matter to final and binding, party-paid interest arbitration at any time thereafter by written request to the other party. The Arbitration Board shall have jurisdiction to determine whether and how the rules referenced in this Article will be implemented.

The Arbitration Board shall consist of one (1) member appointed by the Union, one (1) member appointed by the Carrier, and a neutral arbitrator, who shall serve as chair of the Board. The neutral arbitrator shall be mutually selected by the parties within ten (10) days of the request for arbitration, and a hearing shall be held within sixty (60) days thereafter, subject to the availability of the arbitrator. If the parties are unable to agree on an arbitrator within ten (10) days of the request for arbitration, then a list of nine (9) arbitrators shall be obtained from the National Mediation Board and the parties shall strike such list until an arbitrator is chosen with the first strike determined by coin flip or another random method.

The terms of the Board's decision shall be issued within thirty (30) days following the hearing or submission of post-hearing briefs, if any, and will be final and binding.

If agreements are reached pursuant to this Article either by ratification or arbitration where none previously existed, the Carrier will have exhausted all rights to serve any notices pursuant to this Article.

#### **ARTICLE VIII – GENERAL PROVISIONS**

(a) The purpose of this Agreement is to settle all disputes growing out of the notices served upon the organization by the carriers listed in Exhibit A on or subsequent to November 1, 2019 (including any notices outstanding as of that date), and the notices served by the organization signatory hereto upon such carriers on or subsequent to November 1, 2019 (including any notices outstanding as of that date), except as otherwise provided in paragraph (c) below.

(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, 2024 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) No party to this Agreement shall serve or progress, prior to November 1, 2024 (not to become effective before January 1, 2025), any notice or proposal, except that this Article shall not settle or bar further progression or handling of local notices served by the carriers regarding the size or consist of train crews and related matters.

(d) This Article will not bar management and the organization on individual railroads from agreeing upon any subject of mutual interest.

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Q&As PENDING



\_\_\_\_\_, 2022

#1

Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This confirms our understanding with respect to the general wage increases provided for in Article I, Sections 1, 2 and 3 and the service recognition bonuses provided for in Article II, Sections 1 and 2 of the Agreement of this date.

The carriers will make all reasonable efforts to pay the retroactive portion of such general wage increases and service recognition bonuses as soon as possible and no later than sixty (60) days after the date of this Agreement. The carriers will make the service recognition bonus payment provided for in Article II, Section 3 of the Agreement at the same time as the aforementioned retroactive payment.

If a carrier finds it impossible to make such payments by that date, such carrier shall notify you in writing explaining why such payments have not been made and indicating when the payments will be made.

Very truly yours,

Brendan M. Branon

I agree:

\_\_\_\_\_  
J. R. Ferguson



\_\_\_\_\_, 2022  
#2

Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This refers to the increase in wages and the service recognition payments provided for in Sections 1, 2 and 3 of Article I and Sections 1 and 2 of Article II of the Agreement of this date.

It is understood that the retroactive portion of those wage increases and service recognition payments shall be applied only to employees who have an employment relationship with a carrier on the date of this Agreement or who retired or died subsequent to June 30, 2020 in the case of the wage increases and January 1, 2020 in the case of the service recognition payments.

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

Very truly yours,

Brendan M. Branon

I agree:

\_\_\_\_\_  
J. R. Ferguson

Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This confirms our understanding with respect to the PEB 250 recommendation that the parties engage in local negotiations with respect to scheduling and job assignment issues including scheduled days off. This letter is without prejudice to either party's positions regarding attendance policies.

Employees in unassigned service, including employees who obtain days off under Article V of this agreement, will be allowed unpaid scheduled day(s) off that are necessary to attend up to three (3) routine and preventive medical care visits per calendar year without being assessed any form of disciplinary points, demerits or disciplinary citations under any Carrier's attendance related policies; provided such exams are scheduled on Tuesday, Wednesday, or Thursday, excluding holidays, and the carrier is provided with at least 30 days advance notice. Documentation verifying that the exam took place may be required by the carrier. The parties will promptly engage in local discussions to implement the terms of this paragraph, including procedures to accommodate employees who move from unassigned to assigned service subsequent to scheduling an exam (where a carrier attendance policy differentiates between such classes of service). If the parties are unable to reach agreement, those issues will be resolved through final and binding expedited interest arbitration.

It is intended that employee requests for routine and preventive medical care time off under the preceding paragraph normally will be granted without regard to usual staffing and operational contingencies. Where other time off requests on the same day(s) would jeopardize operation of the train schedule, the local carrier official and union local chairman will consider appropriate accommodations of the conflicting requests.

This letter also will confirm that approved medical leaves of absence taken pursuant to and in compliance with carrier medical leave of absence policies will not result in any form of disciplinary points, demerits or disciplinary citations under any Carrier's attendance related policies. Absences relating to hospital admissions and surgeries will not result in any form of disciplinary points, demerits or disciplinary citations under any Carrier's attendance related policies.

The carriers will assess short-term serious illnesses or injuries on their individual merits taking into account the gravity of the medical issue.

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

Sincerely,

Brendan M. Branon

I agree:

---

J. R. Ferguson

Q&As PENDING

\_\_\_\_\_, 2022

#4

Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This confirms our understanding with respect to PEB 250 recommendations that requires each employee to contribute to the Health and Welfare Plan. For each month that the employer is required to make a contribution to the Plan on the employee's behalf for foreign-to-occupation health benefits coverage for themselves and/or their dependents, a monthly cost-sharing contribution by the employee shall be made in an amount equal to the lesser of 15% (fifteen percent) of the Carriers' then current Monthly Payment Rate or a frozen cap of **\$398.97** (three hundred ninety-eight dollars and ninety-seven cents) for the year 2025 and each year thereafter until a new SMART-TD National Agreement is negotiated and ratified (at which time the full 15% employee contribution rate is reinstated unless otherwise agreed).

If the negotiations for that National Agreement result in retroactive wage increases applicable for the period that the parties are in negotiations and the employees' monthly contribution to the Health and Welfare Plan would have otherwise exceeded the cap above with annual indexing in the involved years, retroactive application will also be applicable to those contribution increases.

This arrangement shall not be cited in future negotiations under Section 6 of the RLA (up through and including a Presidential Emergency Board or interest arbitration) as a reason or justification for any future increase in compensation or limit or reduction in employee health care contributions.

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

Very truly yours,

Brendan M. Branon

I agree:

J. R. Ferguson \_\_\_\_\_

Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This will confirm our understanding regarding notices that may be served by the parties under Articles V, VI and VII:

BNSF

- Electronic/Automated Bid: BNSF may serve notices regarding the subjects in Article VI.
- Self-Supporting Pools & Pool/Extra Board Regulation: BNSF may serve notices regarding the subjects in Article VII except with respect to Self-Supporting Pools where permanent Self-Supporting Pools, as proposed in Article VII, are already in place by permanent (non-pilot) agreement (i.e., an agreement that is amendable only by mutual agreement or through the RLA section 6 process), or with respect to Pool Regulation where Pool Regulation, as proposed in Article VII, is already in place by permanent agreement.
- Scheduled Off Days: SMART-TD may serve notices regarding the subjects in Article V except where scheduled off days are already in place by permanent agreement.

CN

Neither party will serve any notices to the other under Articles V, VI, or VII.

CSX

- Electronic/Automated Bid and Self-Supporting Pools & Pool/Extra Board Regulation: CSX may serve notice regarding the subjects in Article VI and Article VII.
- Scheduled Off Days: SMART-TD may serve notice regarding the subjects in Article V.

Kansas City Southern

- Electronic/Automated Bid: KCS may serve notices regarding the subjects in Article VI.
- Self-Supporting Pools & Pool/Extra Board Regulation: KCS may serve notices regarding the subjects in Article VII on the KCS property, except with respect to Self-Supporting Pools where Self-Supporting Pools, as proposed in Article VII, are already in place and except with respect to Pool Regulation on the MidSouth property.



- Scheduled Off Days: SMART-TD may serve notices regarding the subjects in Article V except where scheduled off days are already in place by agreement.

Norfolk Southern

- Electronic/Automated Bid and Self-Supporting Pools & Pool/Extra Board Regulation: Norfolk Southern may serve notice regarding the subjects in Article VI and Article VII.
- Scheduled Off Days: SMART-TD may serve notice regarding the subjects in Article V.

Union Pacific

- Electronic/Automated Bid and Self-Supporting Pools & Pool/Extra Board Regulation: Union Pacific may serve notice regarding the subjects in Article VI and Article VII.
- Scheduled Off Days: SMART-TD may serve notice regarding the subjects in Article V.

All Other Carriers in Exhibit A

The carriers may serve notices regarding the subjects in Article VI and Article VII and SMART-TD may serve notice regarding the subjects in Article V.

It is further understood that if notices related to Articles V, VI and VII where applicable are served by the parties or pending concurrently, the negotiations on those notices shall at the request of either party be combined up to and including a single carrier-level interest arbitration process that includes all pending proposals under Articles V, VI, and VII. Nothing herein will preclude a party from presenting property-specific proposals during the carrier-level arbitration.

Please indicate your concurrence by signing in the space below.

Sincerely,

Brendan M. Branon

I concur:

---

J. Ferguson

\_\_\_\_\_, 2022

#6

Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This letter will serve as clarification of the application of the additional paid time off day described in Article IV of the national agreement for new hires. We agree that employees hired on or before September 30 of a year will have access to the additional day of paid time off in that year.

The carriers will offer a reasonable means and a reasonable time period for these newly hired employees to elect from among the three options for using the day that are described Article IV, items (a)-(c) of the national agreement or, in the absence of the employee electing one of the three options, the additional paid time off will be provided under option (b).

Very truly yours,

Brendan M. Branon

I agree:

\_\_\_\_\_  
J. R. Ferguson

Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This confirms our understanding with respect to the tentative agreement of this date that would resolve our respective bargaining notices served on or subsequent to November 1, 2019 ("Tentative Agreement or TA").

If the railroads in national handling collectively enter into a voluntary and ratified national agreement ("New Agreement") to resolve the national notices served on or after November 1, 2019 with any labor organization that provides, in the aggregate, materially greater overall economic value to the employees represented by that organization than is provided for in the report of Presidential Emergency Board No. 250 with respect to that craft, SMART-TD may request that the same value, measured on a GWI-equivalent basis, be added to the Tentative Agreement in a manner to be determined by the parties.

If the President of the SMART-TD believes that a New Agreement has potentially triggered the understanding in this letter, he shall, within 30 days of the date such New Agreement is ratified, provide prompt written notification to the Chairman of the NCCC, and the national parties shall confer within fifteen (15) calendar days to discuss further handling of the matter. Any disagreement between the parties regarding the interpretation or application of this understanding shall be resolved through final and binding party-paid arbitration.

This agreement shall be non-precedential and shall not be referenced in any forum except for the limited purpose of enforcing its terms. This agreement shall expire and have no further effect with respect to a national agreement reached by another labor organization 30 days after the date that the applicable national agreement is ratified.

Please acknowledge your agreement by signing in the space below.

Very truly yours,

Brendan M. Branon

I agree:

J. R. Ferguson \_\_\_\_\_

**EXHIBIT A  
(SMART-TD)**

**RAILROADS REPRESENTED BY THE NATIONAL CARRIERS' CONFERENCE COMMITTEE IN CONNECTION WITH NOTICES SERVED ON OR SUBSEQUENT TO NOVEMBER 1, 2019 BY AND ON BEHALF OF SUCH CARRIERS UPON SMART, TRANSPORTATION DIVISION, AND NOTICES SERVED ON OR SUBSEQUENT TO NOVEMBER 1, 2019 BY THE GENERAL CHAIRMEN, OR OTHER RECOGNIZED REPRESENTATIVES OF SMART, TRANSPORTATION DIVISION, UPON SUCH CARRIERS.**

**Subject to indicated footnotes, this authorization is co-extensive with notices filed and with provisions of current schedule agreements applicable to employees represented by Smart, Transportation Division:**

Alameda Belt Line  
Alton & Southern Railway Company  
The Belt Railway Company of Chicago  
Bessemer and Lake Erie Railroad Company d.b.a. C.N.  
BNSF Railway Company  
Central California Traction Company  
Consolidated Rail Corporation  
CSX Transportation, Inc. - 1  
    Baltimore & Ohio Railroad Company (Former)  
    Baltimore & Ohio Chicago Terminal Railroad Company (Former)  
    Chesapeake & Ohio Railway Company (Former)  
    Chicago & Eastern Illinois Railroad Company (Former)  
    Cinchfield Railroad Company (Former)  
    Consolidated Rail Corporation (Former)  
    Toledo Terminal Railroad Company (Former)  
    Monon Railroad Company (Former)  
    Pere Marquette Railroad Company (Former)  
    Seaboard Coast Line Railroad Company (Former)  
    Western Maryland Railroad Company (Former)  
    Richmond Fredericksburg & Potomac Railroad Company (Former)  
    Gainesville Midland Railroad Company (Former)  
Grand Trunk Western Railroad Company d.b.a. C.N.  
Illinois Central Railroad Company and Chicago, Central & Pacific Railroad Company d.b.a. C.N.  
Indiana Harbor Belt Railroad Company  
The Kansas City Southern Railway Company  
    Kansas City Southern Railway  
    Louisiana and Arkansas Railway  
    MidSouth Rail Corporation  
    Gateway Western Railway

SouthRail Corporation  
 Tenn. Rail Corporation  
 Joint Agency  
 Longview Switching Company  
 Los Angeles Junction Railway Company  
 New Orleans Public Belt Railroad Corporation - 2  
 Norfolk & Portsmouth Belt Line Railroad Company  
 Norfolk Southern Railway Company  
     The Alabama Great Southern Railroad Company  
     Central of Georgia Railroad Company  
     The Cincinnati, New Orleans & Texas Pacific Railway Co.  
     Georgia Southern and Florida Railway Company  
     Tennessee, Alabama and Georgia Railway Company  
     Tennessee Railway Company  
 Northeast Illinois Regional Commuter Railroad Corporation (METRA) - 1  
 Northern Indiana Commuter Transportation District – 1  
 Palmetto Railways  
 Port Terminal Railroad Association  
 Terminal Railroad Association of St. Louis - 1  
 Texas City Terminal Railway Company  
 Union Pacific Railroad Company  
 Wichita Terminal Association  
 Winston-Salem Southbound Railway Company  
 Wisconsin Central Ltd. d.b.a. C.N.

\* \* \* \* \*

**Notes:**

- 1 - Health & Welfare only
- 2 - Wages and Health & Welfare only

**FOR THE CARRIERS:**

**FOR SMART-TD:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_, 2022  
 Arlington, VA

**MEDIATION AGREEMENT**

THIS AGREEMENT, made this \_\_\_ day of \_\_\_\_\_ 2022 by and between the participating carriers listed in Exhibit A attached hereto and made a part hereof, and represented by the National Carriers' Conference Committee, and the employees of such carriers shown thereon and represented by the Yardmasters Department, International Association of Sheet Metal, Air, Rail and Transportation Workers, Transportation Division ("SMART-TD") witnesseth:

**IT IS HEREBY AGREED:**

**ARTICLE I – WAGES**

**Section 1 - First General Wage Increase**

Effective July 1, 2020, all standard basic daily rates of pay for employees covered by this Agreement in effect on June 30, 2020 shall be increased by three (3) percent.

**Section 2 - Second General Wage Increase**

Effective July 1, 2021, all standard basic daily rates of pay in effect on June 30, 2021 for employees covered by this Agreement shall be increased by three-and-one-half (3.5) percent, computed and applied in the same manner prescribed in Section 1 above.

**Section 3 - Third General Wage Increase**

Effective July 1, 2022, all standard basic daily rates of pay in effect on June 30, 2022 for employees covered by this Agreement shall be increased by seven (7) percent, computed and applied in the same manner prescribed in Section 1 above.

**Section 4 - Fourth General Wage Increase**

Effective July 1, 2023, all standard basic daily rates of pay in effect on June 30, 2023 for employees covered by this Agreement shall be increased by four (4) percent, computed and applied in the same manner prescribed in Section 1 above.



## **Section 5 - Fifth General Wage Increase**

Effective July 1, 2024, all standard basic daily rates of pay in effect on June 30, 2021 for employees covered by this Agreement shall be increased by four-and-one-half (4.5) percent, computed and applied in the same manner prescribed in Section 1 above.

## **ARTICLE II – SERVICE RECOGNITION BONUSES**

### **Section 1 – First Service Recognition Bonus**

A lump sum payment in the amount of \$1,000 shall be made to each employee who performed active service under the collective bargaining agreement between January 1 and November 30, 2020 and who: (1) maintains an active employment relationship with the carrier as of December 1, 2020; or (2) retired or died on or after January 1, 2020.

### **Section 2 – Second Service Recognition Bonus**

A lump sum payment in the amount of \$1,000 shall be made to each employee who performed active service under the collective bargaining agreement between January 1 and November 30, 2021 and who: (1) maintains an active employment relationship with the carrier as of December 1, 2021; or (2) retired or died on or after January 1, 2021.

### **Section 3 – Third Service Recognition Bonus**

A lump sum payment in the amount of \$1,000 shall be made to each employee who performed active service under the collective bargaining agreement between January 1 and [DATE OF RATIFICATION] and who: (1) maintains an active employment relationship with the carrier as of [DATE OF RATIFICATION]; or (2) retired or died on or after January 1, 2022.

### **Section 4 – Fourth Service Recognition Bonus**

A lump sum payment in the amount of \$1,000 shall be made to each employee who performed active service under the collective bargaining agreement between January 1 and November 30, 2023 and who: (1) maintains an active employment relationship with the carrier as of December 1, 2023; or (2) retired or died on or after January 1, 2023. The payment will be made no later than December 31, 2023.

## **Section 5 – Fifth Service Recognition Bonus**

A lump sum payment in the amount of \$1,000 shall be made to each employee who performed active service under the collective bargaining agreement between January 1 and November 30, 2024 and who: (1) maintains an active employment relationship with the carrier as of December 1, 2024; or (2) retired or died on or after January 1, 2024. The payment will be made no later than December 31, 2024.

## **ARTICLE III - HEALTH AND WELFARE**

### **Part A – Plan Changes**

#### **Section 1 – Continuation of Plan**

The National Railway Carriers and United Transportation Union Health and Welfare Plan (“NRC/UTU H&W Plan”) and the Railroad Employees National Health and Welfare Plan (“the Plan”), modified as provided in this Article with respect to employees represented by the organization and their eligible dependents, shall be continued subject to the provisions of the Railway Labor Act.

#### **Section 2 – Plan Design Changes**

(a) Effective January 1, 2023, the Plan’s Managed Medical Care Program (“MMCP”) and its Comprehensive Health Care Benefit (“CHCB”) shall be modified with respect to hearing benefits to increase the maximum annual payment for tests and examinations, including those by an audiologist or hearing aid dispenser, to diagnose and determine the cause of a hearing loss, and for a hearing aid necessary to restore lost, or help impaired, hearing, to \$2,000.

(b) Effective January 1, 2023, the MMCP, CHCB, and Mental Health and Substance Abuse programs, as applicable, shall be modified to add coverage for the diagnosis and treatment of Autism Spectrum Disorder, without application of age or dollar limitations (other than generally applicable cost-sharing requirements under the terms of the Plan). Coverage for the treatment of Autism Spectrum Disorder shall include speech, occupational and physical therapies, Applied Behavior Analysis, and other medically appropriate intensive behavioral therapies; provided that any such coverage shall be subject to medical management processes (such as prior authorization or treatment plan requirements) applied by the company administering the member’s benefits.

(c) Effective January 1, 2023, the MMCP, CHCB, and Mental Health and Substance Abuse programs, as applicable, shall be modified to remove the age restriction on speech therapy as part of a treatment for developmental delay, cerebral palsy, hearing impairment or major congenital anomalies that affect speech such as, but not limited to, cleft lip and cleft palate. Medical management processes will continue to apply to such coverage.

### **Section 3 – Other**

The parties agree to direct their representatives to the Plan’s Governing Committee to participate in the Governing Committee’s design and implementation, in a timely fashion, of an appropriate service provider rebid process to ensure that current costs are competitive and not excessive.

### **Part B – Employee Sharing of Plan Costs**

#### **Section 1 – Monthly Employee Cost-Sharing Contributions**

(a) Effective January 1, 2023, each employee covered by this Agreement shall contribute to the Plan, for each month that the employer is required to make a contribution to the Plan on the employee’s behalf for foreign-to-occupation health benefits coverage for the employee and/or the employee’s dependents, a monthly contribution equal to 15% of the Carriers’ Monthly Payment Rate. Effective on each subsequent January 1, the monthly employee cost-sharing contribution shall be adjusted to reflect 15% of the Carriers’ Monthly Payment Rate for the relevant year.

(b) For purposes of subsection (a) above, the “Carriers’ Monthly Payment Rate” for any year shall mean one twelfth of the sum of what the carriers’ monthly payments to –

- (1) the Plan for foreign-to-occupation employee and dependent health benefits, employee life insurance benefits and employee accidental death and dismemberment insurance benefits,
- (2) the Dental Plan for employee and dependent dental benefits, and
- (3) the Vision Plan for employee and dependent vision benefits,

would have been during that year, per non-hospital association road employee, in the absence of any employee contributions in the aforementioned plans.

#### **Section 2 – Pre-Tax Contributions**

Employee cost-sharing contributions made pursuant to this Part B shall be made on a pre-tax basis pursuant to the existing Section 125 cafeteria plan to the extent applicable.

#### **Section 3 – Method of Making Employee Cost-Sharing Contributions**

Employee cost-sharing contributions will be made for the employee by the employee’s employer. The employer shall deduct the amount of such employee contributions from the

employee's wages and retain the amounts so deducted as reimbursement for the employee contributions that the employer had made for the employee.

#### **ARTICLE IV – PERSONAL LEAVE**

Each employee shall be provided with an additional paid day off and will elect, by providing notice to the employer during the prior year's vacation scheduling process, to use the additional paid day off as:

- (a) a personal leave day to be scheduled during the upcoming year, subject to rules associated with personal leave days;
- (b) an additional single use vacation day to be scheduled during the upcoming year, subject to rules associated with single use vacation days; or
- (c) an awarded day off on the employee's birthday during the upcoming year or, if such birthday falls on a scheduled rest day, on the working day immediately preceding or following the employee's birthday, subject to rules associated with scheduled vacation.

An employee who does not make an election during the prior year's vacation scheduling process will be considered to have selected option (b).

#### **ARTICLE V – GENERAL PROVISIONS**

##### **Section 1 - Court Approval**

This Agreement is subject to approval of the courts with respect to participating carriers in the hands of receivers or trustees.

##### **Section 2 - Effect of this Agreement**

- (a) The purpose of this Agreement is to settle the disputes growing out of the notices served upon the organization by the carriers listed in Exhibit A on or subsequent to November 1, 2019 (including any notices outstanding as of that date), and the notices served by the organization signatory hereto upon such carriers on or subsequent to November 1, 2019 (including any notices outstanding as of that date).
- (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, 2024 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) No party to this Agreement shall serve or progress, prior to November 1, 2024 (not to become effective before January 1, 2025), any notice or proposal.

(d) This Article will not bar management and the organization on individual railroads from agreeing upon any subject of mutual interest.

(Remainder of Page Intentionally Blank)

Q&As PENDING



SIGNED AT ARLINGTON, VA, THIS \_\_ TH DAY OF \_\_\_\_\_, 2022.

**FOR THE PARTICIPATING  
CARRIERS LISTED IN  
EXHIBIT A:**

**FOR THE EMPLOYEES  
REPRESENTED BY THE  
YARDMASTERS DEPT., SMART,  
TRANSPORTATION DIVISION:**

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Q&As PENDING

Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This confirms our understanding with respect to the general wage increases provided for in Article I, Sections 1, 2 and 3 and the service recognition bonuses provided for in Article II, Sections 1 and 2 of the Agreement of this date.

The carriers will make all reasonable efforts to pay the retroactive portion of such general wage increases and service recognition bonuses as soon as possible and no later than sixty (60) days after the date of this Agreement. The carriers will make the service recognition bonus payment provided for in Article II, Section 3 of the Agreement at the same time as the aforementioned retroactive payment.

If a carrier finds it impossible to make such payments by that date, such carrier shall notify you in writing explaining why such payments have not been made and indicating when the payments will be made.

Very truly yours,

Brendan M. Branon

I agree:

\_\_\_\_\_  
J. R. Ferguson

\_\_\_\_\_, 2022  
#2

Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This refers to the increase in wages and the service recognition payments provided for in Sections 1, 2 and 3 of Article I and Sections 1 and 2 of Article II of the Agreement of this date.

It is understood that the retroactive portion of those wage increases and service recognition payments shall be applied only to employees who have an employment relationship with a carrier on the date of this Agreement or who retired or died subsequent to June 30, 2020 in the case of the wage increases and January 1, 2020 in the case of the service recognition payments.

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

Very truly yours,

Brendan M. Branon

I agree:

\_\_\_\_\_  
J. R. Ferguson

\_\_\_\_\_, 2022  
#3

Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This letter will serve as clarification of the application of the additional paid time off day described in Article IV of the national agreement for new hires. We agree that employees hired on or before September 30 of a year will have access to the additional day of paid time off in that year.

The carriers will offer a reasonable means and a reasonable time period for these newly hired employees to elect from among the three options for using the day that are described Article IV, items (a)-(c) of the national agreement or, in the absence of the employee electing one of the three options, the additional paid time off will be provided under option (b).

Very truly yours,

Brendan M. Branon

I agree:

\_\_\_\_\_  
J. R. Ferguson

\_\_\_\_\_, 2022

#4

Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This confirms our understanding with respect to PEB 250 recommendations that requires each employee to contribute to the Health and Welfare Plan. For each month that the employer is required to make a contribution to the Plan on the employee's behalf for foreign-to-occupation health benefits coverage for themselves and/or their dependents, a monthly cost-sharing contribution by the employee shall be made in an amount equal to the lesser of 15% (fifteen percent) of the Carriers' then current Monthly Payment Rate or a frozen cap of **\$398.97** (three hundred ninety-eight dollars and ninety-seven cents) for the year 2025 and each year thereafter until a new SMART-TD National Agreement is negotiated and ratified (at which time the full 15% employee contribution rate is reinstated unless otherwise agreed).

If the negotiations for that National Agreement result in retroactive wage increases applicable for the period that the parties are in negotiations and the employees' monthly contribution to the Health and Welfare Plan would have otherwise exceeded the cap above with annual indexing in the involved years, retroactive application will also be applicable to those contribution increases.

This arrangement shall not be cited in future negotiations under Section 6 of the RLA (up through and including a Presidential Emergency Board or interest arbitration) as a reason or justification for any future increase in compensation or limit or reduction in employee health care contributions.

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

Very truly yours,

Brendan M. Branon

I agree:

\_\_\_\_\_  
J. R. Ferguson



Mr. Jeremy R. Ferguson  
President – Transportation Division  
International Association of Sheet Metal, Air, Rail and Transportation Workers  
6060 Rockside Woods Blvd. N., Ste. #325  
Independence, OH 44131

Dear Mr. Ferguson:

This confirms our understanding with respect to the tentative agreement of this date that would resolve our respective bargaining notices served on or subsequent to November 1, 2019 ("Tentative Agreement or TA").

If the railroads in national handling collectively enter into a voluntary and ratified national agreement ("New Agreement") to resolve the national notices served on or after November 1, 2019 with any labor organization that provides, in the aggregate, materially greater overall economic value to the employees represented by that organization than is provided for in the report of Presidential Emergency Board No. 250 with respect to that craft, SMART-TD may request that the same value, measured on a GWI-equivalent basis, be added to the Tentative Agreement in a manner to be determined by the parties.

If the President of the SMART-TD believes that a New Agreement has potentially triggered the understanding in this letter, he shall, within 30 days of the date such New Agreement is ratified, provide prompt written notification to the Chairman of the NCCC, and the national parties shall confer within fifteen (15) calendar days to discuss further handling of the matter. Any disagreement between the parties regarding the interpretation or application of this understanding shall be resolved through final and binding party-paid arbitration.

This agreement shall be non-precedential and shall not be referenced in any forum except for the limited purpose of enforcing its terms. This agreement shall expire and have no further effect with respect to a national agreement reached by another labor organization 30 days after the date that the applicable national agreement is ratified.

Please acknowledge your agreement by signing in the space below.

Very truly yours,

Brendan M. Branon

I agree:

J. R. Ferguson \_\_\_\_\_

**EXHIBIT A  
(SMART-TD-YDM)**

**RAILROADS REPRESENTED BY THE NATIONAL CARRIERS' CONFERENCE COMMITTEE IN CONNECTION WITH NOTICES SERVED ON OR SUBSEQUENT TO NOVEMBER 1, 2019 BY AND ON BEHALF OF SUCH CARRIERS UPON SMART, TRANSPORTATION DIVISION, YARDMASTERS DEPARTMENT AND NOTICES SERVED ON OR AFTER NOVEMBER 1, 2019 BY THE GENERAL CHAIRMEN, OR OTHER RECOGNIZED REPRESENTATIVES OF THE YARDMASTERS DEPARTMENT - SMART, TRANSPORTATION DIVISION, UPON SUCH CARRIERS.**

**Subject to indicated footnotes, this authorization is co-extensive with notices filed and with provisions of current schedule agreements applicable to employees represented by the Yardmasters Department – SMART-TD:**

Alton & Southern Railway Company - 3  
BNSF Railway Company  
Consolidated Rail Corporation  
Consolidated Rail Corporation (Mechanical Foremen) - 1  
CSX Transportation, Inc. – 2  
    Seaboard Coast Line Railroad Company (Former)  
    Baltimore & Ohio Railroad Company (Former)  
    Chesapeake & Ohio, Louisville & Nashville, Clinchfield, Nashville, Chattanooga  
    St. Louis, and Monon Railroad Companies  
    Conrail Northern Lines  
Grand Trunk Western Railroad Company d.b.a. C.N.  
Illinois Central Railroad Company d.b.a. C.N.  
Indiana Harbor Belt Railroad Company  
The Kansas City Southern Railway Company  
    Kansas City Southern Railway  
    Joint Agency  
Longview Switching Company - 3  
New Orleans Public Belt Railroad Corporation - 3  
Norfolk & Portsmouth Belt Line Railroad Company  
Norfolk Southern Railway Company  
    The Alabama Great Southern Railroad Company  
    Central of Georgia Railroad Company  
    The Cincinnati, New Orleans & Texas Pacific Railway Co.  
    Georgia Southern and Florida Railway Company  
    Tennessee, Alabama and Georgia Railway Company  
    Tennessee Railway Company  
Northeast Illinois Regional Commuter Railroad Corporation (METRA) – 2  
Portland Terminal Railroad Company  
Port Terminal Railroad Association  
Terminal Railroad Association of St. Louis  
Texas City Terminal Railway Company

Wisconsin Central Ltd. d.b.a. C.N.  
Wisconsin Central Ltd. as successor to Elgin, Joliet and Eastern Railway d.b.a. C.N.  
Wisconsin Central Ltd. as successor to Duluth, Missabe & Iron Range Railway d.b.a. C.N.

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**Notes:**

- 1 - Wages & Rules and Health & Welfare only
- 2 - Health & Welfare and Supplemental Sickness only
- 3 - Wages, Health & Welfare and Supplemental Sickness only

**FOR THE CARRIERS:**

**FOR YARDMASTERS  
DEPARTMENT, SMART-TD:**

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\_\_\_\_\_, 2022  
Arlington, VA

Q&As PENDING