MEMORANDUM OF AGREEMENT

BETWEEN

CSX TRANSPORTATION, INC.

AND

THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES DIVISION OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

WHEREAS, the parties have had continued discussion regarding issues related to System Production Gang work; and

WHEREAS, the parties desire to amend the application of certain rules of the June 1, 1999 System Agreement, in addition to the applicable provisions of Appendix S (SPG Agreement) with respect to direct hiring into System Production Gangs:

IT IS THEREFORE AGREED THAT EFFECTIVE March 1, 2011 THE FOLLOWING WILL APPLY:

System Production Gang -Trackman Hiring

It is agreed CSXT may hire new employees directly into System Production Gangs in the Trackman class beginning on the effective date of this agreement.

Employees hired directly into System Production Gangs shall not be permitted to bid off such position for a period of six (6) months from the date they physically assume the duties of their position, except to bid to a higher rated position on any System Production Gang.

FOR THE ORGANIZATION:

Dennis R. Albers, General Chairman

FOR THE CARRIER:

Noel V. Nihoul, Director Labor Relations

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und. Cox

Cox, General Chairn

Do

Dodd, General Chairman

Stuart A. Hurlburt, Jr., General Chairman

James D. Thight James D. Knight, General Chairman

J. R. MC General Chairman

Bradley A. Winter, General Chairman

AGREED:

Cook, Vice President - BMWED