

B M W E D Policy



Brotherhood of Maintenance of Way Employees Division - IBT



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F E L A

Guidelines for Appointment

National Division Policy effective March 21, 2007

The following is suggested criteria for evaluation of applicants for designation as FELA counsel.

1. Candidate law firms must have an established record of successful litigation experience.
2. Appointed law firms will give injured members free advice in connection with their injury, and render free assistance to them in related matters (RUIA, etc.).
3. Appointed law firms will charge a contingency fee of no more than 25 per cent.
4. Participating law firms will furnish the National Division with a summary of cases handled (insofar as such disclosure is consistent with "attorney-client privilege").
5. Designated counsel will make themselves available to attend System and Local Lodge meetings for the purpose of explaining to members their rights under the Federal Employers' Liability Act (FELA).
6. The appointment of additional FELA counsel should take into consideration both geographical necessity and declining membership.
7. Designated counsel should take an active part in matters of concern to railroad employees and the rail industry.
8. Designated counsel will not refer FELA cases to other firms for handling.
9. Designated counsel will not involve themselves in internal BMWED affairs.
10. Designated counsel will make no payments to BMWED members, officers or others in consideration of case referrals.



BMWED Policy



F E L A

Publishing List for Members

National Division Policy effective March 21, 2007

In an effort to keep BMWED members informed about the availability of designated law firms to protect their rights under the Federal Employers' Liability Act (FELA), the following will be adhered to:

1. The Brotherhood will publish twice a year in the BMWED *JOURNAL* a list of law firms designated by the National Division to handle FELA cases.
2. Along with this list, a notice will also be published advising the members that they are free to choose any firm.
3. Officers contacted by a member for information in regard to selecting a designated law firm for assistance will identify no less than three (3) law firms from the list for the member.
4. In addition to the foregoing, the notice published in the BMWED *JOURNAL* will also advise that no Officer or member of the Brotherhood will be paid a referral fee or any other payment in connection with their selection.



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F E L A

Guidelines for Appointing a Single System Division or Federation Designated Law Firm

National Division Policy effective February 7, 2008

This policy will permit a recommendation to come directly from the System Division or Federation to the National Division President/Executive Board, without first being adopted by the respective Region. Also, this policy will provide a method for System Divisions or Federations to insure that their members have the necessary choices of Designated FELA Counsel.

The listing of Designated FELA Counsel will remain unchanged unless law firms are removed or added by the President. Included in the removal process will be a written complaint(s) and an evaluation of said complaint(s) by the President or by someone that he designates. Then, provided that it is determined that the complaint(s) has merit, and with the approval of the National Division Executive Board, said law firm could be removed from the listing of Designated FELA Counsel.

In order for a law firm to be added to the listing of National Designated FELA Counsel, a recommendation from one of the Regions or System Divisions or Federations to the National Division Executive Board is required. After evaluating the need for, and quality of the law firm, the National Division Executive Board may approve the law firm, which may be designated by the President. Just as today, the nomination of a law firm by a Region or System Division or Federation does not guarantee that the firm will be approved as Designated FELA Counsel.

If a System Division or Federation determines there is a need for an additional firm to be approved as designated FELA counsel within their respective territory, one firm may be designated to work exclusively within that System Division or Federation when approved by the National Division President. Prior to the designation, the System Division or Federation will provide a proposal stating the reason that the designation is needed to the National Division President for his/her review and approval. Subject to the approval of the President, the designation will be made by the General Chairman of the respective System Division or Federation in accordance with any appropriate provisions of that System Division or Federation's bylaws.



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After approval has been secured, the law firm will be notified of their designation by the General Chairman of the respective System Division or Federation, with a copy of the letter to the National Division President. Included in that same letter, the General Chairman will advise the newly-designated law firm of the precise limits, and identify the specific Local Lodges by number and location within the System Division or Federation.

The law firm will be restricted to working within the limits of the System Division or Federation and permitted to attend meetings of the Local Lodges within that System Division or Federation, only. If a law firm is found to be making initial contact with members, either individually or collectively, outside of that System Division or Federation, the National Division President will have the authority to immediately revoke the law firm's designation, and will so notify the law firm immediately in writing of the decision.

If a law firm is found to be in violation of this provision, the firm will not be considered then, or at any future time, for appointment as designated FELA counsel. This provision does not prevent a BMWED member from contacting a law firm for legal advice or assistance, as long as the member makes the initial contact. More than one System Division or Federation can individually designate the same law firm, however, said law firm will be restricted to the boundaries of the System Divisions or Federations that designated the firm.

Authorization for removal of a law firm from the listing of Designated FELA Counsel that was designated by a System Division or Federation to practice within that System Division or Federation for circumstances other than outlined above can be accomplished simply by the respective General Chairman notifying the firm via certified letter, with a copy to the National Division President, stating that the firm's authorization has been revoked. Removal of the law firm will be in accordance with authority granted the General Chairman contained in the respective System Division or Federation bylaws, just as the designation is so governed.

A law firm requesting approval as designated FELA counsel must do so through the System Division or Federation General Chairman, only. Any contact pertaining to designation with a Local Lodge Officer instead of the respective General Chairman will cause the law firm to not be considered then, or in the future, for appointment to any listing of designated FELA counsel recognized by the BMWED.



Only the listing of nationally-designated FELA counsel will be published in the *BMWED Journal*. Any publication of additional designated counsel by a System Division or Federation will be the responsibility of that System Division or Federation.

The National Division policy entitled "FELA Guidelines for Appointment" effective March 21, 2007, will remain unchanged and continue to be enforced for all nationally and locally approved designated FELA counsel. Law Firms so designated will acknowledge receipt and understanding of this policy to the respective General Chairmen of the System Divisions and Federations and to National Division.



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E – M A I L

National Division Policy effective March 21, 2007

The National Division encourages members and employees to exchange ideas and to communicate matters of business related importance of other members and employees of the Brotherhood of Maintenance of Way Employees Division-IBT (BMWED). In the use of inter/intra office e-mail or other electronically sent information, it is understood that all computers, electronic or mechanical transmission equipment inclusive of related application hardware and software are the property of the BMWED and that in posting of or publishing of any/all inter/intra office communication, the following communications are prohibited:

1. Communication, which violates or infringes upon the rights of other members, employees or employer.
2. Communication, which, under the circumstances, and in BMWED's good faith judgment is, or is likely to be perceived as intended to be, defamatory, deceptive, misleading, abusive, profane or discriminatory with regard to race, religion, sex, national origin, age or disability.
3. Communication, which constitutes a threat or harassment of another member or employee.
4. Communication, which constitutes an announcement of message to, campaign for or solicitation of other employees, officers, or BMWED members support for the purpose of attaining an office within the BMWED and/or its affiliates.
5. Communication, which violates the laws of the United States.

The BMWED reserves the right to review all posted or published communications, and if, in its good faith judgment, the posted message, published announcement or any communication violates the prohibitions above, including but not limited to communications, posted messages, etc., such may subject the violator to discipline.



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Mailing Lists and Labels

National Division Policy effective March 21, 2007

This Organization limits use of its mailing lists and labels connected thereto to persons who are authorized to conduct specific union business. Even those individuals who may, from time to time, have access to lists for union business purposes have no right to appropriate the lists for their own use. It has been a long-standing policy, with deference to our Organization's constitutional provisions concerning the procedures established for the conduct of a system division or federation's internal affairs and in recognition of their autonomy, to defer all requests for mailing lists and labels to the local lodge or system division or federation involved for disposition. As a result and in continuation thereof, the National Division will not provide mailing lists or labels to anyone without specific authorization from the respective subordinate body such as the local lodge or the system division or federation involved.



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Retired National Division Officers Attendance at BMWED Regular Conventions

National Division Policy effective March 21, 2007

A written invitation will be extended to all retired National Division Officers to attend BMWED Regular Conventions. Such invitations shall be sent when the respective Convention Call is issued. Expenses connected to retired National Division Presidents and/or Secretary-Treasurers attending the Convention shall be reimbursed by the National Division.



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Residential Office Space

National Division Policy effective March 21, 2007

In connection with National Division Officer or Appointee residential office space arrangements, the parties shall be governed by the following:

1. National Division Officer or Appointee residential office space will be subject to final approval of the National Division President.
2. Application and approval for such residential office space will be made by submitting the appropriate form.
3. The National Division Officer or Appointee involved shall provide residential office space, storage space and the utilities and maintenance required to support same.
4. In full consideration of the foregoing, the National Division Officer or Appointee involved shall receive a monthly rental payment.
5. The rental amount shall be reviewed annually and adjusted as necessary.
6. The request for monthly rental allowance shall be made by electronic funds transfer separate and apart from any regular payroll payment, or as requested on an ES-1. The National Division Officer or Appointee shall claim the rental payment on an ES-1 form during the 14-day period immediately preceding the month for which the rental payment is applicable or any time thereafter.
7. Unless agreed otherwise, the President or the National Division Officer or Appointee involved may cancel the residential office space arrangement on the last day of any month by serving at least sixty (60) days advance written notice.



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Social Security Numbers

National Division Policy effective March 21, 2007

BMWED maintains, and will continue to maintain, Social Security numbers in the ordinary course of business. It is the policy of this Organization that its officers and employees will ensure to the extent practical the confidentiality of Social Security numbers.

It is prohibited to unlawfully disclose Social Security numbers. Therefore, it is **CONTRARY TO BMWED'S POLICY** to:

1. Publicly display all or more than four (4) sequential digits of a Social Security number;
2. Visibly print more than four (4) sequential digits of the Social Security number on any identification badge or card, membership card, mailing label, or other printed material which may come into public view;
3. Use more than four (4) sequential digits of a Social Security number over the internet or computer system or network unless the connection is secure or the transmission is encrypted; or, unless a password or other unique, personal identification number or authentication device is also required to gain access to the internet website or computer system or network;
4. Include more than four (4) sequential digits of the Social Security number in an or on any document mailed or otherwise sent to an individual if it is visible on or, with manipulation, from outside of the envelope or packaging; or



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5. Include more than four (4) sequential digits of a Social Security number in any document or information mailed to a person unless state or federal law, rule, regulation, court order or rule authorizes, permits, or requires that a Social Security number appear in the document; or, the document is sent as an application or enrollment process, or the document is sent to establish, confirm the status of, service, amend, or terminate an account, contract, policy, or employee or health insurance benefit or to confirm the accuracy of a Social Security number of an individual who has an account, contract, policy or health insurance benefit.

The only exception to the foregoing prohibitions listed above in Nos. 1 through 5 is when the use of such Social Security number is specifically required by law.

No officer or employee may view a record containing a Social Security number unless the discharge of his or her job duties requires such access.

Computer records contained in computer media must be reliably and thoroughly destroyed when discarding such computer media. Disposal of such media shall be through a destructive method that renders the data contained therein unintelligible.

All paper documents bearing Social Security numbers must be maintained securely so as to prevent unauthorized access. Disposal of such documents shall be through a destructive method that renders the data contained therein unintelligible, e.g, paper shredders or other methods as prescribed by department heads. For the purpose of this policy, paper documents include all " *hard copy*" forms, lists, letter, memoranda, etc.

Both the disclosure of Social Security numbers and the failure to maintain policies designed to protect Social Security numbers and the failure to maintain policies designed to protect Social Security numbers may have serious consequences. Therefore, persons acting under color of BMWED authority, who violate these policies, may be subject to discipline. Depending upon the facts and circumstances surrounding any particular violation, employee discipline may range from counseling, written warnings, disciplinary layoffs and discharge from employment. Breaches by elected officers will be referred for appropriate action under the BMWED Bylaws.



Meal and Travel Expenses

National Division Policy effective March 21, 2007

MEALS

Meals are to be limited to actual and necessary expense for each individual. Alcoholic beverages consumed in a responsible manner to compliment a dinner meal are acceptable.

When meals are purchased with a personal credit card, BMWED credit card or cash, a receipt must accompany an ES-1 or Credit Card Allocation Form, identifying the individual(s), if other than only self, for whom the meals were purchased.

BAR TABS

Bar tabs, for which an individual is expecting Brotherhood payment, may not be charged to a hotel room. Under certain circumstances considered reasonable and approved by the President, a bar tab expense may be charged to a BMWED credit card or reimbursed by the National Division. An example of such an arrangement would be a casual business discussion over a drink among union leaders discussing common issues affecting their respective memberships. Receipts must accompany the ES-1 or Credit Card Allowance Form identifying the individual(s), if other than only self, for whom the drink(s) were purchased.

LONG DISTANCE PHONE CALLS

Long distance phone calls charged to a hotel room are to be avoided. A phone card or cell phone should be used unless it is an emergency or fully justified.



AIRLINE FARES

Everyone is expected to secure reasonable air fares when making reservations for Brotherhood business in line with the following guidelines:

1. Avoid last minute arrangements and make reservations sufficiently in advance of the scheduled flight dates to keep air fares as low as possible.
2. Schedule travel at reasonable and responsible travel times to avoid conflict with normal sleep patterns and family concerns.
3. Purchasing direct flights to minimize travel time is acceptable when savings associated with connecting flights are not significant.

CREDIT CARD

Credit card receipts for BMWED credit cards are to be sent timely to the National Division with the monthly credit card statement. An expense not charged to a BMWED credit card, for which an individual is expecting Brotherhood payment, must be submitted to the National Division for payment on an ES-1 with a receipt for the expense being claimed.

HOTEL GIFT SHOP

Gift shop purchases, for which an individual is expecting Brotherhood payment, may not be charged to any hotel room. All personal purchases are the responsibility of the individual.

ROOM UPGRADES

Room upgrades not for the benefit of Brotherhood business will be the responsibility of the individual.



IN-ROOM MOVIES

In-room movies are the responsibility of the individual.

SPOUSE TRAVEL

Spousal travel expenses, for which an individual is expecting Brotherhood payment, must be approved in advance by the National Division President.

GENERAL

Compliance with this Policy is mandatory for all National Division Officers and Appointees. Any deviation from this Policy must be authorized by the President or Secretary-Treasurer.



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ALLOCATION OF DUES

National Division Policy effective March 21, 2007

Absent an agreement between the system divisions/federations involved, which is not in conflict with the BMWED Bylaws, the following policy regarding the allocation of dues will be applied as written.

Section 1. - NEW HIRES

- (A) An individual hired to fill a Maintenance of Way Department position, which does not have a common seniority territory,¹ will be assigned to the BMWED local lodge nearest his residence² coming under the jurisdiction of the system division/federation responsible for the collective bargaining agreement applicable to the position for which the individual was hired pursuant to Article XVII Section 2 of the BMWED Bylaws. If such members subsequently accept an assignment and/or establish seniority to work on a common seniority territory associated with the same carrier, they will not be transferred to another local lodge or system division/federation.

¹A "common seniority territory," as referred to herein, is where two (2) or more system division/federations of the Brotherhood of Maintenance of Way Employees Division (BMWED), represent members who have a seniority right to work on the same seniority territory. Examples of a common seniority territory are:

- (1) Situations where members of two or more system division/federations are assigned to a gang or gangs to work together on the members' combined seniority territories. Such gangs are commonly referred to as Region/System Gangs, Consolidated System Gangs, System Production Gangs, Service Lane Gangs, Designated Production Gangs (DPGs), or by some other like title.
- (2) Situations where the members of a system division/federation and their seniority territory are merged with the members of another system division/federation and their seniority territory, e.g., a portion or all of Seniority Territory No. 1, which is under the jurisdiction of System Division A, is merged into Seniority Territory No. 2, which is under the jurisdiction of System Federation B.

²The location of a local lodge will be the city for which the local lodge charter has been issued. See Section 5 for procedures regarding how a Local Lodge may petition National Division to have the local lodge charter issued for a different city.



- (B) If two (2) or more system divisions/federations have jurisdiction on a rail line where an individual is hired, the individual will have a choice as to which of those system divisions/federations he will be assigned, and the member will then be assigned to the local lodge nearest his residence within that system division/federation. If such member(s) subsequently accept an assignment and/or establish seniority on a position which has a seniority territory coming under the sole jurisdiction of another system division/federation, such member(s) must immediately apply for and will be transferred to that other system division/federation and its appropriate local lodge, pursuant to Article XVII, Section 3 of the BMWED Bylaws.
- (C) If an individual is hired to fill a Maintenance of Way Department position, which has a common seniority territory requiring a seniority date to be established for him on a non-common seniority territory, that individual will be assigned to the BMWED local lodge nearest his residence pursuant to Article XVII, Section 2 of the BMWED Bylaws that belongs to the system division/federation having sole jurisdiction over the non-common seniority territory where the individual's seniority date is established.

Section 2. - MEMBERS ASSIGNED TO COMMON SENIORITY TERRITORY POSITIONS

A member shall not have his membership or any portion of his dues payments transferred from his system division/federation simply because he accepts assignment to a common seniority territory position involving the same system division/federation.



Section 3. - ACTIVELY EMPLOYED OR FURLOUGHED MEMBERS

- (A) An actively employed member of one system division/federation, who is hired to fill a Maintenance of Way Department position on a railroad seniority territory outside the jurisdiction of that system division/federation, will be assigned to a BMWED local lodge and system division/federation as specified in Section 1. Such member must immediately apply for and will be transferred to the newly assigned local lodge and system division/federation pursuant to Article XVII Section 3. of the BMWED Bylaws. Pursuant to Article XVII Section 6., this member will have the immediate and identical responsibilities for paying dues, assessments and fines to the newly assigned local lodge and system division/federation as would any existing member thereof, except he will not be obligated to pay another initiation fee. Representation responsibility for this member will be that of the newly assigned local lodge and system division/federation for all time the member comes under their jurisdiction.

- (B) A furloughed member of one system division/federation, who is hired to fill a Maintenance of Way Department position on a railroad seniority territory outside the jurisdiction of (1) that system division/federation and (2) the Carrier associated with his existing seniority, will be assigned to a BMWED local lodge and system division/federation as specified in Section 1. Such member must immediately apply for and will be transferred to the newly assigned local lodge and system division/federation pursuant to Article XVII, Section 3. of the BMWED Bylaws. Pursuant to Article XVII, Section 6., this member will have the immediate and identical responsibilities for paying dues, assessments and fines to the newly assigned local lodge and system division/federation as would any existing member thereof, except he will not be obligated to pay another initiation fee. Representation responsibility for this member will be that of the newly assigned local lodge and system division/federation for all time the member comes under their jurisdiction.



- (C) Except as provided in (D), a furloughed member of one system division/federation, who is hired to fill a Maintenance of Way Department position on a railroad seniority territory outside the jurisdiction of that system division/federation but for the same carrier associated with his existing seniority,³ will not have his membership transferred. In connection with the allocation of dues in these type of situations, the system division/federation under whose jurisdiction the member is working on his first day of service in any month will be entitled to the system portion of his dues payment for that entire month, and where applicable, the dues payment will be transferred accordingly. Representation responsibility for the member will be that of the system division/federation responsible for the applicable seniority territory and collective bargaining agreement for all time the member comes under their jurisdiction. Dues payments transferred as specified herein, will satisfy all membership dues and assessment obligations of the system division/federation under whose jurisdiction these members are assigned.
- (D) If the member identified in (C) above continues working on the other seniority territory and does not respond to or accept recall to his former seniority territory, he must immediately apply for and will be transferred to a BMWED local lodge and system division/federation pursuant to Article XVII Section 3. of the BMWED Bylaws. Pursuant to Article XVII Section 6., this member will have the immediate and identical responsibilities for paying dues, assessments and fines to the newly assigned local lodge and system division/federation as would any existing member thereof, except he will not be obligated to pay another initiation fee.

³Includes temporary transfers identified under Article II Section 3. of the February 7,1965 Job Stabilization Agreement, as amended. Also includes furloughed UP North Territory Members hired to fill UP South Territory positions, and vice versa.



Section 4. - ACTIVELY EMPLOYED MEMBERS TEMPORARILY ASSIGNED TO WORK OUTSIDE THEIR SENIORITY TERRITORY BY AGREEMENT

While actively employed members of one system division/federation are temporarily assigned to perform Maintenance of Way Department work on a seniority territory coming under the jurisdiction of another system division/federation by agreement between the carrier(s) and system divisions/federations involved, no transfer of membership will occur. In connection with the allocation of dues in these type of situations, the system division/federation responsible for the collective bargaining agreement under which these members are working on the first day of their service in any month will be entitled to the system portion of their dues payment for that entire month, and where applicable, the dues payment will be transferred accordingly. Representation responsibility for these members will be that of the system division/federation responsible for the collective bargaining agreement under which the members are working during such temporary assignment. Dues payments transferred as specified herein, will satisfy all membership dues and assessment obligations of the system division/federation under whose jurisdiction these members may be temporarily assigned.

Section 5. - PROCEDURES FOR DESIGNATING ANOTHER CHARTER CITY

A local Lodge may, with the concurrence in writing from the majority of its members and the General Chairman involved, petition the National Division Vice Presidents through the National Division Secretary-Treasurer to have the local lodge charter issued for a different city. Valid reasons for such changes are limited to those specifically designed to enhance local lodge meeting attendance by the respective local lodge members and to facilitate the operation of local lodge business. Petitions must explain how these goals will be attained by the requested change.



Section 6. - DISPUTE RESOLUTION/OTHER

- (A) To ensure proper application of this policy, before any transfer of a member occurs, the National Division Secretary-Treasurer (or his designated representative) and the General Chairmen involved will agree the transfer is appropriate under the guidelines set forth in this policy. If a situation or dispute arises that is not specifically addressed herein, the matter will be handled or resolved, respectively, in line with the principles of this Policy and the BMWED Bylaws that relate to similar such matters.

- (B) Should a dispute arise concerning any provision of this policy, such dispute shall be resolved by the National Division Secretary-Treasurer's interpretation of the policy. Such interpretation may be appealed to the Dues Oversight Committee consisting of the National Division Officers not directly involved in the dispute. Decisions of the Dues Oversight Committee will be final and not subject to further appeal.



Relocation Allowances for Officers and Appointees

National Division Policy effective March 21, 2007

The following Relocation Allowance Policy is adopted to relieve Officers and Appointees, hereinafter called Transferees, from a significant and undue economic burden, losses and expenditures incurred as consequence of relocating their home point upon election to office or at the direction and request of the organization for the efficient and effective operation of the organization and the transaction of organizational business.

The provisions of this policy shall not be construed to alter any provisions of other policies relating to reimbursement for or payment of expenses incident to moving furniture or travel and subsistence while looking for a new residence at the new location and other relocation benefits in existence at the time this policy was initially approved.

This policy is not intended in any way to hinder the President in his prerogative in hiring new staff members for the payroll whether they are members or professional nonmembers. Whatever moving allowance deemed appropriate as a result of relocating first hire employees is at the discretion of the President.

SALE OF HOME

The term "House" means the real property occupied as the principal residence of the Transferee at the time of transfer. It does not include summer homes or multiple-family dwellings except two-family houses when one part is the residence of the Transferee. It does not include farm property, commercial property, property held for investment purposes, or personal property, which can be used as a residence, such as mobile homes, motor homes and yachts, et cetra.

The assistance to sell the home of a Transferee and reimburse expenses relating to acquisition of a home at the new location shall cease one (1) year after the date of transfer of the Home Point.



**APPRAISAL OF HOME
and
EXPENSES RELATING TO ACQUISITION AT NEW LOCATION**

Property shall be appraised at the fair market value, i.e. that price which a willing and well-informed buyer would pay to an equally well-informed and willing seller if such property were placed for sale for a reasonable period of time.

If a Transferee-owned residential property as a permanent home prior to this transfer and purchases residential real property as a permanent residence within one (1) year after the date of transfer of his home station he will be entitled to a reimbursed for appropriate direct costs and expenses incidental to the new home purchase.

REIMBURSED EXPENSE ITEMS

When a Transferee sells his home, he shall be reimbursed for the following direct costs and expenses incurred in connection with such sale upon submission of proper and complete documentation:

1. For the purpose of looking for housing, the Brotherhood will reimburse the individual for one (1) round trip for the individual and spouse. In addition to transportation expenses, the Brotherhood will reimburse the individual for actual and necessary lodging and meal expenses incurred. No more than a total of fourteen (14) days will be permitted unless authorized in advance.
2. Before moving personal and household belongings, three (3) cost quotes associated therewith must be obtained and submitted to the National Division for consideration.
3. If an individual is unable to, or desires not to secure permanent housing immediately upon relocating, the Brotherhood will reimburse actual and necessary expenses for temporary living accommodations, which will be reviewed monthly by the President.
4. Title examination and other legal fees.
5. Mortgage appraisal fees.



6. Mortgage survey fees.
7. Mortgage title insurance premiums on amounts required by the mortgagee.
8. State and local transfer taxes normally assessed against the buyer.
9. Recording fees normally assessed against the buyer.
10. Loan service charges, loan origination fees or similar fees not to exceed 1.5 per cent of the amount of the mortgage.
11. Other reasonable expenses directly related to the transaction, which are not incurred at the Transferee's choosing if approved by the President.
12. Where it can be established that the purchase price of a residence purchased by an elected officer who is moving to such location as a requirement of holding office includes real estate brokers commissions or fees, such fees shall be paid for (or reimbursed to) such officer.
13. Commission paid to a licensed real estate broker or agency.
14. Necessary legal fees, except those fees chargeable and incident to correcting title defects.
15. Title insurance fees or abstract extension fees.
16. Mortgage prepayment penalty and release fees.
17. State and local transfer taxes.
18. Mechanical, termite and similar inspection fees assessed against the seller as required by law or local custom except costs incident to extermination and repair of such defects.
19. The cost of a survey of the property if required by the buyers.
20. Other miscellaneous costs or fees directly related to the sales transactions when specifically approved by the President.



NON-REIMBURSABLE EXPENSE ITEMS

The following expenses are non-reimbursable expense items unless approved by the President:

1. Discount or finance points or charges to facilitate the buyer's obtaining a mortgage.
2. Interest expense regardless of the nature.
3. Real estate and personal property taxes.
4. Occupancy charges assessed against the Transferee for failure to vacate the premises.
5. All other items paid by the Transferee, which are normally paid by the buyer in similar transactions in the area.

MORTGAGE INTEREST RATE DIFFERENTIAL

To reduce the economic effect of rising interest rates, Transferees will be reimbursed by the BMWED the present value of the excess, if any, of the interest rate on a new mortgage over the interest rate on their old mortgage.

The amount of such reimbursement will be calculated in accordance with the following criteria.

CALCULATED REIMBURSEMENT CRITERIA

1. The interest rate differential rate shall be the excess, if any, of the interest on the new mortgage over the interest rate of the old mortgage.
2. The amount of money to which said interest rate differential shall be applied shall be the lesser of either (1) the outstanding mortgage balance at the old location, or (2) the amount of the new mortgage at the new location.
3. The period of time over which said interest rate differential shall apply is seven (7) years.



4. The present value of the amount determined under the criteria set forth above shall be determined by applying the interest rate set forth in the new mortgage.
5. If the interest rate on the loan to purchase the home at the new location is an adjustable or variable rate, the interest rate in effect after the first adjustment to that rate after the date of the loan or at the rate in effect two (2) years after the date of the loan, whichever is earlier will be used to calculate the mortgage interest rate differential.
6. If the interest rate on the loan paid off upon sale of the home at the old location is an adjustable or variable rate; the interest rate in effect at the time of the sale shall be used to calculate the mortgage interest rate differential.

REIMBURSEMENT FOR INCOME TAXES

In accordance with the directives of the Internal Revenue Service, certain expenses incident to the reimbursements under this and other policies relating to Transferees will be reported as income subject to federal, state and local reporting and withholding.

The Organization shall reimburse the Transferee for the additional tax liability incurred as a result of the transfer. Where possible, withholding tax payments will be made on his behalf by the Organization to the federal, state and local governments involved. The reimbursement will be calculated in a manner to also cover the tax on the tax reimbursement and will be based on the individual Transferee's total compensation from the Organization. Each Transferee may be requested to sign a form authorizing the additional withholding tax to be paid by the Organization on his behalf. Payment by the Organization directly to the Government agency involved permits the Transferee to receive his expense reimbursements without deduction for such taxes.

In the event the Transferee incurs income tax liability in excess of the amount paid directly by the Organization such excess amount will be reimbursed to the Transferee for the first taxable year only upon submission of the proper documentation.



INCIDENTAL EXPENSE ALLOWANCE

An allowance for other expenses of a miscellaneous nature shall be paid to the Transferee to alleviate the Transferee's expenses for such services and items as altering and installing rugs, modification of drapes and curtains, costs of changing auto registration and driver's licenses, cleaning and other similar types of expenses not included in previous sections of this policy. The amount of such allowance shall be one (1) month's salary at the new home station.

This allowance is not applicable to Transferees with mobile residences, or those who elect to occupy rented, furnished residences. Incidental expenses for such Transferees shall be as approved by the President.

REIMBURSABLE EXPENSES OF ELECTED OFFICERS VACATING OFFICE

Elected officers required to move to assume and hold elected office:

Elected National Division officers who were required to move to a particular location in order to assume and hold elected office shall be allowed expenses of moving their household goods back to their home point or an amount equal to the cost of moving such property an equivalent to such distance, provided they move within one (1) year of their vacating such elected office. If such elected officer sells his residence at the place where he last served prior to vacating office, the BMWED shall pay real estate brokerage fees and other expenses incident to the sale of the residence as set forth earlier. Such elected officers shall also be entitled to the reimbursement for Income Tax benefit(s) set forth herein. The location of the home point of any such officer shall be as approved by the President or as previously designated, in writing, by such officer.



Legal Fees and Expenses

National Division Policy effective March 21, 2007

The National Division should protect its interests in matters that affect it as an institution, and step in to protect the interests of the membership as a whole. It should not, however, bear the cost of local disputes arising under system or local agreements, or involving the system federations and/or divisions' conduct in directly representing the membership. These principles will be applied in accordance with these guidelines:

- **'Preventative' Labor Law:** This organization has avoided unnecessary litigation expense by avoiding legal mistakes before they are made. Having attorneys available to the General Chairmen, without their need to worry about the billable hour, is conducive to effective union operations. These National Division-paid consultations will continue.
- **'Major' Dispute Litigation:** Where a dispute is national in scope, National Division will bear the cost. If the dispute is local in nature, the costs will be borne by the involved system(s).
- **Duty of Fair Representation and Civil Rights Charges and Litigation:** Most of these cases involve the alleged actions or omissions of systems or federations, or the actions of particular carriers. Costs will usually fall to the affected systems. National Division will defend only itself, in those cases where it is a named defendant.
- **Contractual Protections:** Both Feb. 7, 1965 Agreement and Washington Job Protection Agreement benefits are subject to precedential dispute resolution, decided by centralized systems of arbitration, and with outcomes affecting most of the membership subject to the national agreement. Therefore, they will be handled by National Division. However, arbitrator fees and expenses will be absorbed by the involved system division or federation.



BMWED Policy

- **Section 3 Awards:** Most actions to vacate or enforce Section 3 awards directly affect only the system that progressed the underlying dispute, and should be paid for by the affected system(s). If, however, the decision creates an adverse precedent under a national agreement (and the case meets the strict criteria controlling the overturning of awards) the cost will be absorbed by the National Division.
- **National Mediation Board:** National Division will handle NMB matters, as it holds certifications, and the entire organization is interested in preserving the sanctity of craft lines.
- **Statutory Labor Protection: (e.g. *New York Dock*, etc.):**
 - **Implementing Agreements:** Routine cases to be handled by the systems; those of special novelty, complexity or size will be handled by the National Division.
 - **Article I, Section 11 Arbitrations:** Due to the need to preserve consistency of approach and argument, most will be appropriate for National Division handling.
 - **In labor protection arbitrations,** the fees and expenses of the arbitrators will be absorbed by the involved system or federation, regardless of which body provides legal services.
- **Surface Transportation Board:** Generally, National Division will cover Class I mergers, line sales and other transactions (except for abandonments), as well as STB rule-making proceedings. National Division will likewise defend against carrier appeals from arbitration awards. Employee appeals from arbitration awards will be the responsibility of the system(s) or federation(s) involved.

Obviously, the above list cannot anticipate or identify every case where legal services will be required.



Our attorneys will assist the systems and federations in identifying and employing qualified legal assistance in those instances where it will not be provided through the National Division. They are available to coordinate and provide guidance for outside counsel so that the organization does not take conflicting legal positions, or otherwise work at cross purposes.

