

ARTICLE V - BENEFITS ELIGIBILITY

Section 1 - Health and Welfare Plan

The Railroad Employees National Health and Welfare Plan ("the Plan") is amended, effective June 1, 1997, as provided in this Section. In order for an Eligible Employee (as defined by the Plan) to continue to be covered by the Plan during any calendar month by virtue of rendering compensated service or receiving vacation pay in the immediately preceding calendar month (the "qualifying month"), such employee must have rendered compensated service on, or received vacation pay for at least one (1) calendar day during the applicable qualifying month. Any calendar day on which an employee assigned to an extra list is available for service but does not perform service shall be deemed a day of compensated service solely for purposes of this Section. Existing Plan provisions pertaining to eligibility for and termination of coverage not specifically amended by this Section shall continue in effect.

NOTE: Employees represented by UTU(y) shall continue to be a part of the Railroad Employees National

Health & Welfare Plan ("the Plan").

ARTICLE V- BENEFITS ELIGIBILITY (CONTINUED)

Section 2 - Vacation Benefits

Existing rules governing vacations are amended as follows effective January 1, 1997:

- (a) Calendar days on which an employee assigned to an extra list is available for service and on which days he performs no service, not exceeding ninety (90) such days, will be included in the determination of qualification for vacation; also, calendar days, not in excess of forty-five (45), on which an employee is absent from and unable to perform service because of injury received on duty will be included. Such calendar days shall not be subject to the multiplying factors set forth in existing vacation rules as amended.
- (b) Calendar days on which an employee is compensated while attending training and rules classes at the direction of the carrier will be included in the determination of qualification for vacation. Such calendar days shall not be subject to the multiplying factors set forth in existing vacation rules as amended.
- (c) During a calendar year in which an employee's vacation entitlement will increase on the anniversary date, such employee shall be permitted to schedule the additional vacation time to which entitled on the anniversary date at any time during that calendar year.
- (d) A Yardman may make up to five (5) one week splits in his annual vacation in any calendar year.
- (e) A Yardman may take up to one (1) week of his annual vacation in single day increments.
- (f) Existing rules and practices regarding vacations not specifically amended by this Section, including (but not limited to) scheduling of vacations, shall continue in effect without change.

Section 3

This Article is not intended to restrict any of the existing rights of this Carrier except as specifically provided herein.