

AGREEMENT

THIS AGREEMENT, made this ___ day of _____, 2024 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 Transportation Communications Union/IAM, witnesseth:

IT IS HEREBY AGREED:

ARTICLE I - WAGES

Section 1 - First General Wage Increase

Effective July 1, 2025, all hourly, daily, weekly, and monthly rates of pay in effect on June 30, 2025 for employees covered by this Agreement shall be increased in the amount of four (4) percent applied so as to give effect to this increase in pay irrespective of the method of payment. The increase provided for in this Section 1 shall be applied as follows:

- (a) Hourly Rates -
Add 4 percent to the existing hourly rates of pay.
- (b) Daily Rates -
Add 4 percent to the existing daily rates of pay.
- (c) Weekly Rates -
Add 4 percent to the existing weekly rates of pay.
- (d) Monthly Rates -
Add 4 percent to the existing monthly rates of pay.
- (e) Red Caps -
Hourly rates of pay, or guarantees, for Red Caps shall be increased by four (4) percent.
- (f) Disposition of Fractions -
Rates of pay resulting from application of paragraphs (a) to (e) inclusive, above, which end in fractions of a cent shall be rounded to the nearest whole cent, fractions less than one-half cent shall be dropped, and fractions of one-half cent or more shall be increased to the nearest full cent.
- (g) Application of Wage Increases -
The increase in wages provided for in this Section 1 shall be applied in accordance with the wage or working conditions agreement in effect between each carrier and the labor organization party hereto. Special allowances not included in fixed hourly, daily, weekly, or monthly rates of pay for all services rendered, and arbitraries representing duplicate time payments, will not be increased. Overtime hours will be computed in accordance with individual schedules for all overtime hours paid for.

Section 2 - Second General Wage Increase

Effective July 1, 2026, all hourly, daily, weekly, and monthly rates of pay in effect on June 30, 2026 for employees covered by this Agreement shall be increased in the amount of three-and-three-quarters (3.75) percent applied so as to give effect to this increase irrespective of the method of payment. The increase provided for in this Section 2 shall be applied in the same manner as provided for in Section 1 hereof.

Section 3 - Third General Wage Increase

Effective July 1, 2027, all hourly, daily, weekly, and monthly rates of pay in effect on June 30, 2027 for employees covered by this Agreement shall be increased in the amount of three-and-one-half (3.5) percent applied so as to give effect to this increase irrespective of the method of payment. The increase provided for in this Section 3 shall be applied in the same manner as provided for in Section 1 hereof.

Section 4 - Fourth General Wage Increase

Effective July 1, 2028, all hourly, daily, weekly, and monthly rates of pay in effect on June 30, 2028 for employees covered by this Agreement shall be increased in the amount of three-and-one-quarter (3.25) percent applied so as to give effect to this increase irrespective of the method of payment. The increase provided for in this Section 4 shall be applied in the same manner as provided for in Section 1 hereof.

Section 5 - Fifth General Wage Increase

Effective July 1, 2029, all hourly, daily, weekly, and monthly rates of pay in effect on June 30, 2029 for employees covered by this Agreement shall be increased in the amount of three (3) percent applied so as to give effect to this increase irrespective of the method of payment. The increase provided for in Section 5 shall be applied in the same manner as provided for in Section 1 hereof.

ARTICLE II – VACATION

Section 1 – Vacation for New Hires (“Year 0”)

Effective January 1, 2025, new hire employees working full-time will 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

Employees working alternative work schedules will earn this entitlement in accordance with local agreement terms.

Section 2 -- Vacation “Year 1” for 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 but who worked a full-time schedule will have five (5) paid vacation days subject to all applicable rules.

Section 3 - Vacation Accrual Acceleration

Effective January 1, 2025, the provisions of the National Vacation Agreement will be amended to reflect the following accrual schedules for employees with six or more years of continuous service:

(a) Effective with the calendar year 2025, an annual vacation of fifteen (15) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has six (6) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days in each of six (6) of such years, not necessarily consecutive.

(b) Effective with the calendar year 2025, an annual vacation of twenty (20) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has fifteen (15) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days in each of fifteen (15) of such years, not necessarily consecutive.

(c) Effective with the calendar year 2025, an annual vacation of twenty-five (25) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has twenty-three (23) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days in each of twenty-three (23) of such years, not necessarily consecutive.

Section 4 - Single Day Vacation

Effective January 1, 2025, employees will be permitted to take five (5) days of their accrued vacation allowance as single vacation days within each calendar year, subject to all applicable rules. This will not impair any agreements providing for the scheduling of more than five (5) days of vacation as single day vacation.

ARTICLE III – Health and Welfare

Part A – Plan Changes

Section 1 – Continuation of Plan

The Railroad Employees National Health and Welfare Plan (“the Plan”), The Railroad Employees National Dental Plan (“the Dental Plan”), The Railroad Employees National Vision Plan (“the Vision 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

The Plan’s Managed Care Program (“MMCP”) and the Comprehensive Health Care Benefit (CHCB) shall both be revised as follows:

- (a) Plan coverage for surviving dependents will be extended through the end of the sixth (6th) month following the month in which the employee dies.
- (b) Plan benefits will include male sterilization procedures (i.e., vasectomy), not including reversals.

The plan design changes contained in this Section shall become effective January 1, 2025, or as soon thereafter as practicable.

Section 3 – Plan Design Changes to Contain Costs

(a) The Plan’s Prescription Drug Card Program and Mail Order Prescription Drug Program shall be revised to include the PBM’s full utilization management rules package for specialty drugs and four additional non-specialty therapeutic classifications (anti-infective agents, central nervous system, gastroenterology and ophthalmology).

(b) The Plan shall implement improper billing detection and mitigation programs where available with the Plan’s medical vendors.

(c) The Plan shall implement out-of-network referenced-based pricing programs where available with the Plan’s medical vendors.

(d) The monthly payment for employees who elect to opt-out of coverage under the Plan will be increased from \$100 to \$200.

The plan design changes contained in this Section shall become effective January 1, 2025, or as soon thereafter as practicable thereafter.

Section 4 - Plan Design Changes – The Dental Plan

The individual annual maximum dental benefit under the Railroad Employees National Dental Plan 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.

The plan design changes contained in this Section shall become effective January 1, 2025, or as soon thereafter as practicable.

Section 5 - Plan Design Changes – The Vision Plan

The vision frame allowance under the Railroad Employees National Vision Plan will be increased from \$115 every two years to \$250 every two years.

The plan design changes contained in this Section shall become effective January 1, 2025, or as soon thereafter as practicable.

Section 6 – Plan Design –Employee-Only, Reduced-Rate Option

The Plan will offer a medical coverage option with a reduced, employee-only rate as follows:

- (a) There will be a single funding pool to include existing plan options and the new reduced-rate option.
- (b) The employee-only reduced-rate option employee monthly contribution will be ten percent (10%) of the Carrier’s Monthly Payment Rate (as defined below), and will be subject to the provisions of the Side Letter covering contribution rates during the post-2030 amendable period (attached).
- (c) The employee-only reduced-rate option will be HSA eligible.
- (d) 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 = \$185.03/month)	

The plan design changes in this Section shall become effective January 1, 2025, or as soon as reasonably practicable thereafter.

Part B – Employee Sharing of Plan Costs

Section 1 - Monthly Employee Cost-Sharing Contributions (Not Applicable to Employee-Only, Reduced-Rate option)

(a) 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 Carriers' 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.

(b) 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

- 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.

Part C – Other

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.

ARTICLE IV - 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, 2024 (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, 2024 (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, 2029 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, 2029 (not to become effective before January 1, 2030), 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)

TA Date: 11/12/24 NCCC: jfr TCU: APM

SIGNED AT ARLINGTON, VA, THIS ___ TH DAY OF _____, 202_.

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

**FOR THE TRANSPORTATION
COMMUNICATIONS UNION /
IAM**

Mr. Arthur P. Maratea
National President
Transportation · Communications
Union/IAM
3 Research Place
Rockville, MD 20850

Dear Mr. Maratea:

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,

Jeffrey F. Rodgers

I agree:

A.P. Maratea

EXHIBIT A

(CLERKS)

RAILROADS REPRESENTED BY THE NATIONAL CARRIERS' CONFERENCE COMMITTEE IN CONNECTION WITH NOTICES SERVED ON OR SUBSEQUENT TO NOVEMBER 1, 2024 BY AND ON BEHALF OF SUCH CARRIERS UPON THE TRANSPORTATION-COMMUNICATIONS INTERNATIONAL UNION, AND NOTICES SERVED ON OR SUBSEQUENT TO NOVEMBER 1, 2024 BY THE GENERAL CHAIRMEN, OR OTHER RECOGNIZED REPRESENTATIVES OF THE TRANSPORTATION-COMMUNICATIONS INTERNATIONAL UNION 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 Transportation-Communications International Union.

Bessemer and Lake Erie Railroad Company d.b.a. C.N.
Central California Traction Company
Consolidated Rail Corporation
Grand Trunk Western Railroad Company d.b.a. C.N. - 2
Illinois Central Railroad Company and Chicago, Central & Pacific Railroad Company d.b.a. C.N.
The Kansas City Southern Railway Company d.b.a. CPKC - 1
Kansas City Terminal Railway Company
New Orleans Public Belt Railroad Corporation - 4
Northeast Illinois Regional Commuter Railroad Corporation d.b.a. Metra – 1
Northern Indiana Commuter Transportation District - 1
Port Terminal Railroad Association - 2
Soo Line Railroad Company d.b.a. CPKC - 1
Wisconsin Central Ltd. as successor to Duluth, Missabe & Iron Range Railway d.b.a. C.N. - 3

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Notes:

- 1 - Health & Welfare only
- 2 - Includes Patrolmen (former RPIU)
- 3 - Includes Ore Dockers
- 4 - Wages and Health & Welfare only

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TA Date: _____ NCCC: jfr TCU: APM

FOR THE CARRIERS:

**FOR THE TRANSPORTATION
COMMUNICATIONS
UNION/IAM:**

_____, 202_
Arlington, VA