

COLLECTIVE BARGAINING
AGREEMENT

Between

GREAT WESTERN RAILWAY OF COLORADO, LLC
("GWR")

And

IT'S ENGINE AND TRAIN SERVICE EMPLOYEES REPRESENTED BY
BROTHERHOOD OF LOCOMOTIVE
ENGINEERS & TRAINMEN
("BLET")

Effective February 16, 2012

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PREAMBLE

The following Agreement between the Great Western Railway of Colorado, L.L.C, ("GWR") and the Brotherhood of Locomotive Engineers and Trainmen (BLET) recognizes the unusual principles and conditions existing within the short line railroad industry that are not applicable to the major trunk line railroads.

GWR, BLET and the employees further recognize that they have a common and sympathetic interest in the railroad industry. Therefore, a working system of harmonious relationships is necessary to maintain a rapport among GWR, BLET and the employees and with the customers and public. Continued peace and harmonious relationships will benefit all concerned and the parties further agree that they will use rational, common sense methods to settle any differences between them.

ARTICLE 1 REPRESENTATION AND DEFINITIONS

Section 1.1 GWR recognizes that the BLET represents the engine and train service employees on GWR. Further, GWR, BLET, and the employees recognize their respective rights and responsibilities under the Railway Labor Act, as amended. In addition, it is recognized that the General Committee of Adjustment (GCA) is the bargaining representative and encompasses the GCA, the Local Chairman and anyone designated by the General Chairman. This Agreement is non-referable to other negotiations on other properties and is not precedent for any other agreement. GWR and the BLET shall apply the provisions of this Agreement without discrimination based on union membership, race, color, creed, religion, national origin, age, sex or disability.

Section 1.2 Definitions

1.2.1 The term "employee" means all engine and train service employees represented by the BLET.

1.2.2 The term "emergency" means an event that disrupts the normal flow of business on GWR including but not limited to Acts of God, acts of force majeure, train accidents, vandalism, lack of locomotives, lack of qualified personnel to operate trains, and customer needs or requirements.

Section 1.3 The use of such words as "he", "his" and "him" are not intended to restrict the application of this Agreement to a particular gender, but are used solely for the purpose of grammatical convenience.

ARTICLE 2

SCOPE

Section 2.1 Operating employees shall perform any and all services pursuant to the direction of GWR, including but not limited to steps required for the make up of trains or the movement of cars and trains over and through GWR trackage or trackage over which it is permitted to operate by virtue of trackage rights, operating rights or any other such arrangements with other rail carriers. The primary work of the operating employee is the operation of trains, locomotives, remote control devices used to operate locomotives and any other motive power used for the make up or movement of cars and trains. GWR may, however, use other personnel to move locomotives or trains for repairs, maintenance or testing provided such movements do not involve the movement of revenue traffic.

Section 2.2 It is further recognized that GWR may require operating employees from time to time to perform duties outside their primary duties such as fueling locomotives, changing brake shoes, and conducting repairs to locomotives and cars, coupling and uncoupling cars, inspecting cars and locomotives, throwing switches, locking and unlocking derails, opening and closing gates, coupling and uncoupling air hoses, relieving other employees, servicing and supplying locomotives, assisting in training new operating and engine service employees, receiving train orders and/or track warrants, performing air brake tests, daily inspections of engines, receiving, delivering and/or transmitting waybills, car placement information, bills of lading, switch lists and other data, assisting other employees to clear main line or perform other functions as may be necessary, and other duties as may be assigned.

Section 2.3 All GWR policies, practices, and procedures previously or subsequently issued by GWR that are not in conflict with this Agreement govern the employees covered by this Agreement.

Section 2.4. GWR management may perform work normally performed by an employee in the event of the unavailability of an employee, when GWR is unable to contact other qualified bargaining unit employees or in the event of work of an urgent or emergency nature. It is understood that it is not the intent of the GWR to use this latitude to reduce work, overtime or artificially restrict hiring.

ARTICLE 3

MANAGEMENT RIGHTS

GWR retains the sole and exclusive right to manage the affairs of the business and to direct its work force, subject to the provisions of this Agreement. Such functions of management include, but are not limited to, the right to hire, enforce rules of safety, promote, discharge or discipline (including layoff and recall of employees), and maintain efficiency of employees. GWR has the right to alter, rearrange or change, extend, limit or curtail its operations or any part of it, to decide the number of employees that it assigns to work on any job or shift, the equipment employed in the performance of such work, as well as to determine and set performance levels.

The parties recognize the GWR currently has assigned two (2) man crews to work on the majority of trains. However, this recognition does not restrict the GWR in any manner from assigning additional crew members or fewer crew members to work on any trains as the GWR deems necessary.

ARTICLE 4 PROBATIONARY PERIOD

GWR shall employ persons hired after the effective date of this Agreement on a probationary basis for a period of ninety (90) compensated days of actual work. During the probationary period, GWR may dismiss the Employee for any non-discriminatory reason and neither the employee nor the BLET shall have any right to grieve or otherwise challenge the dismissal. Falsification by an individual of his application is reason for dismissal of the employee whenever GWR discovers such falsification.

ARTICLE 5 SENIORITY, BIDDING AND ASSIGNING OF POSITIONS

Section 5.1 GWR will prepare two seniority rosters as of January 1st of each year. One will be one seniority list for qualified engineers and another for qualified conductors. GWR will post the seniority lists in a convenient place on bulletin boards where employees go on/off duty. The roster will show employees in order according to their date of hire. If there are two individuals with the same hire date, their position on the seniority list will be determined by lottery. GWR will provide a copy of the rosters to the BLET. In the event a roster contains any error(s), the BLET must file any appeal to the order of seniority shown or any other material errors noted on the seniority roster within thirty (30) calendar days of the date of the posting of the seniority roster.

Section 5.2 An employee who GWR promotes or reassigns outside of engine and train service, after the effective date of this Agreement, will retain and continue to accumulate seniority in the BLET provided, they continue to satisfy the Union Shop requirements in order to accumulate seniority. Employees that elect not to satisfy the Union Shop requirements will have their seniority date frozen. Any such employee who voluntarily or involuntarily leaves the promoted or reassigned position must return to engine and train service within ten (10) days or forfeit all seniority rights.

Section 5.3 GWR is not obligated to reinstate an employee who leaves the service of GWR of his own accord and he forfeits all seniority rights.

Section 5.4 New assignments will be bulletined for a period of seven (7) days with bulletins posted at points where employees go on/off duty. Employees desiring such assignments will indicate their preference therefore on the prescribed form within the seven (7) day period. At the close of the bulletin period the BLET Local Chairman will assign the senior qualified employee making application for the position.

Section 5.5 GWR will permit qualified engineers to bid positions as conductors according to their standing on the conductor's seniority roster and, if the senior applicant, GWR will assign him to the position provided all engineer positions are filled with qualified engineers. In the event an engineer position is vacant and no engineer bids the position, GWR will assign the junior engineer working as conductor to the position.

Section 5.6 Employees who have been assigned to a job/assignment for a period of ninety (90) or more days will be permitted to exercise seniority to a different position, seniority permitting.

ARTICLE 6 REDUCTION IN FORCE

Section 6.1 If GWR reduces the workforce, it will demote or furlough employees in reverse order of seniority.

Section 6.2 When GWR restores or recalls the workforce, it will restore or recall employees to service in seniority order. Employees will retain their original seniority date and standing, provided they contact the GWR within five (5) days from the date of the recall letter and provided they physically report to service within fourteen (14) days from the date of the recall letter. Employees will be notified of recall by certified mail and GWR will provide the BLET with copies of the recall letters upon request.

Section 6.3 All employees must keep GWR informed of their current address. Failure to do so will result in forfeiture of seniority.

ARTICLE 7 VACANCIES

Section 7.1 GWR may abolish a position if it deems the position no longer necessary or redundant.

Section 7.2 Permanent vacancies are defined as newly established positions or positions vacated due to exercise of seniority, retirement, death, dismissal, resignation or reassignment that GWR has not abolished and that it expects to remain open for one year.

Section 7.3 Temporary vacancies are those due to illness, injury, vacation and all others except those referred to in Section 7.2 above. Such vacancies will be filled as specified below:

7.3.1 From the Guaranteed Extra Board.

7.3.2 By the senior employee who has notified GWR of his desire to be used for extra work who is on his rest day(s).

- 7.3.3 If the Guaranteed Extra Board is exhausted of available employees and no one volunteers to do the work, GWR may force the rested and available junior qualified employee to the assignment.

Note: Regularly assigned employees that are forced to work a temporary vacancy will not be penalized if such temporary work will cause them to be unavailable for their regular assignment.

ARTICLE 8 WAGES

Section 8.1 GWR will pay each employee a salary on a semi monthly basis as set forth in Appendix "A".

Section 8.2 GWR will pay all regular employees covered by this Agreement on the 15th and the last day of the month through electronic deposit. Base wages will be paid current. Pay for extra days worked will be paid one pay period in arrears. Pay shortages will be paid promptly upon notification. GWR will provide each employee with an itemized statement of gross earnings and an itemized statement of all deductions made for any purpose.

ARTICLE 9 QUALIFICATION, CERTIFICATION, AND TRAINING

Section 9.1 All employees must qualify on GWR operating rules and GWR has the right to qualify or place restrictions on employees. ~~In addition, all operating employees in the bargaining unit may be certified to perform both engineer and conductor duties.~~ A restriction that is placed for disciplinary reasons (i.e., as a result of an incident involving an alleged rule violation) may only be imposed after fulfillment of the requirements of Article 12 ("Hearings and Discipline")

Section 9.2 GWR shall conduct periodic training programs designed to enable the employees to become certified for the engineer and conductor positions. GWR will afford employees who fail the certification test additional training and the opportunity to test a second time.

Section 9.3 Unless GWR and the BLET agree, failure of the second test, or failure to pass the certification tests within twelve (12) months of the effective date of this Agreement or within twelve (12) months of hire (whichever is later), shall result in the forfeiture of seniority rights and dismissal.

ARTICLE 10 LEAVE OF ABSENCE

Section 10.1 GWR may grant an employee a leave of absence of up to ninety (90) calendar days at its sole discretion but not for a longer period except by agreement between GWR and

BLET or as required by law. An employee granted such leave shall sign a copy of the written authorization for GWR's records.

Section 10.2 Any employee on leave of absence from GWR may not work for another rail carrier unless so approved by GWR and BLET.

ARTICLE 11 GRIEVANCE AND ARBITRATION PROCEDURE

Section 11.1 If the Employee feels he is aggrieved, he, or his representative, must submit a written, detailed grievance within five (5) calendar days from the date of the alleged grievance to the General Manager of GWR. The General Manager must respond to the employee or his representative in writing within ten (10) days of the date of receipt of the grievance, either allowing or denying the grievance.

Section 11.2 If the Employee is not satisfied with the General Manager's decision, the General Chairman must appeal the decision in writing to the Company's Highest Designated Officer (HDO) within thirty (30) calendar days of the date of the highest officer's decision. The HDO shall hear and decide the appeal within thirty (30) calendar days of the date of receipt of the appeal. The decision reached is final and binding unless, within thirty (30) calendar days, the General Chairman of the BLET notifies the Company's Highest Designated Officer (HDO) that he desires a conference on the matter. The parties will hold such a conference within thirty (30) calendar days of the date of the General Chairman's request for the conference unless the parties mutually agree to extend the time period. Within thirty (30) calendar days of the date of the conference, the HDO must issue a final written decision to the General Chairman. Failure to issue a final decision within that time period will result in the appeal being sustained in its entirety.

Section 11.3 If GWR and the BLET fail to settle the grievance, they shall handle the matter in accordance with the Railway Labor Act, as amended. All claims or grievances involved in a decision of the highest officer shall be barred unless within six (6) months from the date of said officer's decision proceedings are instituted by the employee or his duly authorized representative before a tribunal having jurisdiction pursuant to law or agreement of the claim or grievance involved. It is understood, however, that the parties may by agreement in any particular case extend the six months' period herein referred to.

Section 11.4 Any party who fails to comply with any of the time limitations outlined above has abandoned all rights and the decision given by the other party at the last applicable step is final and binding. The parties may agree in writing to waive any of the time limitations outlined above.

Section 11.5 Each party will supply the other with the names of all officers or persons who shall function in its behalf in the grievance procedure.

ARTICLE 12
HEARINGS AND DISCIPLINE

Section 12.1 The parties recognize that it is in their mutual interest to have uniform procedures to ensure fair and impartial investigations when the discipline may result in a suspension or termination unless waived by the employee. GWR may hold an employee out of service pending an investigation if the alleged infraction is serious or severe.

Section 12.2 Employees charged with violations will be notified in writing via U.S. mail or hand delivered. The notice of hearing will contain information sufficient to apprise the employee of the act or occurrence to be investigated. It will also include the time and location of the investigation. Investigations will be held promptly, but in any event not later than thirty (30) days from the time the appropriate supervisory officer of the GWR first gained knowledge of the incident(s). Employees so charged will be given sufficient time to obtain representation, prepare a defense and request witnesses to testify on their behalf at the investigation. The investigation will be held within fifteen (15) calendar days of the date of notification unless postponed for cause by either party. Postponements of investigations will not be unreasonably requested or denied. At the investigation the charged employee or his representative will be permitted to be present for the entire proceeding, to hear all testimony, and to question all witnesses.

Section 12.3 A decision will be rendered within fifteen (15) calendar days following the completion of the investigation. The employee will be notified of the decision via U.S. mail or hand delivery. The postmark will be used to determine compliance with this 15-day time limit if mailed. Failure of GWR to issue notice of discipline within this fifteen (15) calendar day requirement will negate its right to assess discipline for the relevant matter.

Section 12.4 In the event discipline is assessed, a complete and accurate transcript of the investigation will be provided to the employee and his representative with GWR's decision. The employee or his representative has the right to appeal the decision provided such appeal is filed with the officer of GWR designated to handle appeals within thirty (30) calendar days of the date of the decision. If an appeal is not filed within this time period, the matter is barred from further action or appeal by the BLET unless the parties mutually agree otherwise.

Section 12.5 GWR's designated officer must issue a written decision on the employee's appeal within thirty (30) calendar days of the date of receipt of the employee's appeal. If GWR fails to issue such decision within this thirty (30) calendar day period, the appeal will be sustained in its entirety.

Section 12.6 The decision reached pursuant to Article 12.5 is final and binding unless, within thirty (30) calendar days, the General Chairman of the BLET notifies the Company's Highest Designated Officer (HDO) that he desires a conference on the matter. The parties will hold such a conference within thirty (30) calendar days of the date of the General Chairman's request for the conference unless the parties mutually agree to extend the time period. Within thirty (30) calendar days of the date of the conference, the HDO must issue a final written decision to the

General Chairman. Failure to issue a final decision within that time period will result in the appeal being sustained in its entirety.

Section 12.7 If GWR and the BLET fail to settle the grievance, they shall handle the matter in accordance with the Railway Labor Act, as amended. All claims or grievances involved in a decision of the highest officer shall be barred unless within six (6) months from the date of said officer's decision proceedings are instituted by the employee or his duly authorized representative before a tribunal having jurisdiction pursuant to law or agreement of the claim or grievance involved. It is understood, however, that the parties may by agreement in any particular case extend the six months' period herein referred to.

Section 12.8 If the matter is submitted for arbitration under this Article, parties agree that the arbitrator shall consider only the dispute or question presented to him in the notice. Further, any decision rendered by the arbitrator is limited to the dispute or questions contained in the request for arbitration. The decision shall not add to, subtract from, modify, rescind or disregard any provision of this Agreement. The arbitrator's decision is final and binding.

Section 12.9 An employee notified to attend an investigation and found to be not guilty, will be paid for all time lost. The hearing will be held at the general offices of GWR.

Section 12.10 If GWR calls an employee to attend an investigation as a carrier witness on their off duty time it will pay him for all time from the time required to report until the time of final release by the investigation officer.

Section 12.11 GWR may offer a charged employee the right to waive the investigation and accept responsibility for the charges. Such a waiver will be in writing, signed by the carrier officer and the employee, witnessed by the local chairman, and contain the specific amount of discipline that will be assessed as a result of the employee waiving his/her rights to an investigation. Offers of waivers that are rejected by the employee will not be referred to by either party in any other forum.

Section 12.12 If, as a result of handling a matter at any stage of this Article, the employee is exonerated, he will be reinstated, if out of service, paid for all time off if any, and will have the relative notation removed from his personal record. The BLET will also not use any such removed notation for any purpose.

Section 12.13 All time limitations set forth in this Article may be extended by mutual agreement of the parties.

ARTICLE 13 HOLIDAYS

Section 13.1 GWR recognizes the following days as paid holidays: New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas Day.

Section 13.2 GWR will pay each employee who qualifies for a holiday the rate of pay specified in Appendix A for working a sixth (6th) day of work, except that the employee will not have to work five (5) consecutive days before the holiday to receive the sixth day's pay. To be eligible for holiday pay, an employee must have worked or have been available for work on his last regularly assigned workday before the holiday and his first normally assigned work day following the holiday. If scheduled to work the holiday, employees must protect their assignments in order to be eligible for holiday pay. Employees who are on a compensated absence such as PTO or bereavement leave when the holiday occurs are considered to have met this requirement.

ARTICLE 14 PAID TIME OFF

Section 14.1 An employee will accrue paid time off ("PTO") pursuant to the following schedule:

<u>Years of Service</u>	<u>Accrual Rate Per Pay Period</u>	<u>Days Per Month</u>	<u>Days Per Year</u>
Up to 1	4 hours	1	12
2 - 3	6 hours	1.5	18
4+	8 hours	2	24

Hours of PTO deducted from an employee's total accrued PTO will be based on the employee's work schedule. If the employee is scheduled to work four days per week, ten (10) hours of PTO will be deducted for every day taken. If the employee is scheduled to work five days per week, eight (8) hours of PTO will be deducted for every day taken. Employees may request a buy back of up to a maximum of five accumulated days that remain at the end of the year. The company will buy back PTO days at the employee's existing rate of pay for the employee's assignment.

Section 14.2 It is the intent of the parties that the employee will normally take PTO in increments of one (1) week or more except that the employee may not take more than two (2) weeks at a time without the written approval of the General Manager of GWR. Employees will be allowed to take one week of PTO time in single day increments provided the employee gives the Company a minimum forty-eight (48) hours advance notice on the form supplied by GWR to the designated company officer.

Section 14.3 The employee must submit his PTO request on the form supplied by GWR. Those employees with the greater amount of seniority will have priority if GWR receives duplicate requests for the same PTO times. Employees should include at least three (3) choices when submitting requests for weekly increments of PTO in case of duplicate requests.

Section 14.4 GWR reserves the right to grant or deny PTO requests based upon its service or operational needs.

Section 14.6 GWR will pay an employee his accrued but unused PTO upon the termination of the employee's employment with GWR.

ARTICLE 15 BEREAVEMENT LEAVE

Section 15.1 Bereavement leave allows an employee time off when a death occurs in the immediate family. GWR will give an employee a leave of up to three (3) days, calculated at the employee's equivalent of hourly rate of pay.

Section 15.2 The definition of an employee's immediate family is the employee's spouse, child, parent, parent-in-law, step-parent, step-child, and employee's brother or sister.

Section 15.3 The days of leave for which GWR shall pay the employee is limited to those days on which the employee is regularly scheduled to work and is unable to work because he is arranging for, traveling to and from or attending the funeral. GWR will not grant pay to employees for this purpose who are already on vacation, leave of absence, lay off or paid holiday.

ARTICLE 16 JURY DUTY

Section 16.1 GWR will pay employees who serve jury duty the difference between the amount paid by the court for such service and the amount of their regular earnings at their equivalent hourly rate of pay that they would have otherwise earned for a period of a maximum of thirty (30) days a year. GWR will not grant any jury duty pay to the employee if the employee is on leave of absence, lay off, vacation or holiday. GWR will not consider hours paid under this provision as time worked when it computes overtime.

Section 16.2 If an employee is subpoenaed by some other party or required by the GWR to attend any court proceeding, coroners request or deposition to provide testimony in connection with actions arising out of his employment or to assist the GWR in connection with such proceedings, inquest or deposition, the GWR will reimburse him for reasonable expenses incurred in connection with his attendance, provided that if the employee is under criminal investigation or is a party to a civil suit, the GWR shall not be obligated to reimburse the employee unless the General Manager of the GWR and the BLET mutually agree.

ARTICLE 17 GROUP HEALTH BENEFIT PLANS

Section 17.1 GWR covers employees in the GWR Group Health Benefit Plans. Employees must first meet the qualifying criteria as described in plans before they are eligible to receive benefits. This insurance is only effective as long as the employee is eligible for insurance and becomes and remains insured as provided in the Group Policy.

Section 17.2 Existing employees that have seniority prior to the ratification of this Agreement will be grandfathered in the so called "Union Plan". Any of these existing employees that do not participate in the Union Plan will be offered a one time opportunity to enroll in the Union Plan during the initial open enrollment period following ratification of this Agreement. Any grandfathered employee that elects to "opt out" of the Union Plan or any new hire employee will not be allowed to enroll in the Union Plan but will be allowed to participate in other Group Health Benefit Plans that are offered by GWR.

Section 17.3 Employees that are enrolled in the Union Plan referred to in Section 17.2 above will pay a portion of the coverage cost as follows: two hundred fifty dollars (\$250) per month for family coverage; one hundred eighty-five dollars (\$185) per month for employee plus spouse; one hundred sixty-five dollars (\$165) per month for employee plus children and seventy-five dollars (\$75) per month for single employee. These premium share costs cannot be increased more than ten percent (10%) per calendar year of the contract. GWR will pay its share of the Union Plan premium so long as the employee performs at least one (1) day's service during the month to be covered.

Section 17.4 If an employee fails to qualify for coverage during a calendar month, GWR will afford the employee the option to continue coverage under the plan by paying the premium cost, if permitted by the insurance carrier.

Section 17.5 GWR reserves the right to change insurance carriers, programs or coverage. GWR will set rates, coverage and eligibility for its Group Health Benefit Plans except for what is specified in this Article 17. Any new program or coverage for the Union Plan will provide reasonably similar coverage.

ARTICLE 18 PAYROLL DEDUCTION

Section 18.1 All employees covered by the terms of this agreement will be required to become and maintain membership in the BLET except as otherwise specifically provided herein. Union membership, for purposes of this Agreement, is required only to the extent that employee must pay either (i) the BLET's initiation fees and periodic dues or (ii) service fees. The service fees shall be equal to the BLET's initiation fees and periodic dues and, in the case of an objecting service fee payer, shall be the proportion of the initiation fees and dues corresponding to the portion of the BLET's total expenditures that support representational activities.

Section 18.2 Subject to the conditions set forth below, GWR will deduct from wages earned by an employee all sums for periodic union dues, initiation fees, and assessments (but not fines and penalties) payable to the BLET upon written and unrevoked authorization of an employee in the form agreed upon by the parties. Deductions for federal, state, and municipal taxes, any amounts due GWR by the employee, and deductions required by law or court order have precedence over union deductions.

Section 18.3 An employee may revoke a payroll deduction authorizing form by executing the form agreed upon by the parties. It is, however, understood that revoking the form will not relieve the employee of the other requirements of this Article.

Section 18.4 The BLET shall reproduce and furnish both authorization and revocation to employees. The BLET is responsible for obtaining the authorization forms from the employees and for delivering such forms to GWR. The employee shall furnish revocation forms directly to GWR. GWR will then send a copy of the revocation form to the BLET.

Section 18.5 GWR will make deductions monthly from the second pay period in each calendar month and GWR will remit to the BLET the total amount of such deduction on or before the twentieth (20th) day of the following month. In the event earnings of an employee are insufficient to permit the full amount of deduction, GWR will not make a deduction for such period and the BLET is responsible for the collection of the same.

Section 18.6 GWR shall discharge any employee who does not comply with the requirements of this Article within ten (10) days of being notified of such non-compliance. The BLET shall indemnify and hold harmless GWR from any and all claims, demands, suits or other forms of liability that arise out of, or by reason of any action taken by GWR to comply with its obligation under this process. The specific process is identified in the Union Shop Enforcement Document, which is attached to this Agreement as Appendix "B".

ARTICLE 19

EQUIPMENT

GWR will provide required personal protection equipment (PPE) such as non prescription safety glasses, safety vests, gloves and earplugs and GWR shall provide employees with an annual safety boot allowance in accordance with the company's safety shoe policy. Employees must purchase safety boots from a GWR authorized dealer and the boots must meet GWR's safety standards.

ARTICLE 20

PHYSICAL EXAMINATION

Section 20.1 Physical examinations will not be more frequent than once a year, unless required by law or unless, in the opinion of GWR, an examination is necessary to determine if the employee is physically able to perform service, and to determine what, if any, reasonable accommodations may be required.

Section 20.2 If GWR's physician disqualifies an employee upon examination and the employee feels that such disqualification is unwarranted, the following procedure will apply:

20.2.1 The employee, at his expense, will select a physician to represent him. GWR, at its expense, will select a physician to represent it. If the two (2) physicians selected concur, their conclusion reached by them is final.

20.2.2 If the two (2) physicians selected disagree as to the physical condition of such employee, they will select a third (3rd) physician, at the joint and equal expense of GWR and the employee, who shall be a practitioner of recognized standing in the medical profession and a specialist in the disease, condition or injury from which the employee is alleged to be suffering. The third (3rd) physician will examine the employee and render a report within a reasonable time not exceeding fifteen (15) calendar days after such examination (unless waiting for test results or laboratory reports) setting forth the employee's physical condition and the physician's opinion as to the employee's fitness to continue service in his regular employment, including the need for any reasonable accommodations. The opinion of any two (2) such physicians is final.

20.2.3 If GWR holds an employee from service for an examination or alleged impaired physical condition and, upon examination, the physicians find the employee physically fit to resume duty, then GWR will reinstate him and pay him for lost time.

20.2.4 If an employee has been medically disqualified pursuant to this Article it is understood that this Article does not limit the employee's opportunity to challenge the medical department's finding if, in the future, the employee's condition has improved to the point that his or her doctor believes he or she can return to work.

ARTICLE 21

LIMITATIONS ON STRIKES

The BLET agrees that, during the term of this Agreement, it will not sanction, encourage or condone the participation by its members in any unauthorized strike, slowdown, stoppage (total or partial) of work covered by this Agreement, or interfere, directly or indirectly, by picketing or otherwise with the operation of GWR. GWR agrees that it will not engage in a lock-out of employees during the term of this Agreement.

ARTICLE 22

POSTING - BULLETIN BOARDS

Section 22.1 GWR will provide a copy of this Agreement to each covered employee.

Section 22.2 GWR will provide bulletin boards at locations where the crews report that the BLET may use for posting, restricted to notices of BLET business. Neither BLET nor the employees shall post other types of notices without the written permission of GWR.

ARTICLE 23

SEPARABILITY AND SAVINGS CLAUSE; PRECEDENCE

Section 23.1 If any article or section of this Agreement are held invalid by operation of law or by any tribunal of competent jurisdiction or if compliance with or enforcement of any article or section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement or the application of such article or section shall not be affected thereby. In such event, the

parties shall, upon the request of the BLET, enter into collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement for such article or section during the period of invalidity or restraint.

Section 23.2 This Agreement shall in all respects supersede and take precedence over all other agreements and any proposals in pending notices by and between GWR and the BLET.


ARTICLE 24 **MORATORIUM**

The parties signatory to this Agreement agree that no notice to change this Agreement pursuant to Section 6 of the Railway Labor Act, as amended, will be served by either party more than four (4) months before the termination date of the Agreement.

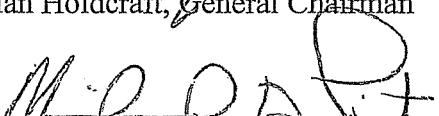
This Agreement will become effective on February 16, 2012 and shall remain in effect through February 15, 2015 and thereafter until changed or amended in accordance with the Railway Labor Act, as amended.

Signed this 16th day of February, 2012.

**FOR THE
BROTHERHOOD OF LOCOMOTIVE
ENGINEERS & TRAINMEN**

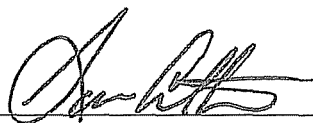


Alan Holdcraft, General Chairman



Michael Priester, Vice President

**FOR THE GREAT WESTERN
RAILWAY OF COLORADO, LLC**



Sam Cotton, Division General Manager

Appendix "A"

Engineer Base Pay: \$41,943.89 a year starting salary for inexperienced engineers (defined as with two years of experience or less as a qualified engineer). At the completion of one year of service with GWR, it will increase the pay for an inexperienced engineer half way to the top pay level for engineers and at the completion of two years service with GWR will equalize the pay for an inexperienced engineer to the top level of pay for engineers. The percentage increases set forth below will apply to the base pay rate in each year of the term of this Agreement.

Conductor Base Pay: \$39,736.32 a year starting salary for inexperienced conductors (defined as with two years of experience or less as a qualified conductor). At the completion of one year of service with GWR, it will increase the pay for an inexperienced conductor half way to the top pay level for conductors and at the completion of two years service with GWR, it will equalize the pay for an inexperienced conductor with the top level of pay for conductors. The percentage increases set forth below will apply to the base pay rate in each year of the term of this Agreement.

The top rate of pay for engineers (before the application of a percentage increase set forth below is \$44,151.47 and the top rate of pay for conductors (before the application of any percentage increase set forth below is \$41,943.89.

The rates of pay will be increased by the following percentages in each year of the term of this Agreement:

February 16, 2012 two percent (2%)

February 16, 2013 two percent (2%)

February 16, 2014 two percent (2%)

GWR will pay an employee who works a sixth or seventh day in a work week the equivalent of the daily rate of his rate of pay so long as he has been compensated the equivalent of five consecutive days prior to the sixth day of work. GWR will calculate the equivalent daily rate by dividing the annual salary of the employee by 260.

Appendix "B"
Union Shop Enforcement Document

The BLET General Chairman will notify the appropriate officer of the GWR in writing of any employee working under this Agreement ("employee") whose employment he requests be terminated because of the employee's failure to comply with union membership requirements. Upon receipt of such notice and request, the GWR will, as promptly as possible but within ten (10) calendar days of such receipt, notify the employee concerned in writing by registered or certified mail, return receipt requested, sent to his last known address, or sent by receipted personal delivery, that he is charged with failure to comply with the union membership requirements. A copy of the notice will be given to the General Chairman. Any employee so notified who disputes the charge that he has failed to comply with union membership requirements will, within ten (10) calendar days from the date of such notice, request the GWR in writing to accord him a hearing. Such a request will be honored by the GWR and a date set for the hearing as soon as possible, but within ten (10) calendar days of the date of the receipt of the request. A copy of the notice of such hearing will be given to the General Chairman. The receipt by the GWR of a request for a hearing will stay action on the request by the General Chairman for termination of the employee's employment until the hearing is held and the final decision is rendered. If the employee concerned fails to request a hearing as provided for herein, the GWR will proceed to terminate his employment at the end of thirty (30) calendar days from receipt of the request from the General Chairman, unless the GWR and the BLET agree otherwise in writing.

The GWR will determine on the basis of evidence produced at the hearing whether or not the employee has complied with the union membership requirements, and will render a decision accordingly. Such a decision will be rendered within ten (10) calendar days of the hearing date, and the employee and the General Chairman will be promptly notified. A transcript of the hearing will be furnished to the General Chairman. If the decision is that the employee has not complied with union membership requirements, his employment will be terminated within ten (10) calendar days of the date of the decision, unless the GWR and the BLET agree otherwise in writing. If the decision of the GWR is not satisfactory to the employee or to the BLET, it may be appealed in writing directly to the highest officer of the GWR designated to handle appeals. Such appeal must be received within ten (10) calendar days of the date of decision appealed from, and the decision on such an appeal will be rendered within twenty (20) calendar days of the date the appeal is received. The decision by the highest appeals officer of the GWR designated to handle appeals will be final and binding unless, within thirty (30) calendar days thereafter, the GWR is notified in writing that the decision is unsatisfactory, and in such event, the dispute may be submitted to a tribunal having jurisdiction within six months of the date of such decision. A representative of the BLET will have the right to be present at and participate in any hearing which involves the BLET.

The BLET shall indemnify and hold harmless the GWR against any and all claims, demands, suits or other forms of liability that arise out of or by reason of any action taken or not taken by the Carrier pursuant to this Article.

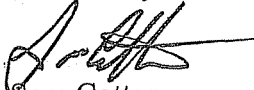
Side Letter No. 1

Mr. Alan Holdcraft
General Chairman
Brotherhood of Locomotive Engineers and Trainmen
101 N. Beverly
Crowley, Texas 76036

Dear Mr. Holdcraft:

This refers to our negotiations over the labor contract on the Great Western Railway of Colorado effective February 16, 2012. It is agreed that currently active employees that held a position on the seniority roster prior to the ratification date of this Agreement will be paid a lump sum allowance equal to two percent (2%) of their wage rate for the time they worked retroactive between the period July 1, 2008 through January 31, 2012. The parties agree that this payment will be made within sixty (60) calendar days of the date of ratification.

Yours truly,



Sam Cotton
Division General Manager

Side Letter No. 2

Mr. Alan Holdcraft
General Chairman
Brotherhood of Locomotive Engineers and Trainmen
101 N. Beverly
Crowley, Texas 76036

Dear Mr. Holdcraft:

This is to confirm the parties understanding that the restrictions in Article 21 on the parties respective rights to engage in self help during the term of the Agreement do not apply in the event the parties are unable to arrive at an agreement resolving their respective proposals to change the Agreement after the expiration of the moratorium provision in the Agreement and exhaustion of the mandatory bargaining processes governing the handling of "major disputes" under the Railway Labor Act.

Yours truly,

A handwritten signature in dark ink, appearing to read 'S. Cotton', with a long horizontal flourish extending to the right.

Sam Cotton

Division General Manager

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