

JW NCB

Tentative Agreement between CSXT and BRC

August 21, 2024

The following represents the tentative agreement between CSX Transportation, Inc. and the Brotherhood of Railway Carmen to amend their collective bargaining agreement in advance of the 2025 round of national bargaining and in full and final satisfaction of the parties' rights to serve notice and amend their agreements pursuant to the moratorium provisions of the agreements and the Railway Labor Act, as amended, 45 U.S.C. § 151 et seq.

The parties agree that this tentative agreement constitutes a single, complete and comprehensive package agreement, that the agreement is subject to unconditional approval or ratification as a whole in accordance with each party's internal governance and procedures, and that no part of this agreement may be modified or rejected without modification or rejection of the agreement in its entirety.

1. General Wage Increases
 - July 1, 2025 – 4.0%
 - July 1, 2026 – 3.75%
 - July 1, 2027 – 3.5%
 - July 1, 2028 – 3.25%
 - July 1, 2029 – 3.0%

2. Vacation for New Hires (Year 0)

Effective January 1, 2025, new hire employees working full-time to have paid vacation days, to be taken as single day vacation subject to all applicable rules, based on their date of hire month (in Year 0) as follows:

- January/February – 5 days
- March/April – 4 days
- May/June – 3 days
- July/August – 2 days
- September/October – 1 day

3. Vacation Year 1 Non-qualifying Employees

Effective January 1, 2025, employees working full-time in their second calendar year of employment (Year 1) who did not qualify for vacation in the prior year (Year 0) under the National Vacation Agreement will have five (5) paid vacation days, to be taken as single day vacation subject to all applicable rules.

4. Vacation Accrual Acceleration

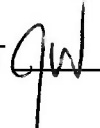
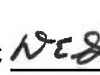

Effective January 1, 2025, the collective agreement provisions with respect to granting of vacation will be amended to reflect the following accrual schedules:

- Two (2) or more years – 10 days
- ~~Eight (8)~~ Six (6) or more years – 15 days
- ~~Seventeen (17)~~ Fifteen (15) or more years – 20 days
- ~~Twenty-five (25)~~ Twenty-three (23) or more years – 25 days

5. Health and Welfare

The following provisions are expressly contingent upon authorization, approval and implementation by the National Carriers' Conference Committee (NCCC) as an administrator for The Railroad Employees National Health & Welfare Plan.

- A. Effective January 1, 2025, coverage for surviving dependents will be extended through the end of the sixth (6th) month following the month in which the employee dies.
- B. Effective January 1, 2025, plan benefits will include male sterilization procedures (i.e., vasectomy), not including reversals.
- C. Effective January 1, 2025, the individual annual maximum dental benefit will be increased from \$1,500 to \$2,500, and the individual lifetime maximum orthodontia benefit will be increased from \$1,000 to \$2,500.
- D. Effective January 1, 2025, the vision frame allowance will be increased from \$115 every two years to \$250 every two years.
- E. Effective January 1, 2025, the monthly payment for employees who elect to opt-out of coverage under the national health and welfare plan will be increased from \$100 to \$200.
- F. Effective January 1, 2025, or as soon as reasonably practicable thereafter, the plan will offer a new medical coverage option with a reduced employee-only rate.
 - 1) There will be a single funding pool to include existing plan options and the new reduced-rate option.
 - 2) The employee-only reduced-rate option employee monthly contribution will be ten percent (10%) of the carrier's monthly payment rate, and will be subject to the provisions of the Side Letter covering contribution rates during the post-2030 amendable period (attached).

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- 3) The reduced-rate option will be HSA eligible.
- 4) The reduced-rate option will have the following plan design features:

	In Network	Out of Network
Deductible	\$2,500	\$5,000
Out of pocket maximum	\$5,000	\$10,000
Coinsurance – office visits and in/outpatient care	90% after deductible	70%
RX – generic coinsurance (retail and mail order)	10% after deductible	75% of R&C
RX – formulary (retail and mail order)	20% after deductible	75% of R&C
RX – non-formulary (retail and mail order)	30% after deductible	75% of R&C
Employee contributions	10% of payment rate (2025 = \$206/month)	

G. Effective January 1, 2025, the following medical and prescription drug plan rules and practices will be implemented:

- 1) Improper billing detection and mitigation programs where available with the plan's medical vendors.
- 2) Out of network referenced-based pricing programs where available with the plan's medical vendors.
- 3) Prior authorization for specialty drugs; and prior authorization, step therapy and quantity limits for non-specialty therapeutic classifications to include anti-infective agents, central nervous system, gastroenterology and ophthalmology.

H. Monthly Employee Cost-Sharing Contributions (n/a to reduced-rate option)

- 1) Effective January 1, 2025, 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 Carrier's Monthly Payment Rate. Effective on each subsequent January 1, the monthly employee cost-sharing contribution shall be adjusted to reflect 15% of the Carrier's Monthly Payment Rate for the relevant year.
- 2) For purposes of subsection (a) above, the "Carrier's Monthly Payment Rate" for any year shall mean one twelfth of the sum of what the carrier's monthly payments to –
 - a. the Plan for foreign-to-occupation employee and dependent health benefits, employee life insurance benefits and employee accidental death and dismemberment insurance benefits,

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- b. the Dental Plan for employee and dependent dental benefits, and
- c. 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.

- I. If existing national health care legislation is repealed, the parties will meet and confer on a voluntary basis to discuss the benefits that were previously mandated.

- 6. This Agreement will remain in effect through December 31, 2029 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended. Neither party to this Agreement will serve or progress, prior to November 1, 2029 (not to become effective before January 1, 2030), any notice or proposal pursuant to Section 6 of the Railway Labor Act, however this does not prevent the parties from proposing or agreeing upon any subject of mutual interest.

Appended:

Side Letter regarding employee monthly contributions to health and welfare plan

Side Letter regarding potential adjustments for other CSXT or BRC agreements

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Don Grissom
General President
Brotherhood of Railway Carmen
3 Research Place
Rockville, MD 20850

Dear Mr. Grissom:

This confirms our understanding and agreement regarding employee contributions to the Railroad Employees National 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 15% (fifteen percent) of the Carrier's then current Monthly Payment Rate. In the event new collective agreements are not negotiated and ratified prior to January 1, 2031, the monthly cost-sharing contribution will not be increased beyond the rate last established under the terms of the January 1, 2025 agreements.

Upon ratification of successor agreement(s), the full 15% employee contribution rate will be reinstated unless otherwise agreed. If the negotiations for such successor agreement(s) 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 rate established under the predecessor agreements, retroactive application will also be applicable to those contribution increases.

This arrangement shall not be cited in future negotiations under Section 6 of the Railway Labor Act (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 in the space provided below.

Sincerely,

Jeff Wall
Vice President, Labor Relations
CSX Transportation, Inc.

I agree:

Don Grissom

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Don Grissom
General President
Brotherhood of Railway Carmen
3 Research Place
Rockville, MD 20850

Dear Mr. Grissom:

This confirms our understanding with respect to the tentative agreement of this date between CSX Transportation, Inc. and the Brotherhood of Railway Carmen.

In the event CSXT enters into a voluntary and ratified collective agreement with any labor organization which: (a) deviates in any respect from the terms of the core economic items listed in paragraphs 1 through 7 and Side Letter 1 of the tentative agreement, or (b) incorporates local or other carrier- or union-specific agreements not tentatively agreed-upon prior to the date of this tentative agreement between CSXT and BRC; and which, in either case provides, in the aggregate, materially greater overall economic value to the employees represented by that organization or lesser value to the carrier than is provided in the CSXT-BRC tentative agreement of this date (excluding the value of any settlements of existing claims or grievances alleging violations or penalties due under such agreements); then BRC may request that the CSXT-BRC Agreements be adjusted to account for that difference in value in a manner to be determined by the parties.

Similarly, in the event BRC enters into a voluntary and ratified collective agreement with any railroad member of the National Carriers' Conference Committee (NCCC) which: (a) deviates in any respect from the terms of the core economic items listed in paragraphs 1 through 7 and Side Letter 1 of the tentative agreement, or (b) incorporates local or other carrier- or union-specific agreements not tentatively agreed-upon prior to the date of this tentative agreement between CSXT and BRC; and which, in either case provides, in the aggregate, materially greater overall economic value to the carrier or lesser overall economic value to the employees represented by BRC than is provided in the CSXT-BRC tentative agreement of this date (excluding the value of any settlements of existing claims or grievances alleging violations or penalties due under such agreements), CSXT may request that the CSXT-BRC Agreement be adjusted to account for that difference in economic value in a manner to be determined by the parties.

If the General President of the BRC or the CSXT Vice President, Labor Relations believes that any such collective agreement has potentially triggered the understanding in this letter, they shall, within sixty (60) days of the date such agreement is ratified, provide prompt written notification to the other and 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 other agreements between BRC and any NCCC carrier or CSXT and any labor organization sixty (60) days after all such agreements are ratified.

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CSXT QW BRC WCS TWU [Signature]

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

Sincerely,

Jeff Wall
Vice President, Labor Relations
CSX Transportation, Inc.

I agree:

Don Grissom