



Melissa A. Beasley
Director
Labor Relations

BNSF Railway Company
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Mr. L.R. Bumpurs
General Chairman UTU - HBT
400 Randal Way, Suite 102
Spring, TX 77388

May 8, 2009

Mr. Bumpurs:

This letter is to confirm our understanding that we are altering Article 50(h) of the HBT Yardmen's Schedule to read:

- (h) True copy of investigation papers will be furnished to the General Chairman's office.

If the above correctly reflects our understanding, please signify by your signature below. This Letter of Understanding may be cancelled by the service of a 10 day written notice of intent to cancel by either party upon the other.

Sincerely,

Melissa Beasley

L.R. Bumpurs – General Chairman

**Memorandum of Agreement
Between
BNSF Railway
and
The United Transportation Union (HBT)**

It is understood that the following will apply to Foreman-Only Utility Transfer assignments covered by HBT Collective Bargaining Agreements within the expanded Houston Terminal.

1. Utility Transfer Assignments shall be paid at the Footboard Yardmaster rate of pay. In addition, such positions will be paid a special allowance of \$41.99 for each tour of duty and this allowance will not be subject to future general wage increases (GWI) or cost of living allowances (COLA).
2. Utility Transfer positions may not be attached to assist other (road or yard) crews, nor will they be required to perform general yard switching or industry switching, but will be strictly limited to the specific duties outlined herein.
 - 2.1. Transfer trains and/or intact blocks of cars between locations within switching limits, including interchange to and/or from connecting carriers and switching companies.
 - 2.2. Handle locomotives, including making up/breaking up engine consists.
 - 2.3. Double inbound/outbound cars to/from the arrival/departure track at any location within switching limits, provided that no track other than the arrival/departure track may be entered more than one time.
 - 2.4. Reposition hazardous material cars in a train, transfer or interchange cut they are handling in order to comply with train placement restrictions.
 - 2.5. Set out defective (bad order) cars from train, transfer or interchange cuts they are handling.
 - 2.6. Set out up to three misrouted cars during any one train, transfer or interchange move.
 - 2.7. Perform up to three (3) straight pickups or setouts (or combination thereof) during any one train, transfer or interchange move. NOTE: The term "straight" pickup or setout means that the pickup must be first-out on the pickup track and the setout must be left first out on the setout track.

3. For equity purposes, the Carrier will make the usual payment to the appropriate Productivity Fund for each tour of duty in this Utility Transfer service, and employees in this service who are otherwise eligible shall be credited with one Productivity Fund share for each such tour of duty.
4. It is understood that this Agreement is not intended to abrogate or otherwise alter the moratorium contained in any current Crew Consist Agreement, and this Agreement will not be referred to by either party in any other context.

Signed and effective this 1st day of December, 2008.

For BNSF RAILWAY COMPANY:



Gene Shire
General Director Labor Relations

For UNITED TRANSPORTATION:
UNION:



L.R. Bumpurs
General Chairman

MEMORANDUM OF AGREEMENT
between
BNSF Railway Company
and
The United Transportation Union (Former HBT Property)

For employees governed by the HBT Agreement, rules, practices, and agreements covering assignment and vacancies are changed as follows:

1. An employee may exercise seniority by bidding or bumping on any position as yardmen for which eligible under the current agreements.
2. A vacancy (including vacation) of 7 days or longer in yard service, including extra boards, will be considered as permanent and filled by standing bid. Employees will be allowed to change the starting date of their vacations to coincide with their rest days.
3. All standing bids will be destroyed when an employee is assigned to a vacancy on the basis of his/her first choice on the standing bid.
4. An employee whose former assignment has been filled during his absence under Section 2 hereof, upon marking up for service, must exercise seniority by 1200 the day of their return.

NOTE: An employee displacing to the extra board will then be marked to the bottom of the board.

6. New assignments (other than increases to extra boards) will be advertised. Advertisements will be posted for 3 days. The senior applicant will be assigned at the time the bulletin closes, which will be 7:00 a.m. on the third day, including Saturdays, Sundays and holidays.
7. Standing bids must be filed electronically in the TSS System. Jobs will be assigned from standing bids that are on file at the time the vacancy occurs, or bulletin closes.
8. Only one standing bid may be on file at any one time. The standing bid must designate the assignments desired in preference order. The most desired assignment will be designated as first choice, the next most desired assignment as second, etc. In the event an applicant is the senior bidder for more than one vacancy being filled simultaneously, the employee will be assigned to the one for which they have indicated the greatest preference.

NOTE: If an applicant is the senior bidder for an assignment based on other than his first choice on the standing bid, the entire standing

bid form remains intact. For example, an applicant with 10 choices on their standing bid is awarded choice No. 5. In this case, all choices remain but he would not be assigned to any of choices 6-10 while occupying an assignment of higher choice.

9. When an employee moves from ground service to engine service, the standing bid for ground seniority will be destroyed.

10. An employee who has been displaced from his/her former assignment will have forty-eight (48) hours to bump, and if he/she bumps to the extra board, Section 5 will apply.

NOTE: If that employee wishes to place on a job over 30 miles from the home terminal, the 1996 National Agreement rule will apply

11. A standing bid may be changed or withdrawn at any time prior to the time it is honored.

NOTE: A standing bid will take effect immediately when submitted.

12. When the number of employees on an extra board is reduced, the junior employee(s) will be removed, unless there are requests from senior employees.

13. An employee losing his/her assignment, including extra board, through no fault or action of his/her own must, unless he received permission to lay off, exercise seniority within 48 hours, calculated from the time of notification or release from assignment, whichever is later. If the employee fails to make displacement within the 48-hour period, he/she will lose his/her bump and be forced to displace the junior employee on the extra board. If the employee cannot hold the extra board, he/she must bump the junior employee in yard service at the source of supply.

14. In the absence of a bid for permanent vacancy or new assignment, the position will be filled according to existing agreement rules.

15. When an employee is force assigned, he/she may submit a request to be released. At the time a junior employee becomes available (i.e. is marked up and ready to work the assignment), the employee who was force assigned will be released from the assignment. The released employee will be allowed displacement rights in the same class of service (yard service) seniority permitting and the junior employee will be placed on the vacancy. It will be the obligation of the force assigned employee to notify crew management when a junior employee becomes available.

NOTE: The force assigned employee must notify crew management within 48 hours of the junior employee becoming available; or within 48 hours of returning from rest days or approved layoff; or remain force assigned.

16. Any agreement provision not superseded by the provisions of this agreement remains unchanged.

This agreement will become effective on March 11, 2008 and may be cancelled by the service of a 30 day written notice of intent to cancel by either party upon the other. The parties will meet within those 30 days and try to resolve any conflicts.

Melissa Beasley

Melissa Beasley
Director – Labor Relations

L.R. Bumpurs

L.R. Bumpurs
General Chairman – UTU HBT

**Memorandum of Agreement
Between
BNSF Railway
and
The United Transportation Union (HTB)**

Section A - - 7 A.M. Markup

1. The parties have agreed to modify existing rules relative to beginning and ending times of all absences in assigned and unassigned yard service that, under current rules, are scheduled to begin and end at midnight.
2. After the effective date of this Agreement, any such absence that previously began and ended at midnight will instead begin at 7:00 a.m. and expire at 6:59 a.m. on the first day following the period of authorized absence. Employees will be removed from and returned to the board based on advance calling times for the terminal.
 - a. Example: The calling time for Terminal A is 90 minutes. Employees taking a single day vacation will be removed from the board at 5:30 a.m. so they are not called for an assignment at 7:00 a.m. or later and will return to the board the following day at 5:30 a.m. so they are available for calls at 7:00 a.m. or later.
3. An employee who extends the layoff for any reason will extend the 6:59 a.m. markup to the first 6:59 a.m. following the layoff.
4. Extra board guarantees will be calculated on a 24-hour basis instead of calendar days.
 - a. Example 1: An employee on a guaranteed extra board takes a personal leave day on Tuesday starting at 7:00 a.m. and remains off until 6:59 a.m. on Wednesday. The extra board guarantee will be reduced by one day.
 - b. Example 2: An employee on guaranteed extra board marks off sick at 12:01 a.m. on Tuesday, starts a personal leave day at 7:00 a.m. and remains off until 6:59 a.m. on Wednesday. The extra board guarantee will be reduced by two days because the layoff exceeded 24 hours.
5. Awarding bids and displacements that previously took place at midnight will now occur at 7:00 a.m.

6. Agreements that permit an employee to mark up early after a vacation period of seven days or more will remain in effect, provided that markup does not exceed 24-hours before the scheduled end of the vacation period.
7. Employees working regular assignments that report for service prior to 7:00 a.m. can mark off prior to call time for the assignment and schedule the markup within 24-hours of the layoff time.
 - a. For example, an employee who owns a regular assignment that reports for service at 6:00 a.m. every day can mark off any time between 0001 and 0359 (0400 being the call time for the job) and schedule the markup up to 24-hours later. This allows the required time off for the scheduled layoff and returns the employee to the assignment so they can protect the assignment the next day.
8. The 6:59 a.m. markup provisions will apply to employees who start their vacation under this agreement. In all cases, the agreement controlling when the vacation starts will control when the vacation ends.

Section B -- Guaranteed Extra Boards

1. Guarantee offsets for the road and yard extra board employees will be made on a 24-hour basis. Each 24-hour period, or portion thereof, shall be deemed one day's offset.
 - a. Example 1: An employee marks off at 2:00 a.m. and marks up at 2:00 a.m. on the following day. The offset to this employee's guarantee will be one day.
 - b. Example 2: An employee marks off at 4:00 p.m. and marks up at 5:00 p.m. on the following day. The offset to this employee's guarantee will be two days - - one day for the initial 24-hours and one day for the one hour in excess of the initial 24-hour period.

Section C -- No Call Agreement

1. This Section C of the Agreement does not apply to employees assigned to extra boards, demoted engineers, temporary transfers, reserve boards, activities employees must perform to maintain service qualifications or to employees stepped to another position on their regular assignment.
2. Employees will have the option of protecting, or not protecting, extra service.
3. Remaining in the calling order for extra service requires no action on the employee's behalf and the employee will remain in the established calling orders until Crew Support receives notification under the provisions of Paragraph 6 of this Section C.

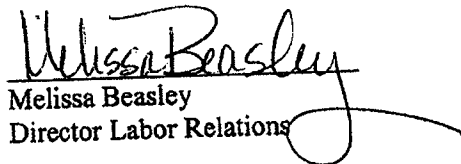
4. Employees who elect to protect extra service will continue to receive calls for extra service in compliance with their schedule agreements.
5. Failure to protect calls for extra service will not result in discipline.
6. Employees who take the option to not protect extra service will notify the Crew Support Center electronically through the Voice Response Unit (VRU) or their telephone maintenance screen.
7. Employees who elect to not protect extra service will forfeit all rights to claims or penalties for not receiving extra service calls.

Section D -- General Information

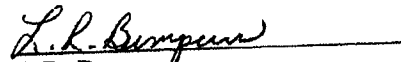
1. This Agreement modifies existing agreements only to the extent set forth herein, and all other schedule rules and agreements remain in effect.
2. This Agreement may be cancelled by either party serving at least thirty (30) days written notice on the other party.

This agreement will become effective on March 11, 2008.

For the Carrier:


Melissa Beasley
Director Labor Relations

For the Organization:



L.R. Bumpurs
General Chairman UTU (HBT)

**Memorandum of Agreement
Between
BNSF Railway Company
and
The United Transportation Union (HTB)**

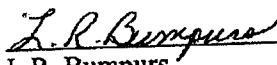
All employees placing to a position on the HTB Yard Extra Board will not be allowed to bid to another position on that Extra Board for 30 days. This does not apply to those employees who are displaced from that position through no fault of own.

This agreement will become effective on March 11, 2008 and may be cancelled by the service of a 10 day written notice of intent to cancel by either party upon the other.

For the Carrier:


Melissa Beasley
Director Labor Relations

For the Organization:


L.R. Bumpurs
General Chairman HTB UTU

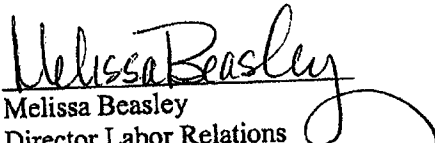
**Memorandum of Agreement
Between
BNSF Railway
and
The United Transportation Union (HTB)**

Employees subject to the HTB Agreement who have been permanently assigned on the same yard assignment (regular or extra board) in excess of thirty (30) days will be allowed to give up that assignment and exercise seniority on another HTB assignment or an assignment governed by the ATSF Northern/Southern Agreements as prescribed by applicable schedule rules.

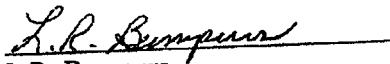
Employees will not be allowed to exercise seniority under the terms of this Agreement from one position to another on the extra board where there is no difference in the assigned days off.

This agreement will become effective on March 11, 2008 and may be cancelled by the service of a 10 day written notice of intent to cancel by either party upon the other.

For the Carrier:


Melissa Beasley
Director Labor Relations

For the Organization:


L.R. Bumpurs
General Chairman UTU (HTB)

**Memorandum of Agreement
Between
BNSF Railway
and
The United Transportation Union (HTB)**

It was agreed that Article 41, Meal Periods, is changed to read:

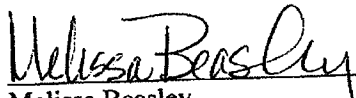
In lieu of a 20-minute meal period, the yard crew will be allowed 10 miles if they are on-duty for less than 10'40". If the yard crew is on-duty in excess of 10'40", they will be allowed an additional 6 miles.

Ex: A crew is on-duty for between 8'00" and 10'40". They will receive a 10 mile payment. A crew that is on-duty for more than 10'40" will receive a total of a 16 mile payment. This applies whether or not the crew receives a meal period.

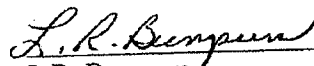
Notwithstanding the provisions of this agreement, the parties acknowledge that a crew will continue to be allowed to eat at any time during their tour of duty as long as it does not delay train operations in any way.

This agreement will become effective on March 1, 2008 and may be cancelled by the service of a 10 day written notice of intent to cancel by either party upon the other.

For the Carrier:


Melissa Beasley
Director Labor Relations

For the Organization:


L.R. Bumpurs
General Chairman UTU (HTB)

**Memorandum of Agreement
Between
BNSF Railway
and
The United Transportation Union (HTB)**

It is understood that the following will apply to all assignments covered by HTB Collective Bargaining Agreements.

With relation to Personal Leave Day applications the following is now in effect:

1. All active employees working under HTB Agreements will be entitled to 11 personal leave days.

2. It is understood that no employee will be entitled to more than 11 days of paid leave under the combination of Holiday Pay and Personal Leave Days.

Example: Employee X has used all 11 Holiday/Personal Leave Days prior to Thanksgiving. He/she would not be entitled to any payment under either the Holiday Rule or the Annulment Rule if his/her job was laid in on the holiday.

3. The number of personal leave days will be reduced by the number of paid holidays (or pay in lieu thereof) received in covered road or yard service.

4. Ungranted or unused personal leave days each year may be carried over to the following year. Employees may only accumulate up to a maximum of sixty (60) days.


5. An employee may elect to receive payment for part or all of the carry-over days in their account. Payment for such days will be \$[need \$ from Comp Sys] per personal leave day, subject to future wage increases and/or cost-of-living adjustments.

6. If an employee resigns, retires, dies or is dismissed from service, the number of personal leave days in his account as of December 31 of the prior year will be payable to the employee or his estate.

7. Requests to observe personal leave days must be approved by designated Carrier representative and are subject to the needs of service.

This agreement will become effective on March 1, 2008 and may be cancelled by the service of a 10 day written notice of intent to cancel by either party upon the other.

For the Carrier:

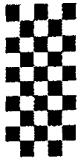


Melissa Beasley
Director Labor Relations

For the Organization:



L.R. Bumpurs
General Chairman UTU (HBT)



LETTER OF UNDERSTANDING
BETWEEN
BNSF RAILWAY
AND
UNITED TRANSPORTATION UNION

The intent of this understanding is to provide guidelines for the establishment of a yard work train in the Houston Complex for the Alvin and Mykawa Subdivisions.

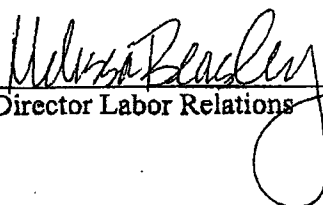
1. This assignment will commence on March 26, 2007 and continue until the completion of the Maintenance of Way project on the Alvin and Mykawa Subdivisions.
2. This assignment will go on duty at 0400 and will work Monday-Friday with Saturday/Sunday rest days.
3. Should a vacancy occur on this assignment it will be filled by utilizing employees on the Houston Yard Extra Board (Board 9). Employees will be called outside the regular calling time for this assignment only.
4. The trainmen on this assignment will be governed by, and compensated under, the HBT Collective Bargaining Agreement.

It is understood that this Letter of Understanding may be cancelled by either party giving 10-days notice to the other.

Signed and effective this 26 day of March, 2007.

For BNSF Railway:

For the United Transportation Union:


Director Labor Relations


UTU General Chairman

MEMORANDUM OF AGREEMENT
Between The
BURLINGTON NORTHERN AND SANTA FE
RAILWAY COMPANY
And The
UNITED TRANSPORTATION UNION
(Former HBT)

It is agreed:

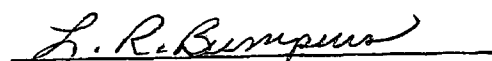
1. Employees in road service may not exercise seniority to a yard service position in the Houston Terminal unless that employee has worked in road service for thirty (30) consecutive days or cannot hold a position in road service on his "prior rights" seniority district.
2. Employees in yard service in Houston Terminal may not exercise seniority (bid or bump) to a road service position unless that employee has worked in yard service for thirty (30) consecutive days or cannot hold a position in yard service in the Houston Terminal.
3. For purposes of this agreement the term "yard service position" applies to all regularly assigned and extra yard jobs, including the extra boards at Casey, South Yard, Pearland and Dayton. The so-called "satellite" and "trackage rights" extra boards are deemed to be road service.
4. The thirty (30) day hold down provided by Sections 1 and 2 above shall not apply to employees who exercise seniority across class (road/yard) lines due to that employee's inability to hold a position in the same class when displaced or reduced. In other words, the hold down shall only apply when an employee makes a voluntary bid or bump between road and yard service when that employee could have otherwise held a position either within the Houston Terminal (yard) or the "prior rights" seniority district (road) and "voluntarily" moved from one class of service to another.

Signed this 13th day of March, 2003 and effective April 1, 2003.

For the Burlington Northern and
Santa Fe Railway Company


General Director Labor Relations

For the United Transportation
Union


General Chairman

Letter of Understanding

For

Implementing Agreement dated January 16, 1998

The following is the application of Article 3 Section IV part B2, it is agreeable that those positions that are prior rights Burlington Northern (BN), Atchison, Topeka and Santa Fe (ATSF) and Houston Belt Terminal (HBT) are to be protected in this manner for permanent vacancies.

It is agreeable that the HBT prior right employees (seniority date prior to 1-16-98) will have prior rights to assignments headquartered within the HBT Zone. These same employees will use date 1-16-98 when bidding on assignments headquartered in the former BN and ATSF zones within the expanded terminal.

The BN and ATSF prior rights employees (seniority date prior to 9-22-95) will have rights to their respective zone assignments.

Employees hired on the Burlington Northern Santa Fe (BNSF) after 9-22-95 and before 1-16-98 will have rights to work on the BNSF ahead of the prior rights HBT employees.

The practical application of the Implementing Agreement will be as follows:

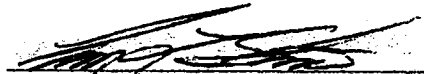
Example #1: Who will be the successful bidder between a HBT employee with a 1-1-97 seniority date and a BNSF employee with a 1-1-97 seniority date on a prior right BN or ATSF assignment that has no prior right bidders?

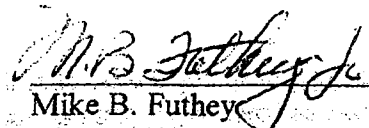
Answer: The BNSF employee with a 1-1-97 seniority date would be the successful bidder because the HBT employee would use a 1-16-98 seniority date as per Implementing Agreement 1-16-98, Section 3 as amended by Implementing Document to PLB 6498.

Example #2: Who will be the successful bidder between a BN employee with a 1-1-95 seniority date and an ATSF employee with a 1-1-94 seniority date and a HBT employee with a 1-15-98 seniority date on a HBT assignment?

Answer: The HBT employee would be the successful bidder. If there were no HBT prior right bidders, the ATSF employee would be the successful bidder based on the earliest train service seniority date.

This Letter of Understanding shall be effective on 18th day of August 2003.


Gene L. Shire
General Director, Labor Relations
BNSF RR


Mike B. Futhy
Vice President
United Transportation Union

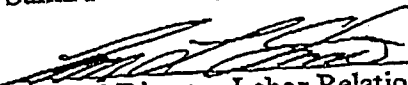
MEMORANDUM OF AGREEMENT
Between The
BURLINGTON NORTHERN AND SANTA FE RAILWAY
COMPANY
And The
UNITED TRANSPORTATION UNION
(Former HBT)

In exchange for the UTU's cooperation in expeditiously creating an updated and revised HBT Yardmen's Schedule, it was agreed that Article 37, Section I Rates of Pay, Paragraph c will be changed to read:

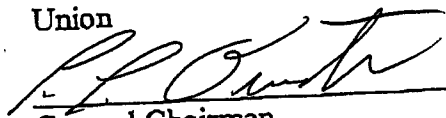
"Santa Fe Yardmen's pay rates will apply to all yardmen working under the HBT Yardmen's Schedule within the Houston Terminal."

Signed this 25th day of OCTOBER, 2002 and effective
OCTOBER 25, 2002.

For the Burlington Northern and
Santa Fe Railway Company


General Director Labor Relations

For the United Transportation
Union


General Chairman

MEMORANDUM OF AGREEMENT
Between The
BURLINGTON NORTHERN AND SANTA FE RAILWAY
COMPANY
And The
UNITED TRANSPORTATION UNION
(Former HBT)

It was agreed that Article 37, Section V, Training Pay is changed to read:

"A foreman instructing an on-the-job trainee will receive \$18.42 in addition to other earnings. A helper on a ground crew instructing an on-the-job trainee will receive \$14.79 in addition to other earnings.


Instructor pay will not be considered a duplicate time payment and is subject to future wage increases.

Signed this 25th day of OCTOBER, 2002 and effective
OCTOBER 25, 2002.

For the Burlington Northern and
Santa Fe Railway Company


General Director Labor Relations

For the United Transportation
Union


General Chairman

MEMORANDUM OF AGREEMENT
Between The
BURLINGTON NORTHERN AND SANTA FE RAILWAY
COMPANY
And The
UNITED TRANSPORTATION UNION
(Former HBT)

It was agreed that all restrictions precluding yardmen from coupling air hoses in the Houston Terminal as contained in HBT Yardmen's Schedule are eliminated. It was also agreed that the "\$1.81" payment set forth in Article 15, Section II is changed to read "6 miles at the applicable rate".


If you concur with the above, please affix your signature below.

Signed this 25th day of October, 2002 and effective
October 25, 2002.

For the Burlington Northern and
Santa Fe Railway Company


General Director Labor Relations

For the United Transportation
Union


General Chairman

MEMORANDUM OF AGREEMENT
Between The
BURLINGTON NORTHERN AND SANTA FE RAILWAY
COMPANY
And The
UNITED TRANSPORTATION UNION
(Former HBT)

This letter will confirm our discussion that there are no restrictions contained in the HBT Yardmen's Schedule precluding the Carrier from implementing automatic mark up for employees at the end of any and all approved absences. Therefore, effective October 16, 2002, the Carrier will automatically mark up all employees working under the UTU HBT Yardman Schedule at the expiration of the approved absence.


It was understood that an employee could still obtain additional time off if the employee makes proper arrangements with Crew Management prior to the authorized absence expiration.

For example, an employee contacts Crew Management on Monday and obtains permission to lay off through Wednesday. Crew Management will not mark the employee to the board until 0001 hours on Thursday unless the employee contacts Crew Management to mark up sooner.

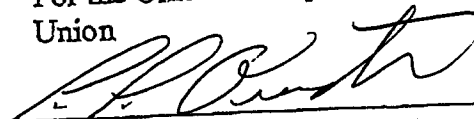
If you concur that the above reflects our discussions, please affix your signature below.

Signed this 25th day of OCTOBER, 2002 and effective
OCTOBER 25, 2002.

For the Burlington Northern and
Santa Fe Railway Company


General Director Labor Relations

For the United Transportation
Union


General Chairman

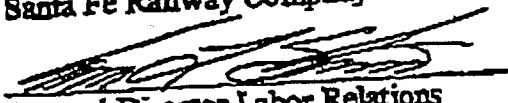
MEMORANDUM OF AGREEMENT
Between The
BURLINGTON NORTHERN AND SANTA FE RAILWAY
COMPANY
And The
UNITED TRANSPORTATION UNION
(Former HBT)

It was agreed that Article 58, paragraph 2 would be changed to read:

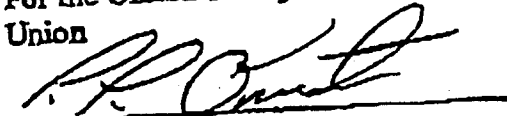
Notwithstanding the provisions of Article IV, Section 5, of the October 31, 1985 National Agreement with the United Transportation Union (UTU), when a yardman with a ground service seniority date prior to January 16, 1998, is a member of ground service yard crew that handles one or more ETDs/ETMs during a tour of duty at any location will be paid one hour at the appropriate rate of pay. It was understood that a crew could qualify for only one payment during any single tour of duty. This payment will be made on a without prejudice basis.

Signed this 30th day of OCTOBER, 2002 and effective
November 1, 2002.

For the Burlington Northern and
Santa Fe Railway Company


General Director Labor Relations

For the United Transportation
Union


General Chairman

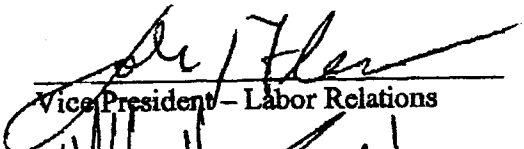
MEMORANDUM OF AGREEMENT
Between
THE BURLINGTON NORTHERN AND SANTA FE RAILWAY CO.
And
UNITED TRANSPORTATION UNION

IT IS AGREED:

Article XII of the October 31, 1985 National Agreement provides that, "The seniority of any employee whose seniority in train or engine service is established after the date of this Agreement and who is furloughed for 365 consecutive days will be terminated if such employee has less than three (3) years of seniority." At The Burlington Northern and Santa Fe Railway Company, this Article XII of the October 31, 1985 National Agreement is eliminated in its entirety.

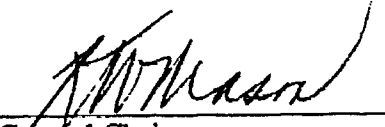
Signed at Fort Worth, Texas this 29th day of October, 1999.

For The Burlington Northern and Santa Fe
Railway Company


Vice President - Labor Relations


Asst. Vice President - Labor Relations

For United Transportation Union


General Chairman


General Chairman


General Chairman

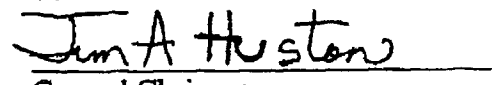

General Chairman


General Chairman


General Chairman


General Chairman


General Chairman


General Chairman

HBT TRACKAGE RIGHTS IMPLEMENTING AGREEMENT

between

THE BURLINGTON NORTHERN AND SANTA FE RAILWAY Co.

and

HOUSTON BELT & TERMINAL RAILWAY Co.

and

UNITED TRANSPORTATION UNION

1. The purpose of this agreement is to provide for expedited changes in services, facilities, operations, seniority districts and existing collective bargaining agreements to effectuate the trackage rights approved by the Surface Transportation Board in Finance Docket No. 33463. The purpose is also to allow for integration of these trackage rights operations with other BNSF operations.

2. This particular Agreement covers immediate operations in the Houston terminal only.

IT IS AGREED:

Article 1 - Selection of Forces

Section 1

The operational plan for the Houston Belt & Terminal contemplates the transfer of the appropriate number of yardmen from HBT to BNSF based on the attached formula.

Section 2

A. HBT employees may elect to transfer to BNSF by bidding on and being awarded the positions as set forth above. Seniority under HBT - UTU rules and agreements shall determine which bidder will be awarded which position.

B. HBT employees on furlough, leave of absence, sick leave, disability annuity or a dismissed employee reinstated to service with seniority unimpaired will be given all the benefits of this agreement upon their return to active service. Such employees will be divided between UP and BNSF in the same ratio as the active employees are divided. These employees will be ranked according to their HBT yardmen's seniority dates. If such people do not bid to go with either UP or BNSF, then BNSF will accept the first portion of such employees, up to the maximum BNSF percentage, and place them on BNSF rosters in accord with this Agreement. UP will accept the remaining employees and place them on applicable UP rosters, in accord with the UP - HBT Implementing Agreement. Any health and welfare expenses due employees accepted by the company will be borne by that company.

Section 3

A. 1. HBT employees who come into BNSF's employ will secure seniority standing on the BNSF Combined Trainmen's roster.

2. HBT employees' seniority date on those rosters will be the date this Agreement is executed, or January 2, 1998, whichever is later, in the order of their seniority standing on the same (or equivalent) HBT roster.

B. 1. HBT employees who come into BNSF's employ will be treated, on BNSF, as having their original HBT Yardmen's seniority date for all longevity related purposes, including application of vacations, force assignment to engine service training, and so on (except entry rates).

2. Due to peculiar and unique considerations applicable only at Houston, the matter of entry rates will be handled exactly as it is handled by the UP at Houston, which is as follows:

"Entry rates for employees within the Houston Hub shall be governed by the following: new hire employees, after completion of training, will be compensated at ninety (90) percent of the established rate of pay; and, this rate will increase to one hundred (100) percent of the established rate of pay when the employee is

promoted to conductor, yard foreman or yardmaster or after two years, whichever occurs first."

Article 2 - Seniority

Section 1.

The territory is incorporated as a part of Houston - Galveston and Midwest seniority territories.

Section 2

A. 1. Former HBT employees who take positions with BNSF will have prior rights to assignments on the former HBT.

2. Such former HBT employees will not be required to protect, or be force assigned to positions off the former HBT if said employee has not previously exercised his/her seniority to a position outside his HBT prior rights or if said employee has not been promoted to Conductor on BNSF. If the former HBT employee has exercised his/her seniority to a position outside his HBT prior rights or has been promoted to Conductor, he/she will then be subject to applicable rules pertaining to, but not limited to exercise of seniority, assignment of positions and filling of vacancies.

3. The provisions of Article V of the November 1, 1991 UTU National Agreement requiring trainmen to accept promotion to Conductor when offered by the company shall not be applicable to those former HBT employees transferring to BNSF. This waiver shall only be applicable so long as said former HBT employees exercise their seniority exclusively to HBT prior right positions, including the yard extra board. This waiver will not be applicable if such employees have exercised their seniority to another position outside their HBT prior rights. It is also understood and agreed that former HBT yardmen transferring to BNSF must accept promotion to foreman in accordance with applicable rules, and may not voluntarily relinquish foreman or conductor rights which they have already acquired.

Section 3

If an assignment on the former HBT goes no-bid by those with HBT prior rights, it may then be filled by bidders from either the Houston - Galveston Seniority District or the Midwest Seniority District, and will be awarded based on the bidders' earliest seniority date in a UTU-represented craft.

Section 4

A. Except as specifically provided below, the Rewritten Agreement between HBT and UTU (Updated March 1, 1997 and as modified, amended and interpreted) will be applicable in this territory.

B. 1. Instead of Article 2, Student Training Program, the BN Memorandum of Agreement of March 3, 1997 will be applicable.

2. Section III and IV of Article 3 will be eliminated.

3. In the application of Article 5, Section II (d), no more than 5 extra assignments per calendar month will be started or go off duty between the hours of 12 midnight and 6:30 a. m.

4. The first two paragraphs of Article 5, Section V Job Assignments are amended to read as follows:

All job assignments will be bulletined to indicate their normal location of work. Job assignments will also be bulletined to show the general type of work to be performed.

Job swapping, while not prohibited, will not be done arbitrarily and without justification.

5. Article 28, Interchange PTRAs, MKT and SP will be eliminated; instead, Article 29 will govern in the designation of interchange points.

6. Article 44, Pay for Going Outside Yard Limits shall not be interpreted or applied to grant any payments for going outside yard limits to secure headroom for a permissible movement inside yard limits.

7. Instead of Article 50, Investigation and Discipline, Article 39 Investigations of the former Santa Fe's Northern and Southern Yardmen's Schedule will be applicable.

8. Instead of Article 51 Time Limit on Claims, the BN Memorandum of Agreement of July 23, 1996 will be applicable.

9. Instead of Article 53, Physical Examinations, the Article 42 Physical Examinations of the former Santa Fe's Northern and Southern Yardmen's Schedule will be applicable.

10. Instead of Article 54, Rules and Reexaminations, the BN agreement Ops 7-86, effective December 4, 1986 will be applicable.

11. Article 9, Section I D and Article 9, Section II, Article 15 will no longer apply; Article 9, Section I E will be satisfied by the application of the former Santa Fe - UTU Yardmen's 401(k) plan.

Article 3 - Supplements

The elements contained within this article are included strictly and only in exchange for the Organization's cooperation in expeditiously reaching a voluntary Implementing Agreement without resort to the delays and risks associated with arbitration under Section 4 of the Norfolk & Western Conditions. Since these elements go beyond the requirements of Section 4, they shall have no application, precedential value or persuasive force in **any** other setting, including failure of ratification.

Section 1

Santa Fe Yardmen's pay rates will apply to former HBT employees who come into BNSF's employ.

Section 2

HBT will provide yardmen with test period averages. If any HBT employees who come into BNSF's employ have lower earnings in any of their first six months with BNSF than those test period averages, they will be considered to be and treated as adversely affected by this transaction.

Section 3

The yard extra board at Houston will be a guaranteed board, as provided in Attachment C to the September 1, 1989 Santa Fe Crew Consist Agreement.

Section 4

A. Any former HBT employees who elect to take employment with BNSF and who received productivity fund payments from HBT for 1997 will receive a transition payment. In 1998, this payment will be \$10,000; in 1999, \$11,000; in 2000, \$12,000; in 2001, \$13,000; in 2002, \$14,000 and in 2003, \$15,000. During their protective period, the fund transition payment will be included in the employee's test period average.

B. After 2003, the transition payment will be increased from \$15,000 with subsequent general wage increases. In 2004, and in each subsequent year up to and including 2012, the fund payment will be made to eligible, active employees on November 1, separate and apart from all other earnings.

Article 4 - General

Section 1.

A. The parties have negotiated this Agreement mindful of the fact that their futures are linked and that we must work together to succeed over the long term. Therefore, the parties mutually pledge and commit themselves to act reasonably in the application of this agreement.

B. The parties will meet within 90 days of the implementation of this Agreement to review its operation.

Section 2

A. All pre-existing agreements that conflict with the terms of this agreement are superseded to the extent of the conflict. All preexisting agreements that do not conflict with the terms of this agreement remain in full force and effect.

B. This implementing agreement is made pursuant to the Norfolk & Western Conditions which, by this reference, are incorporated here.

C. Except as specifically provided, nothing in this implementing agreement shall be interpreted to expand or contract protective benefits provided in the Norfolk & Western

Conditions imposed by the Interstate Commerce Commission and incorporated here by paragraph B of this section.


Section 3

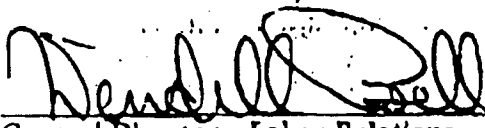
This agreement will become effective upon 5 days' written notice from the company, after execution by the parties. It may later be changed by mutual agreement or in accord with applicable law.

Signed and accepted at FT WORTH this 16th day of
JANUARY, 1998

for UNITED TRANSPORTATION
UNION

for THE BURLINGTON NORTHERN
AND SANTA FE RAILWAY CO.


General Chairman


General Director - Labor Relations

Approved:

for HOUSTON BELT AND TERMINAL
RAILWAY CO.

Vice President

Director - Labor Relations