December 18, 2009

File: 3083-12

CSX Transportation Labor Agreement No. 16M-001-05

Mr. B. Winter, General Chairman
Brotherhood of Maintenance of Way Employees
Consolidated Rail System Federation
58 Grand Lake Drive
Port Clinton, Ohio

Mr. S. A. Hurburt, General Chairman
Brotherhood of Maintenance of Way Employees
Northeastern System Federation
135 Mick LN
Oneonta, NY 13820

Mr. J. D. Knight, General Chairman
Brotherhood of Maintenance of Way Employees
Seaboard Federation
2153 Broadwater Drive
Jacksonville, Florida 32225

Mr. G. L. Cox, General Chairman
Southern System Division
800 Concord Road
P.O. Box 24068
Knoxville, TN 37933-2068

Mr. D. R. Albers, General Chairman
Brotherhood of Maintenance of Way Employees
Allied Federation
315 Main Street, Suite 20
Hendersonville, TN 37075

Mr. J. Dodd, General Chairman
Brotherhood of Maintenance of Way Employees
Pennsylvania Federation
421 North 7th Street, Suite 299
Philadelphia, PA 19123

Mr. T. R. McCoy, General Chairman
Brotherhood of Maintenance of Way Employees
Affiliated System Federation
9300 Runyon Road
Catlettsburg, KY 41129

Dear Sirs:

As information, and in accordance with the applicable provisions of CSX Transportation Labor Agreement No. 16M-001-05, as quoted below, the November 2008 BLS Index was 617.472; the November 2009 BLS Index is 631.491. The difference between the November 2008 and the November 2009 indices yield an increase of 14.0 (rounded). This increase is multiplied by $0.07 per point as provided in the Agreements, and yields a $0.98 Cost-of-Living Adjustment (COLA).

"Section III – Per Diem Adjustments

The per diem payment provided for shall be subject to revision each January 1st. The increase or decrease to be made in such per diem allowance at the expiration of each such 12-month period shall be based
on seven (7) cents per point of increase or decrease as may be reflected by the Cost-of-Living Index for all items (1967=100) United States City Average For Urban Wage Earners and Clerical Employees issued by the Bureau of Labor Statistics which is received by the time the revision is due. Five-tenths (.5) of a point will be dropped in the computation."

Accordingly, effective January 1, 2010, the per diem allowance payable under applicable provisions of the Agreement will be increased by the COLA from the present $29.26 to $30.26.

Yours truly,

N. V. Nihoul
N. V. Nihoul
Director - Labor Relations

cc: Mr. J. R. Cook, Vice President - BMWE
Mr. D. J. Murphy, Director Operations Support – J350
Mr. E. D. Caruth., Manager System Production Teams Operations – J350
LR Managers (Engineering)
Payroll Non-Operating Craft