

**MEMORANDUM OF AGREEMENT**

**between**

**THE NEW YORK, SUSQUEHANNA AND WESTERN RAILWAY CORPORATION**

**and**

**BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES DIVISION (BMWED)  
OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS (IBT)**

**WHEREAS**, Vice President-Engineering R. J. Hensel served notice seeking permission to contract out tie installation and surfacing of track on the NYS&W and CNYK railroads; and

**WHEREAS**, General Chairman Stuart Hurlburt requested a conference to discuss this issue; and

**WHEREAS**, on Tuesday, May 11, 2010, the parties met to discuss this issue; and

**WHEREAS**, during our discussions, the Carrier acknowledged that all of the work in connection with railroad tie installation and surfacing on property owned by the Carrier is contractually reserved to BMWED members and thus could not be contracted out without consent of the BMWED; and

**WHEREAS**, the Carrier has identified the unusual circumstances that currently prevail making it difficult for BMWED members to perform major tie and surfacing work;

**IT IS THEREFORE AGREED AS FOLLOWS:**

1. In year 2010, all major tie and surfacing work will be contracted out on the NYS&W and CNYK railroads.
2. All maintenance-type tie and surfacing work on the NYS&W and CNYK railroads will be performed by the BMWED represented employees.
3. During the time frame that any contractor is working on the property installing ties and/or surfacing track, track protection will be provided by a BMWED Track Foreman.
4. During the time that any contractor is scheduled to work and/or is working on the NYS&W and CNYK railroads, the Carrier will fully employ all BMWED rostered employees who are available for service.
5. A signing bonus of Eight Hundred Dollars (\$800.00) will be provided to each employee.
6. It is agreed to and understood that entering into this Memorandum of Agreement is by no means an admission by the BMWED that tie and surfacing work is work reserved to any other party except that of the NYS&W Maintenance-of-Way Employees.

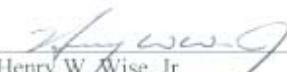
7. Additionally, upon expiration of this Memorandum of Agreement, it is understood that this Agreement will not be referred to or cited by either party in any negotiations or arbitrations on this property or others.
8. Furthermore, the parties recognize and agree that this Agreement is limited to solely the matter addressed in this Memorandum of Agreement and will not be used by either party in any manner with respect to any interpretation or application of any rule or practice.
9. This Memorandum of Agreement will remain in force until December 31, 2010 unless it is mutually agreed to by the parties to terminate sooner.

**BROTHERHOOD OF MAINTENANCE  
OF WAY EMPLOYEES  
DIVISION OF THE IBT**

By:   
Stuart A. Hurlburt, Jr.  
General Chairman, NESF

By:   
Sean Conte, Local Chairman

By:   
James Thomas, Local Chairman

Approved:   
Henry W. Wise, Jr.  
Vice President - BMWED

**THE NEW YORK, SUSQUEHANNA AND  
WESTERN RAILWAY CORPORATION**

By:   
Nathan R. Fenno, President

By:   
Richard J. Hengel  
Vice President-Engineering