

**AGREEMENT
BETWEEN CSX TRANSPORTATION, INC.
AND ITS EMPLOYEES REPRESENTED BY THE
INTERNATIONAL ASSOCIATION OF MACHINISTS
& AEROSPACE WORKERS**

The Parties signatory hereto recognize and agree that joint, cooperative efforts between them are required to provide a workable training program which can realistically improve the availability of competent Mechanics who are skilled in their craft.

The Parties signatory hereto mutually agree to modernize the current Apprentice rules by implementing the provisions of this Agreement in lieu of any rules previously pertaining to the training of Apprentices.

IT IS HEREBY AGREED:

SECTION I - Rules

All rules, agreements and practices presently in effect and applicable to Machinist Apprentices in all departments of CSX Transportation, Inc. wherein work covered by the Machinists' General Rules Agreement is performed are hereby revised and amended to give effect to the rules contained herein.

SECTION II - Qualification and Selection of Student Mechanics

(A) The selection of Student Mechanics by the Carrier shall be on the basis of background, experience, and other factors relative to job performance. Student Mechanics will be selected without regard to race, religion, color, sex, age, national origin or non-job related disability.

(B) Student Mechanics shall serve six periods of 115 workdays (overtime excluded). All regular scheduled time worked shall be counted. In computing the 115-day periods, a cumulative record of time, in hours, worked by Students shall be maintained and days of training shall be computed on the basis of eight (8) of such hours constituting a creditable day of training.

(C) All Student Mechanics must be able to speak, read, and write the English language and understand the first four rules of arithmetic.

(D) During the first 115 regular scheduled workdays, Student Mechanics may be dropped from the program if they do not show the aptitude or desire to learn the

trade. Such Student Mechanic will be considered for other employment if a vacancy exists and the Student Mechanic is qualified. Nothing in this Agreement shall be construed as prohibiting a Student Mechanic from being dismissed or dropped from the Student Mechanic Program through applicable discipline procedures for cause subsequent to the probationary period.

(E) All Student Mechanics will be given a certificate indicating their successful completion of the prescribed course of training and recognition of their Journeyman Machinist status.

SECTION III - Training for Student Mechanics

(A) The training program shall include:

1. Orientation
2. Academic Training
3. Workshop Training
4. On-the-job Training

(B) At each point where Student Mechanics are employed, the initial schedule of Mechanic's work will be established by the Carrier so that upon completion of the program, the Student Mechanic will be able to perform satisfactorily all of the work that is required at that point. The Local or General Chairman and the designated Company officer shall review the work schedule(s) at least once each calendar year to assure that it is revised periodically to keep abreast of changing conditions.

(C) Time spent in orientation, academic training and workshop training portions of the training program shall consist of not more than 115 workdays and shall include the necessary subjects and experience to enable the Student Mechanic to complete satisfactorily the phases of Machinists' work performed throughout the Company's system.

(D) Orientation and academic training will be provided by an accredited technical school, or the Company will provide its own competent staff and training facilities at a suitable location(s) or use a combination of the two. Workshop training will be conducted in one of the Company's repair shop(s) or in a Company specified facility that fully meets the primary function of this training program.

(E) Carrier will give ten days' notice to the General Chairman prior to implementation of the classroom/workshop phases.

(F) Except as otherwise provided, Student Mechanics will be assigned during on-the-job training at the point at which they are initially employed and intended to be employed as Machinists upon satisfactory completion of the training program. Student Mechanics shall receive on-the-job training working with and under direction

of qualified Machinists to gain practical experience in performing the various phases of the work of their craft.

(G) Rotating Student Mechanics under one Mechanical Superintendent or jointly between a Mechanical Superintendent and Shop Manager to provide on-the-job training will be permitted when necessary to provide all phases of training.

(H) Student Mechanics will be required to take and pass courses or subjects related to their trade and maintain a 75% grade level in each facet of training established in conjunction with this training agreement. The required tuition cost, textbook cost, all fees of required correspondence and technical school courses and all other related costs will be paid by the Company. Upon satisfactory completion of the phases of training period or if training is terminated prior thereto, the drawing instruments and unused supplies (if any) shall be promptly returned to the Company by the Student Mechanic.

(I) Student Mechanics must complete the required lessons every month. Any Student Mechanic who becomes four (4) lessons in arrears will be called to attend a joint meeting with local officials and the local committee at which time his "delinquencies" will be reviewed and the Student Mechanic will be issued a warning. Any Student Mechanic who becomes six (6) lessons in arrears despite the "warning" will be afforded an investigation as per applicable discipline rules to determine the facts before being suspended from the program, unless such Student waives in writing his right to an investigation. Following the hearing, copies of the transcript thereof will be furnished to Carrier's Director of Labor Relations and the involved General Chairman and they will, if possible, make a determination as to whether the involved delinquencies were justified.

If the facts developed in the hearing show that the uncleared delinquencies are as a result of circumstances beyond the individual's control, such circumstances will be considered and the individual will be allowed a reasonable time in which to clear up the delinquencies. However, if the facts developed in the hearing show that the uncleared delinquencies are not justified, the involved Student will not be retained in the Student Mechanic Training Program and will not be retained in the service of the Carrier except to the extent that seniority under the provisions of another agreement with this Company may be exercised.

If the Carrier's Director of Labor Relations and the involved General Chairman cannot resolve the matter, the dispute may be progressed for final determination in the same manner as other disputes arising from interpretations of the Schedule Agreement.

(J) Apprentices in service on the effective date of this Agreement will participate in the related instruction to the extent they are able prior to completion of their training period.

(K) Student Mechanics will be required to pass prescribed proficiency tests established by the Carrier. All tests shall be objective and uniformly applied without discrimination. All requirements that may be included in the test shall be given to the Student Mechanic no later than fifteen days following the beginning of each 115 day training period or phase of training involved. Student Mechanics will not be permitted to advance to the rate of pay for the next period of their Student training until they have passed the prescribed proficiency test.

(L) It is understood for the purpose of the Student Mechanic's schedule of work, a month shall consist of no less than 20 regular workdays or more than 23 regular scheduled workdays.

(M) Students shall be assigned a work week of 40 hours, consisting of five days of eight hours each with two consecutive days off. A Student Mechanic will not be precluded from working overtime with a Machinist to finish a job the Student and Machinist started; however, this will not be used to the detriment of other Machinists who are readily available.

NOTE 1: In applying the provisions of this Section III with respect to Student Mechanics working on the second and third shifts, it is understood that where there are three (3) or fewer Machinists on a shift involved in work in a specified area there can only be one (1) Student Mechanic on the shift in such area. If there are four (4) Machinists on a shift, Carrier has the right to have two (2) Student Mechanics; and if there are seven (7) Machinists on a shift, there can be three (3) Student Mechanics, and so on. This will apply separately on the second and third shifts at the location(s) where Student Mechanics are employed.

NOTE 2: Students will not be moved from shift to shift or relief day to relief day for the purpose of performing relief work; however, they will be rotated on a regular basis to provide training as set forth hereinabove.

It is understood that "shifts" as used herein refers to shifts established in accordance with the existing Schedule Agreement. It is further understood that no Student will be required to work as such on either the second or third shift in excess of six (6) months on each shift, except as may be agreed to by the General Chairman.

SECTION IV - Temporary Promotion to Journeyman Position

(A) When a shortage of qualified Machinists exists, Student Mechanics who have served at least one training period may be promoted to a Machinist's position on a temporary basis without losing their respective seniority; however, they will not establish or accumulate seniority as Machinists. Such employees will be placed on a "Promoted" seniority roster in the order of their promotion and will be set back in the reverse order of their promotion.

(B) Student Mechanics will be promoted in accordance with their relative seniority standing on their seniority roster.

(C) Promoted employees will receive the Machinist's rate of pay.

(D) Employees temporarily promoted under provisions of this Agreement will be credited for all time worked as Machinists (excluding overtime) in computing their training period. If such credited time results in completing their periods of training and they are still employed as a Machinist, they will be included on the seniority roster for Machinists with seniority date, in line with applicable provisions of this agreement. Promoted employees will be required to complete training courses as required in Section III.

SECTION V - Transfers and Transportation

(A) Transfers. It is recognized that temporary transfers may be necessary to provide the Student training in the various phases of the trade. When the Company requires such a transfer to a facility more than 30 miles from the Student's home point (point of initial employment as a Student), 15 calendar days' advance notice will be given to the individual and his Local Chairman, and transportation will be furnished as hereinafter provided. Such temporary transfer shall have no bearing on a Student Mechanic's establishment of seniority at his home point (point of initial employment as a Student). However, if a student elects to accept a permanent transfer to a point other than his home point, he will lose his right to establish a seniority date at his original home point and thereafter the point to which transferred will become his new home point. In such cases the employee accepting a permanent transfer cannot establish a seniority date as a Machinist prior to the date of transfer.

(B) Transportation. Transportation for the trip involved in transferring the Student to the away-from-home point and for the return trip for the transfer back to home point will be furnished by the Carrier or, at the Carrier's option, the Carrier's authorized rate per mile will be paid for the round trip.

SECTION VI - Expense for Student Mechanics

Lodging and meals will be provided by the Company for Students required to train at a point more than thirty (30) miles away from home point of employment or an adequate allowance mutually agreeable between the parties signatory hereto will be established therefor. Such allowance, if established, will be uniformly applied.

SECTION VII - Seniority for Student Mechanics

(A) Student Mechanics will establish and accumulate seniority as such among themselves at point employed as of the first day worked as Students.

(B) Upon completion of the prescribed related instruction and 690 days worked by Students who are employed subsequent to the effective date of this Agreement, each Student will be certified as a Journeyman Machinist and shall be given a seniority date at his home point retroactive to the date first worked as a Student Mechanic. A Student shall not, by reason by this retroactive feature, establish seniority date ahead of any Journeyman Machinist in the Company's service at that location prior to the effective date of this Agreement; nor shall a Student establish a seniority date ahead of a Journeyman who was hired at that location on the same date the Student first worked as a Student Mechanic.

(C) Student Mechanics furloughed at their home point who transfer to another point and complete the Student Mechanic Training Program while still working at the point to which transferred will establish Journeyman's seniority at their home point in accordance with Paragraph (B) above. Additionally, they will establish seniority at the point at which they are working, except that in no case will such Student Mechanic establish Journeyman's seniority ahead of the date of transfer. When such employee stands for recall to service at their home point, they must at that time make an election as to which seniority they will retain.

(D) If two or more Students were employed at the same point on the same date, their relative standing as Student Mechanics and their relative standing on the Journeymen's seniority roster, upon completion of their training, will first be determined on the basis of which Student first entered the service of the Company in any capacity and then in accordance with Rule 26 of the Schedule Agreement, as amended.

SECTION VIII - Rates of Pay

On the effective date of this Agreement the rates of pay of Student Mechanics will be as follows:

<u>Period</u>		<u>Rates</u>
1 -	[115 workdays]	90% of Journeyman's Rate
2 -	[115 workdays]	90% of Journeyman's Rate
3 -	[115 workdays]	90% of Journeyman's Rate
4 -	[115 workdays]	95% of Journeyman's Rate
5 -	[115 workdays]	95% of Journeyman's Rate
6 -	[115 workdays]	95% of Journeyman's Rate

SECTION IX - Experience Credit

(A) Employees entering the Student Mechanic Training Program will not be given credit toward the completion of their 690 days required to establish Journeyman's seniority for any knowledge or experience gained prior to entering the Program or gained outside of the Program, except as may be provided for by statute.

(B) It is understood that nothing in this Agreement is intended to restrict Carrier's right to employ Journeymen.

SECTION X

This Agreement will supersede the provisions of all other Machinist Apprentice Training Agreements in effect on CSX Transportation, Inc. in the following manner:

(A) All rules of the Schedule Agreement containing the words Apprentice(s), Helper Apprentice(s), or Apprenticeship(s) are hereby amended by the substitution of the words "Student Mechanic(s)" for the term Apprentice(s), and Helper Apprentice(s) and "Student Mechanic Training Program" for the term Apprenticeship(s), wherever used.

(B) The ratio of Student Mechanics at a facility shall not exceed one (1) to every three (3) Machinists, except that if a Machinist is furloughed at the facility in question, the ratio will revert to one (1) to four (4).

(C) Two Students will not be worked together as partners.

SECTION XI

On or after the effective date of this Agreement, furloughed Machinists may displace Student Mechanics only at the point furloughed; provided that under this rule furloughed Machinists of the Mechanical Department may not displace Student Mechanics of the Roadway Department nor may furloughed Roadway Mechanics displace Student Mechanics of the Mechanical Department. Students displaced while in classroom training must be displaced at the Student's home point. Displacement of Students while in classroom training will be on a one-for-one basis; that is, if Carrier elects to retain in classroom training a Student who has been displaced, that Student shall not be subject to displacement by a second furloughed Journeyman.

SECTION XII

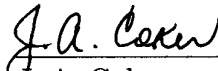
For convenience, all references, if any, to gender in this Agreement are made in the masculine gender. It is understood and agreed by the parties to this Agreement that references to the masculine gender include both the masculine gender and the feminine gender.

SECTION XIII - Effect of this Agreement

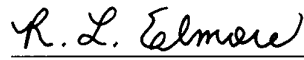
This Agreement shall become effective September 18, 1999 and shall remain in effect until revised or abrogated in accordance with the Railway Labor Act, as amended.

Signed at Jacksonville, Florida, September 17, 1999.

FOR THE EMPLOYEES:

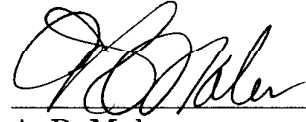


J. A. Coker
General Chairman - I.A.M.A.W.



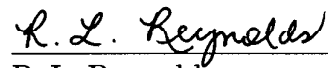
R. L. Elmore
General Chairman - I.A.M.A.W.

FOR THE CARRIER:



A. R. Males
Director Labor Relations

APPROVED:



R. L. Reynolds
President & Directing General Chairman
District Lodge 19, I.A.M.A.W.

CSX

TRANSPORTATION

A. R. Males
Director Employee Relations
(904) 359-3190

Employee Relations Dept.
500 Water Street - J-455
Jacksonville, FL 32202

September 17, 1999

Side Letter 1

Mr. R. L. Reynolds
Pres. & Dir. Gen. Chairman, IAM&AW
111 Park Road
Paducah, KY 42003

Mr. J. A. Coker
General Chairman, IAM&AW
1642 Fairview Road
Stockbridge, GA 30281

Mr. R. L. Elmore
Gen. Chm., IAM&AW
825 Prather Ridge Road
Bloomfield, KY 40008

Gentlemen:

This refers to CSXT Agreement No. 16M-060-99, covering student mechanics.

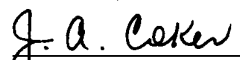
A machinist helper who was upgraded prior to the effective date of this Agreement will become a promoted student and will be paid as such from the effective date of this agreement. These upgraded students will be subject to serving a total of 690 days, as provided for in the Agreement, before becoming a journeyman machinist but will not be required to complete the academic training. Upon completion of the 690 days of training, upgraded students will be given a seniority date on the Machinist Seniority Roster retroactive to the effective date of this Agreement in the order in which they held seniority as a promoted helper prior to the date of this Agreement.

Very truly yours,

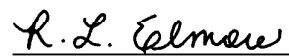
AGREED:



R. L. Reynolds, Pres. & Dir. Gen. Chm.



J. A. Coker, General Chairman



R. L. Elmore, General Chairman



CSX

TRANSPORTATION

A. R. Males
Director Employee Relations
(904) 359-3190

September 17, 1999

Mr. R. L. Reynolds
Pres. & Dir. Gen. Chairman, IAM&AW
111 Park Road
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1642 Fairview Road
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825 Prather Ridge Road
Bloomfield, KY 40008

Gentlemen:

This refers to CSXT Agreement No. 16M-060-99, covering student mechanics.

With regard to Section III(E) of the Agreement, it is understood that the intent of this language is that Carrier will provide advance notification when sending employees to classroom/workshop training away from their home area.

Very truly yours,



AGREED:

R. L. Reynolds
R. L. Reynolds, Pres. & Dir. Gen. Chm.

J. A. Coker
J. A. Coker, General Chairman

R. L. Elmore
R. L. Elmore, General Chairman