Step-By-Step Process

- 1. Request that the NMB issue a Proffer of Arbitration (completed January 20, 2016)
- 2. The NMB issues a Proffer of Arbitration. If the NMB feels that further mediation will not result in an agreement, it may issue a proffer of arbitration. A proffer of arbitration is an offer to settle any outstanding issues between the union and the company through binding arbitration.

<u>Proffer for Arbitration:</u> Offer by the NMB to the parties, XJT & IAM, to arbitrate the contractual dispute rather than engage in self help, i.e. slow down or strike. If one party refuses arbitration, a 30-day cooling off period begins.

- 3. 30-day cooling off period-the union and the company are both released into a 30-day cooling-off period. During this time, the NMB continues to offer its services and encourages both parties to meet. This is often referred to as "super mediation" or "public interest mediation".
- 4. If no agreement has been reached by the end of the 30-day period, the President of the United States appoints a Presidential Emergency Board (PEB) or decides to allow self-help.

<u>Self Help:</u> Such as a strike or slow down

<u>PEB:</u> Created at the President's discretion if the NMB has determined that a dispute may substantially disrupt interstate commerce, nationally or **regionally**. PEB's operate as fact finders who report to the President the circumstances surrounding the dispute and the negotiating positions taken in such a dispute, and make recommendations for settlement. Findings of PEBs are not binding on parties.

5. If a PEB is created they would meet with the Union and the Company to hear both sides, and then would suggest language to try and address both parties' issues.

- 6. Both parties will come to an agreement and sign, or they will disagree.
- 7. If the parties disagree they enter into a second 30-day cooling off period.
- 8. The President of the United States will decide on either Congressional action or self-help.

<u>Congressional Action</u>: Under constitutional authority Congress may impose its own settlements as found in Article 1. Section 8. of the Constitution's Commerce Clause.