



BUILDING AMERICA®

March 11, 2021

Mr. Ronnie Rhodes
General Chairperson – BLET
750 FM 1841
Linden, Texas 75563

Attachment A: Claims Settlement

1. All time claims and grievances of record (as defined herein) submitted by either an engineer or by the Union on behalf of an engineer as of the execution date of this Claims Settlement will be settled and resolved by the payment of one million two hundred fifty thousand dollars and zero cents (\$1,250,000) ("the Settlement Amount") to affected employees, subject to the required payroll tax withholdings on the distributions of that sum. A time claim or grievance of record is a time claim or grievance that has been denied by the Carrier at any level, including Timekeeping, involving the regulation of targeting and held away¹, including time claims or grievances that were properly filed and denied within the allowable contractual time period. The Carrier agrees to make a good faith effort to assist the Union by providing copies of disputed time claims or grievances in its possession that are reasonably retrievable and that are covered by this Claims Settlement.
2. The distribution of the Settlement Amount shall be made in two phases. The total amount distributed to employees must equal the Settlement Amount. On or before August 3, 2021, the BLET General Chairperson shall notify each person whom he determines may be eligible to receive a share of the Settlement Amount of the terms of the Settlement and the amount he has preliminarily determined such person shall receive, based on the number of eligible individuals and the number of time claims or grievances of record that were submitted. Such persons shall have thirty (30) days in which to respond in writing if they believe they are entitled to a greater share of the Settlement Amount and to provide evidence in support of their position. The BLET General Chairperson shall also publish a notice on the website of the BLET/UP Central Region General Committee of Adjustment describing the Settlement and the procedure for seeking a share of the Settlement Amount associated with the claims of record. On or before November 1, 2021, the BLET General Chairperson shall notify the Carrier in writing of the names and employee identification numbers of the eligible individuals and the gross amount each shall receive in the initial distribution (the "initial distribution notice."). The Carrier shall then make an initial distribution in the total amount of six hundred twenty five thousand dollars and no cents (\$625,000) on or before December 1, 2021, subject to all applicable deductions, garnishments, federal, state and local income

¹ Targeting and held away – Claims wherein the Claimant alleged CMS improperly called them to work around others for the avoidance of additional held away payments.

taxes, and employee railroad retirement taxes. A cover letter to be agreed upon by the parties shall accompany each individual payment.

The remaining balance of six hundred twenty five thousand dollars and no cents (\$625,000) shall be held by the Carrier to provide the parties time to resolve any additional claims or challenges that may arise from the initial distribution. On or about February 1, 2022, the BLET General Chairperson shall notify the Carrier in writing of additional eligible individuals and the gross amount each shall receive from the remaining balance, plus additional amounts to be distributed to all persons previously determined to be eligible ("the supplemental distribution notice"). The Carrier shall distribute the supplemental distribution on or before March 1, 2022, subject to all applicable deductions, garnishments, federal, state and local income taxes, and employee railroad retirement taxes.

The Carrier shall withhold employees' share of federal and state income taxes using the applicable rate for supplemental wages for distributions to former employees or their estates.

NOTE: The claim settlement distribution will not be counted as earnings toward a recipient's next year 1/52 vacation rate or count toward vacation qualification.

3. In the event of challenges raised by individuals regarding their eligibility for, or amounts of, distributions under this settlement, the Union expressly agrees to be solely responsible for addressing such challenges, provided the Carrier has distributed the amounts set forth in the distribution notices in accordance with the process described above. Challenges not raised in response to the initial notification from the BLET General Chairperson must be submitted in writing to the BLET General Chairperson, with supporting evidence, and received no later than January 1, 2022. The Carrier shall forward to the BLET General Chairperson within ten (10) business days of receipt, any challenge it may receive and agrees to cooperate with the Union in its efforts to resolve challenges. Any and all claims, grievances, and/or causes of action that may be related to this settlement shall not be subject to the contractual claims and grievance process and the procedures of Section 3 of the Railway Labor Act.
4. This settlement does not cover outstanding discipline, medical, and non-monetary (such as seniority disputes) cases but covers all other time claims and grievances pertaining to targeting and held away as previously defined above, including those cases which have been docketed for arbitration but not argued and those cases argued at arbitration but no decision has been rendered.
5. This settlement is without prejudice or precedent to either party's position with regard to the subject matter of any time claims and grievances except the targeting issue. Existing targeting and held away claims, as previously defined above, are withdrawn by the BLET and will not be progressed at a future date. All other claims shall not be cited by either party in any future claims conferences, arbitration, or negotiation.

AGREED:

Ronnie Rhodes

R.E. Rhodes
General Chairman, BLET UPCRGA

K.N. Novak

K.N. Novak
Director, Labor Relations

K.J. Bagby

K.J. Bagby
Vice General Chairman, BLET UPCRGA

N.H. Deines

N.H. Deines
General Director, Labor Relations