

REWRITTEN

AGREEMENT

Between the

**BURLINGTON NORTHERN & SANTA FE RAILWAY
COMPANY**

and the

UNITED TRANSPORTATION UNION

**Governing Wages and Working conditions of Yardmen
Working under the Houston Belt & Terminal
Railway Schedule**

Updated September 16, 2002

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JANUARY 1998

ARTICLE 1

Applications

Section I.

- (a) A yardman filing application for employment will be notified within sixty (60) days of the acceptance or rejection of his application, except as amended by Article 2, Section 5. If not notified within sixty (60) days, he will be considered accepted.
- (b) Yardmen leaving the service of their own accord will forfeit all seniority rights.

Section II. EMPLOYEE INFORMATION

The Carrier will provide the General Chairman with a list of employees who are hired or terminated, their home addresses, and Social Security numbers if available, otherwise the employees' identification numbers. This information will be limited to the employees covered by the collective bargaining agreement of the respective General Chairmen. The data will be supplied within thirty (30) days after the month in which the employee is hired or terminated. Where railroads cannot meet the thirty (30) day requirement, the matter will be worked out with the General Chairman. (Agreement of January 29, 1975).

ARTICLE 2

Student Training Program

MEMORANDUM OF AGREEMENT BETWEEN BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY AND THE UNITED TRANSPORTATION UNION

Whereas the parties wish to revise the formal program for the purpose of training, qualifying and promoting new ground service employees as conductors, foremen and hostlers. The applicable training agreement between the Burlington Northern and Santa Fe Railway Company and the United Transportation Union is modified as follows:

IT IS AGREED:

Section 1.

- (a) The Carrier will establish and maintain a training program for the purpose of training, qualifying and promoting new ground service employees as brakemen, helpers, conductors, foremen, and hostlers. The training program shall consist of classroom instruction and work experience as determined by this agreement and parties thereto. As necessary, classrooms, books and materials shall be furnished by the Carrier.

(b) The training program, including any required examinations, and any substantial changes therein shall be reviewed from time to time by representatives of the Carrier and the UTU.

(c) The training schedule will not exceed a maximum of six days of training in each week of orientation and classroom instruction. If the training schedule does not require attendance on a day or days of a calendar week, trainees at other than their home point will be permitted to return to their home point and back to the training point at their own expense, recognizing their obligation to report for the next scheduled training day.

(d) As near as practicable, classroom training days will be scheduled not to exceed nine (9) hours with one (1) hour for lunch, recognizing that on-the-job training may of necessity exceed such hours.

Section 2. All ground service employees hired subsequent to the effective date of this agreement will be required to enter the training program and will continue therein until completion of the training. The training schedule will be as follows:

(a) One week of orientation.

(i) Orientation shall be conducted by the Training Coordinator(s) who will be selected from applications submitted by active ground service employees to the Division Superintendent. The final selection of the Training Coordinator(s) will be made jointly by the Division Superintendent and the appropriate UTU Local Chairman or Chairmen.

(ii) Classroom orientation shall include a one-half (1/2) day session with the appropriate UTU Local Chairman or Chairmen.

(b) Three weeks of on-the-job training.

(i) This period will be spent working as a brakeman/helper as assigned by the UTU Training Coordinator. The Training Coordinator will determine the amount of time each trainee spends in road and yard service, as well as the Craft Instructor(s) to which the Trainee will be assigned.

(ii) It is understood that any day(s) of this three-week period may be utilized for classroom instruction.

(c) Three (3) weeks of classroom instruction either on-property or at the Carrier's Training Facility. The classroom agenda will include, but will not be limited to, instruction on the GCOR, safety, Hazmat, and mechanical instruction. There shall be a review test at the end of this 3-week period for instructional purposes only, i.e., no pass/fail.

(i) Upon completion of this 3-week period, employees will be ranked on their relative Seniority Districts under the provisions set forth in Section 4 of this Agreement.

(d) Eight (8) weeks of on-the-job training and promotion, to be conducted on-property, working as a conductor/foreman under the direction of Craft Instructor(s) designated by the UTU Training Coordinator.

(i) The UTU Training Coordinator will cooperate with the Division Superintendent to determine the distribution of road and yard training within the 8-week period, based upon the nature of the work the trainee will be exposed to upon completion of the program.

(ii) Before the end of this 8-week period, there shall be classroom review in preparation for promotion. Promotion examination to be given at the end of the 8-week period. Employee(s) passing promotion will assume their position on the Seniority Roster in the order established under (c)(i). Employees who do not pass promotion at the end of this 8-week period will automatically be scheduled for up to an additional 4 weeks of training designed to address the deficiencies that resulted in the trainee's failure. This training may include on-the-job training, classroom instruction, or some combination of both. The structure of these additional week(s) of training shall be customized to address the needs of the affected trainee and shall be designed by the Training Coordinator.

(iii) At the end of the additional training, the trainee(s) will be administered a second promotion test. If the trainee passes the test he will assume his position on the Seniority Roster with the same relative standing as would have been realized had the trainee passed the promotion examination on the first attempt. If the trainee fails the second promotion examination, he will automatically forfeit all employment rights and seniority in train service.

(e) If, in the opinion of the UTU Training Coordinator, trainees who have passed the promotion examination require additional on-the-job training, such training will be initiated as follows:

(i) Trainees who successfully passed the first promotion examination may be scheduled for up to 4 weeks of additional on-the-job training. The Training Coordinator shall base the decision for additional training on, among other things, the written evaluations for each trainee trip, personal interviews between the Training Coordinator and the Trainee/Craft Instructors, and other information provided by the Craft Instructors in order to identify the areas where a particular Trainee needs additional instruction and/or experience. The structure of the additional on-the-job training shall address those areas.

(ii) Upon completion of the additional on-the-job training, the trainee will assume his position on the Seniority Roster with the same relative standing as would have been realized had the trainee not been selected for additional on-the-job training.

Section 3. Examinations required by the Carrier will be prepared and administered by the Carrier. Any field test will be given on the property.

Section 4. A trainee will establish a seniority date upon completion of the 3 week classroom training provided under Section 2(c). They will be ranked by a random drawing of names. Upon successful completion of the training program, the employee will be added to the brakeman, yardman, and conductor seniority rosters for the seniority district to which assigned.

Note: For trainees who have previously established seniority in another craft with the BN and are merely transferring into the trainmen/yardmen craft, said individuals will be placed ahead of the rest of their class, and ranked in the order of years of service in the other crafts.

Section 5.

(a) Employees who enter the training program will be subject to the probationary period set forth in Article VII of the August 25, 1978 National Agreement. This probationary period will begin on the day the trainee is compensated for the first day of on-the-job training, and will be suspended for the 3-week period provided under Section 2(c) of this Agreement. If an employee's application for employment is not disapproved in accordance with the provisions of Article VII, the employee will continue in the training program unless the employee is dismissed for cause or fails to pass any required examinations.

Note: When, in the opinion of the Superintendent and the UTU Training Coordinator, it becomes apparent that a trainee who has completed the 60 days referred to above will not complete the training satisfactorily, the trainee will be required to consult with the Carrier's representative and a representative of the UTU for the purpose of identifying and possibly overcoming the problem.

(b) If an employee is unable to complete the training program due to bona fide illness or injury that is verified by medical documentation, the Carrier will extend the training period for a period equal to the time that the employee is unavailable for training; provided, however, if the employee has not successfully completed the training program within eight (8) months, then the employee's application for employment will be disapproved and the employee will not be allowed to retain seniority in train service.

(c) A trainee whose application is disapproved under the above paragraph is not disqualified from applying for future employment as a ground service employee. The individual will be assigned to a new training program, and if the training program is successfully completed, the individual's seniority date will be based upon seniority established during the new training program.

Section 6.

(a) On the first day of OJT training, the Carrier will assign the trainee to a seniority district and to a home terminal. If not otherwise provided by the Carrier, trainees will be reimbursed for actual, reasonable, and necessary travel, lodging and meal expenses incurred while engaged in orientation and classroom instruction at points beyond

commuting distances from the home terminal to which they have been assigned.

Note: "Beyond commuting distances from the home terminal" is defined as a point, which exceeds thirty (30) miles from the normal on duty point at the trainee's home terminal.

(b) Trainees undergoing on-the-job training shall receive lodging accommodations or allowances in lieu thereof and meal allowances on the same basis as the other members of the crew to which the trainee is assigned.

(c) The Training Coordinator will assign trainees to the appropriate assignments on the seniority district to which the trainee has been assigned.

Section 7.

(a) Trainees shall be paid a minimum of \$597.47 per calendar week, subject to general wage increases commensurate with those granted round service employees, while participating in the training program. To receive the full rate the trainee must be available for a maximum of six days each calendar week, commencing on Sunday. The prorated daily rate may be deducted for each day in such calendar week a trainee is not available of his own volition, provided no deduction will be made for days on which training is not scheduled.

(b) Trainees actively participating in on-the-job training, required to be on duty more than 12 continuous hours in any 24 hour period, will be paid at the time and one-half hourly rate for hours on duty in excess of twelve (12). Overtime hours so paid will be excluded from the 48 straight-time hours provided for in Section 7(c) below.

(c) For all hours in each calendar week in excess of 48 that a trainee is on duty actively participating in on-the-job training, he shall be paid at the one and one-half times the prorated hourly rate. The prorated hourly rate shall be determined by dividing the weekly rate by 48 hours. The prorated daily rate shall be determined by multiplying the prorated hourly rate by eight.

(d) Hours actively participating in on-the-job training will not be interrupted between recognized terminals to avoid payment in excess of 12 hours under Section 7(b) above; nor will such hours be interrupted at other than the home terminal to avoid payments in excess of 48 hours as provided in Section 7(c) above; except in case of emergencies as emergencies are recognized in existing agreements.

(e) All time enrolled in this training program and compensation received will be utilized to determine eligibility for vacation. Trainees will be covered under the Group Plan of Comprehensive Medical and Dental Insurance applicable to trainmen/yardmen.

Section 8.

(a) Work restrictions applicable to conductor-only crews will continue to apply when a trainee is assigned to work with a conductor-only crew in the same manner as if the trainee were not assigned to work with the crew.

(b) When a trainee is assigned to work with a crew, the other member(s) of that crew will receive any special allowances they would be entitled to if the trainee were not assigned to work with the crew, and productivity fund credits will be made in the same manner they would be made if the trainee were not assigned to work with the crew. (Since the trainee is paid according to the provisions of this agreement, it is understood that no other payments will be made to the trainee, including special allowances while engaged in training except those provided for in this agreement.)

Section 9. When a trainee is receiving on-the-job training and working with a crew, the Craft Instructor (conductor/foreman) and any brakeman/helper, on the crew will be paid for the trip at daily and mileage rates that are 1.1 times (110% of) the regular basic daily rates and mileage rates for each tour of duty that a trainee is assigned to (and working with) the Craft Instructor (conductor/foreman) and any brakeman/helper for training. This premium rate will not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time or miles or fixed amounts of money. The regular members of the crew will train the trainee in the proper performance of the duties of a brakeman, yard helper, conductor, and foreman, including the preparation of required reports, computer entries, car restrictions and placement, etc., under actual working conditions. The Craft Instructor (conductor/foreman) will complete a trip evaluation for each trip a trainee is assigned.

Note: It is recognized that this training program is primarily for conductor/yard foremen qualification. However, at locations where hostlers are employed time will be incorporated into the program for the sole purpose of hostler training. In any event, when a trainee is assigned to a hostler for training, the hostler will be paid according to the provisions above.

Section 10. Throughout this agreement and attachments, references to specific gender have been made. Such use of gender specific terms by no means infers discrimination by gender.

Section 11. The provisions of this Agreement supersede all agreement provisions that conflict herewith.

Questions & Answers

- Q1. If the employee is in classroom or orientation training at other than the home point and there is no training on a given day, what expenses will the employee receive?
- A1. The employee will be reimbursed for actual, reasonable, and necessary travel, lodging, and meal expenses.
- Q2. If a trainee is in a classroom portion of the instruction, can he be used in an emergency.
- A2. No.
- Q3. When is the seniority date for a new employee established?
- A3. The trainees will be ranked during the 3 week classroom training, but will not have "usable" seniority until such time as the training program is successfully completed.
- Q4. How is a seniority date established for class consisting of employees from more than one seniority district?
- A4. In classes consisting of employees from one or more seniority districts, the seniority date will be established for the entire class upon completion of the three week classroom training portion as provided in Section 2(c). The class will be ranked amongst themselves in accordance with the provisions of Section 4.
- Q5. Does the date of first on-the-job training compensation determine seniority ranking?
- A5. No. Seniority ranking will be determined under the provisions of Section 4.
- Q6. Under the provisions of Section 7(b) and 7(c) what payment would be due a trainee who is on duty a total of eighty-four (84) hours in a calendar week (fourteen hours each of the six days)?
- A6. The trainee would be entitled to be paid two hours each day at the time and one-half hourly rate of pay due to being on duty in excess of twelve (12) hours each day. In addition, the trainee would be entitled to twenty-four (24) hours at the time and one-half hourly rate of pay for the time in excess of the forty-eight (48) hours in the calendar week.

Side Letter No. 1

This refers to the Agreement providing for a formal conductor/foreman/hostler training program dated March 3, 1997.

The purpose and intent of this Agreement is to provide for a partnership between the United Transportation Union and Carrier's Technical Training Group in order to provide the best possible training to new employees entering the ground service craft. This Agreement has granted significant authority and responsibility to UTU represented Training Coordinators and Craft Instructors. The parties recognize that in the interest of consistency, the Technical Training Center will work with the United Transportation Union in order to develop general guidelines as to the skills to be covered during the orientation and the on-the-job training portions of the program. These guidelines shall not address specific items such as distribution of road or yard on the job training time; rather, the intent is to assure that each trainee is exposed to certain fundamental aspects of railroad ground service employment.

We agreed that, from time to time, UTU Training Coordinators and Craft Instructors may be required to receive information from, or participate in program design with, members of the Technical Training Center team. When this is required, the involved Training Coordinator and/or Craft Instructor will be paid lost wages, based upon the position held immediately prior to the training as well as reimbursement for actual, necessary, and reasonable expenses.

Side Letter No. 2

This refers to the agreement providing for a formal conductor/foreman/hostler training program dated March 3, 1997.

This is to advise you that the Carrier will not assign trainees to Craft Instructors (conductors/foremen/hostlers) who do not wish to work with trainees, so long as there are sufficient conductors/foremen/hostlers, who volunteer to work as Craft Instructors.

The UTU will provide the Carrier with a list of local UTU officials to contact in connection with the selection of a Training Coordinator and Craft Instructors. These officials will provide the Carrier with the name of an employee willing to act as a Training Coordinator for each location trainees are assigned. The UTU will also provide the Carrier with a list of employees willing to act as Craft Instructors. The UTU will update the list from time to time, as necessary.

If there are not sufficient volunteers on the list provided, to meet the Carrier's need for Craft Instructors at a given location, the Carrier may designate additional employees as Craft Instructors. Before the Carrier makes such additional designations, a local Carrier officer will

meet with designated UTU officers and the Training Coordinator to discuss the selection of additional Craft Instructors.

Side Letter No. 3

This refers to agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

Presently locomotive engineer trainees assigned to work jobs at a source of supply other than the source of supply where normally assigned are allowed to utilize lodging facilities provided for regular crews. These trainees are also allowed actual, reasonable, and necessary meal allowances while assigned to training on an assignment protected from another source of supply, as well as travel expenses to the location of the other assignment and back to the normal source of supply.

Trainees in this training program will be treated the same as trainees in the UTU engineer training program in this regard.

Side Letter No. 4

This refers to the agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

In discussing the agreement, it was understood that employees who had already established ground service seniority on the effective date of the agreement are not subject to the agreement. However, we agreed that employees who have not yet been promoted to conductor would, if they request it, be allowed to attend the classroom portion of this program, before being required to accept promotion to conductor. Employees who request such classroom training will be paid for each week of classroom training on the same basis as if they were on vacation, and they will be covered by the same provisions relating to travel, meal and lodging expenses that cover trainees under the agreement signed this date.

It was also understood that, once such employees who are not subject to the agreement signed this date successfully complete the requirements for promotion to conductor, they will rank ahead of any employee hired after the effective date of this agreement.

Side Letter No. 5

Section 2 sets forth a training schedule covering a total of fifteen (15) weeks up to and including the first promotion test.

It was discussed and agreed that the training schedule may need adjustment and that such adjustment could be made during periodic meetings between UTU and Carrier representatives.

Additionally, as we discussed, representatives of the UTU will meet annually with those BN officers responsible for the training program to review experience under the program and discuss how the program may be changed to improve it. Unless agreed otherwise, the annual meeting will be held on the second Tuesday of September of each year.

Side Letter No. 6

This refers to the agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

While it is understood that Craft Instructors working with trainees are responsible for acquainting the trainees with their duties, we agreed that the Craft Instructors involved in training will not be held responsible for actions of the trainees that are unavoidable or beyond the Craft Instructors' control.

Side Letter No. 7

This refers to the agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

In discussing the agreement, it was understood that employees who have already established conductor seniority may desire an opportunity to receive the classroom training which has been known as "conductor update class." We recognize that the introductory classroom portion of this training program was not designed for existing BN conductors, and agreed that employees with BN conductor seniority may volunteer to attend classroom training sessions held at the Technical Training Center, that are designed and intended to enhance their existing conductor work skills. We further agreed that such conductors will be reimbursed for expenses incurred while engaged in that training under the provisions of Section 6(a) of this agreement which applies to new employees. In addition to such expenses, they will be compensated for "lost wages" based on the earnings of the position the individual employee was holding prior to reporting for that training.

It is understood and agreed that the foregoing is also without prejudice to the Carrier and Organization's respective positions regarding existing agreement requirements, if any, which may either obligate the Carrier to provide or the employees to attend training classes, or regarding compensation for employees that attend such training classes.

Side Letter No. 9

An employee who becomes a locomotive engineer after the effective date of this agreement will, upon promotion to engineer, be considered as having passed the conductor/foreman promotion examination. Such employee will not be able to exercise seniority as a conductor/foreman until such time as all senior trainmen/yardmen are afforded the opportunity to promote and he has satisfied the other criteria associated with promotion. At that time the promoted engineer will be assigned conductor's seniority in relative standing based on his seniority date.

Note: "Other criteria for promotion to conductor/foreman" means such things as instruction, computer proficiency, physical plant familiarity and other skills as determined through development of this training program.

Side Letter No.12

This refers to the agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

Throughout the above agreement, reference is made to a "Training Coordinator" and "Craft Instructors". It was discussed and understood that the "Training Coordinator" would be a qualified active ground service employee selected jointly by the Division Superintendent and the Local Chairperson(s) from applications for this position at each terminal or location where training will be done. Such choice will not be based solely upon seniority. Selection will be based, among other considerations, on experience, knowledge and ability. It is understood and agreed that the "Training Coordinator" will be made whole, as will the Craft Instructors when engaged in duties other than that of the on the job training of trainees on the Craft Instructor's assignment, for the assignment held immediately prior to the selection.

The "Training Coordinator" and the "Craft Instructors" will adhere to the curriculum set forth by the Division Superintendent (or his designee) and the training center. The "Training Coordinator" will work with the Division Superintendent (or his designee) to schedule trainees on appropriate training assignments with qualified Craft Instructors. He will assist Craft Instructors and trainees in their movement through the program on the property. He will receive and maintain daily evaluations from the Craft Instructors and monitor the trainee's progress. Any disputes arising between the Division Superintendent and the Training Coordinator concerning the proper scheduling of trainees or the general management of the program will be referred to and settled by the General Chairman with jurisdiction and the designated BN Labor Relations Officer.

Side Letter No.14

This refers to the agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

During discussion addressing the application of the 3-week classroom portion of the program, the question arose concerning handling of the so-called "revenue" students, or new-hires who had already been trained at the technical training center.

It was agreed that these employee candidates need not return to the Technical Training Center for the 3-week classroom portion of training and that this 3-week period would be utilized for additional OJT.

Side Letter No.15

This refers to the agreement providing for a formal conductor/foreman/hostler training program dated March 3, 1997.

This will confirm our understanding that trainees will not be deemed to have successfully complete the program without completing at least eleven (11) weeks of on-the-job training provided in Section 2, unless they had previous experience as trainmen/yardmen on another railroad. Trainees with previous experience as a trainman/yardman may have their on-the-job training reduced by one month for each four months of previous experience on a railroad other than switching or terminal railroad. However, such experienced new hire will be required to pass the required examination and necessary minimum number of training trips over territory to which assigned, as determined by the "Training Coordinator" and the Division Superintendent (or his designee). The Carrier will provide the UTU with work history of any trainee whose on-the-job training is reduced due to previous experience as trainmen/yardmen.

Side Letter No. 16

This refers to the agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

It was discussed and agreed during negotiations that the basic training period would be fifteen (15) weeks with eleven (11) weeks of OJT. If Carrier determines a need to extend the classroom training beyond the three (3) weeks allowed, such extension will not detract from OJT weeks. Such extension to classroom weeks will increase the length of the basic program from fifteen (15) weeks by the amount of time added to the classroom weeks at the Carrier's discretion.

Side Letter No. 17

This refers to the agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

It was understood that when trainees deadhead with a trainer who is paid for the deadhead trip separate from service, and the trainer performs instruction or provides training, the trainer shall receive the premium payment provided under Section 9 of the Agreement for the deadhead trip. (Implementing Agreement 1-16-98, Article 2, Section 4(B)1, UTU March 3, 1997 Training Agreement)

ARTICLE 3

Seniority List

Section I. HB&T

Employees in yard service shall have access at all times to seniority list, same to be posted in a convenient place in the office of the General Yardmaster. It shall also contain correct list of all yardmen and their age in service.

Seniority list of yardmen will be revised annually and a copy of same furnished each member of the General Grievance Committee as soon after January 1 of each year as practicable. It will show the numerical seniority standing, the seniority date, and the birth date of each employee. It was understood that accessibility to the rosters via the computer satisfies this provision.

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.

Section II. SENIORITY ACCUMULATION

- (a) This Section shall apply only to those carriers on which an organization other than the United Transportation Union (UTU) is exercising the exclusive right to represent all locomotive engineers in company-level grievance, claim and disciplinary proceedings.
- (b) Sixty (60) days after service of written request on the carrier by the organization's authorized representative(s), any employee with train service or hostler or hostler helper seniority working as a locomotive engineer will be required, during the period of time he is working as a locomotive engineer, to pay monthly dues to the UTU in order to accumulate any additional seniority as conductor, trainman, hostler or hostler helper. The organization shall be responsible for administration of such arrangements. (Article IX 1996, National Agr.)

Section III. SENIORITY CONSOLIDATION

(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. (Implementing Agreement dated 1-16-98)

Section IV. PRIOR RIGHTS

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

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. (Implementing Agreement dated 1-16-98)

B. 1. The Houston Terminal shall be divided into three (3) prior-rights zones.

- 1.1 The HBT zone shall encompass all territory within the pre-existing switching limits of the HBT.
- 1.2 The BN zone shall encompass all territory from the pre-existing HBT switching limit on the rail-line toward Teague to the new switching limit established to and including Tomball (Section 1.4 above)
- 1.3 The ATSF zone shall encompass all remaining territory, not covered by 2.1 or 2.2 hereof, within the newly established switching limits at Houston.

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?

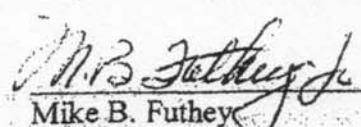
Answer: The BNSF employee with a 1-1-97 seniority date would be the successful bidder because the HBT employee would use a 1-16-98 seniority date as per Implementing Agreement 1-16-98, Section 3 as amended by Implementing Document to PLB 6498.

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 CO.
And
UNITED TRANSPORTATION UNION

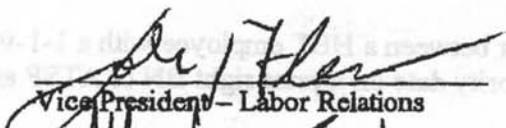
IT IS AGREED:

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.

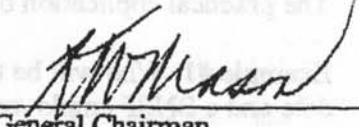
Signed at Fort Worth, Texas this 29th day of October, 1999.

For The Burlington Northern and Santa Fe
Railway Company

For United Transportation Union


Vice President - Labor Relations


Asst. Vice President - Labor Relations


General Chairman


General Chairman

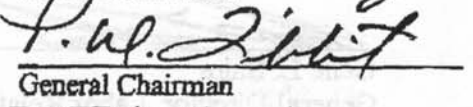

General Chairman


General Chairman


General Chairman


General Chairman


General Chairman


General Chairman


General Chairman

2. Prior Rights

- 2.1 HBT prior rights employees are employees who established seniority on HBT prior to January 16, 1998 and shall have prior rights to assignments within the HBT Zone.
- 2.2 BN prior rights employees are employees who established seniority on the BN JTD Seniority Roster prior to September 22, 1995 and shall have prior rights to assignments within the BN Zone.
- 2.3 ATSF prior rights employees are employees who established seniority on the ATSF Northern and Southern Divisions Seniority Roster prior to September 22, 1995 and shall have prior rights to assignments within the ATSF Zone. (Implementing Document to PLB 6498)
- 2.4 If no Prior Right employees bid an assignment on any of the Prior Right Territories, it may then be filled by bidders from either of the other two territories and will be awarded based on the bidder's earliest seniority date in a UTU-represented craft. (Implementing Agreement 1-16-98, Section 3, as amended by Implementing Document to PLB 6498)

ARTICLE 4

Five-Day Work Week

Section I.

"The term 'work week' for regularly assigned employees shall mean a week beginning on the first day on which the assignment is bulletined to work, and for extra or unassigned employees shall mean a period of seven consecutive days starting with Monday."

NOTE: Yardmen on the extra board shall be worked in accordance with the current agreement covering extra men, except that extra yardmen who have worked five (5) straight time eight-hour shifts during their work week will be run around, providing other extra yardmen have not worked five (5) straight time eight-hour shifts during the work week.

Section II.

"Employees worked more than five (5) straight time eight-hour shifts in yard service in a work week shall be paid one and one-half times the basic straight time rate for such excess work except"

Where exercising seniority rights from one assignment to another.

Where paid straight time rates under existing rules or practices for a second tour of duty in another grade or class of service.

In the event an additional day's pay at the straight time rate is paid to yard service employee for other service performed or started during the course of his regular tour of duty, such additional day will not be utilized in computing the five straight time eight-hour shifts referred to in this paragraph."

Section III.

- (a) All regular or regular relief assignment for yard service employees shall be for five (5) consecutive calendar days per week of not less than eight (8) consecutive hours per day, except as otherwise provided in this article.
- (b) An employee on a regular or regular relief assignment in yard service who takes another regular or regular relief assignment in yard service, or selects another 'day off' period of his choice, but will not be permitted to work more than five (5) straight time eight-hour shifts, as referred to in paragraph (d) of this Section, in the work week of the assignment or 'days off' period which he had at the time he made his choice; provided however, that if the foregoing would not permit such employee to work one or more days of the assignment of his choice, and if there is no extra man available who could be used to perform the work on those days, he may be used to work those days at the straight time rate.

EXCEPTION: A yardman on a regular or regular relief assignment who takes another regular or regular relief assignment because of displacement or because he as a helper is forced to a bulletined assignment as foreman or herder will take the conditions of the new assignment. Time worked in excess of five days as a result of such changes in assignment will be paid for a pro rata rate.

- (c) An employee on a yard extra board who takes a regular or regular relief assignment in yard service will be permitted to go on the assignment of his choice and will take the conditions of that assignment.

An employee on a regular or regular relief assignment who goes on an extra board will take the conditions attached to the extra board, but will not be permitted to work more than five straight time eight-hour shifts, as referred to in paragraph (d) of this Section, in the work week starting with the Monday in which the change is made.

- (d) Except as provided in paragraphs (b) and (c) of this Section, employees, regular or extra, will not be permitted to work more than five straight time eight-hour shifts in yard service (excluding the exceptions from the computations provided for in Section 8, paragraphs (3) and (4) in a work week, unless the extra board has been exhausted and the exigencies of the service require the use of additional men, in which event senior available employees in the class in which the vacancy occurs shall be used in accordance with applicable rules or practices in effect on individual properties.

Section IV.

- (a) When the extra board at Dayton or Casey is exhausted, regular assigned yardmen off on their rest days to the extent provided in paragraph (b), will have preference in order of seniority over extra men on other extra boards. The South Yard and Pearland extra boards supplement each other and then regular assigned yardmen off on their rest days to the extent provided in paragraph (b), will have preference in order of seniority over extra men on other extra boards.
- (b) The only regularly assigned yardmen, either on regular or regular relief assignments, are those whose assignments are on the same shift and who have signified their willingness and desire to protect vacancies on their rest day in writing to the Crew Caller, with copies to the chairman. For purpose of this paragraph, a regular relief assignment will be considered as being assigned to work the shift on which the work week begins. It is understood that they will be given the privilege of changing their option to work on their off days, provided notice is given before 5 a.m. for the first shift, 1 p.m. for the second shift, or 9 p.m. for the third shift.
- (c) All regular assigned yardmen desiring to work on the regular yardmen's extra board will respond to calls when needed, and any yardman failing to be available or not responding to call after three (3) such calls, his name will be removed from this working list.

Section V.

A yardman on a regular or relief assignment who voluntarily exercises his seniority to another assignment will take the conditions of that assignment (irrespective of the number of straight time eight-hour shifts previously worked), and if this results in his working in excess of five straight time eight-hour shifts prior to the rest days on his new assignment, straight time rate will apply thereto. However, a yardman may not voluntarily exercise seniority more than once within a calendar month with such privilege of working in excess of five straight time eight-hour shifts prior to the rest days on his new assignment; should he voluntarily exercise his seniority additional time or times during a calendar month, he will not be permitted to work more than five straight time days without taking two rest days, unless the extra board is exhausted, in which event applicable rules will govern. Should a yardman, after he has thus made a voluntary gain through bidding, resulting in his working in excess of five (5) straight time eight-hour shifts during a seven-day period beginning 12:01 a.m. Monday and ending 12 midnight Sunday, obtain by bidding another assignment or other assignments prior to the first Monday of the ensuing month, he will until then take the conditions of every such assignment held beginning with the

first Monday after he has made the gain, and will have no claim by reason of taking the off days of all such assignments.

Extra men, who otherwise would have been used had not regular men been permitted by this agreement to work in excess of five straight time eight-hour shifts, will have no claim as a result thereof.

When assigned thereto by bulletin, no yardman will be permitted to start a second shift within one calendar day, except in case of an exhausted extra board.

(Carrier agrees to waive application of the phrase "except where there is another man available to perform the work at pro rata rate" in Section 8(2)(e) of Article 3 of Agreement "A" of May 25, 1951.)

ARTICLE 5

Hours, Starting Times and Bulletins

Section I. HOURS

Yardmen shall be assigned for a fixed period of time, not to exceed eight (8) hours, which shall be for all regular members of a crew.

Section II. STARTING TIMES

Regular assigned yard crews shall have a fixed starting time, and the starting time of a crew will not be changed without at least forty-eight (48) hours advance notice.

Times for all engines will be as follows:

- (a) Where three eight-hour shift are worked in continuous service, the time for the first shift to begin work will be between 6:30 a.m. and 8 a.m., the second 2:30 p.m. and 4 p.m., and the third 10:30 p.m. and 12 midnight.
- (b) Where two shifts are worked in continuous service, the first shift may be started during any one of the periods named in paragraph (a) of this section.
- (c) Where two shifts are worked not in continuous service, the time for the first shift to begin work will be between the hours of 6:30 a.m. and 10 a.m., and the second not later than 10:30 p.m.
- (d) Where an extra engine or an independent assignment is worked, the starting time will be fixed to meet the requirements of the service. It is understood that no more than 5 extra assignments in each yard per calendar month will be started or go off duty between the hours of 12 midnight and 630 a.m.

- (e) Starting time of shift governs date service is performed. For the purposes of this rule, a crew on a 12 midnight to 8 a.m. shift will be considered as having performed service on the date previous to that on which the work terminated.

Section III. BULLETINS

- (a) Bulletin of Assignments. When a vacancy occurs on any regular engine, or additional engines are put on, the same shall be bulletined for a period of 72 hours; at the expiration of that time, the senior man applying for same shall be assigned. In the event no bids are received, the junior extra yardman will be assigned to such vacancy.
- (b) The junior extra yardman will not be assigned to a vacancy on a regular job assignment on its off days, nor will he be assigned to this job the day prior to its off days unless he is available for such job, but will remain on the extra board. The first day the job works after the off days, the junior extra yardman will be forced to the regular job assignment.

Section IV. JOB ASSIGNMENTS

1. All job assignments will be bulletined to indicate their normal location of work. Job assignments will also be bulletined to show the type of general work to be performed, being lead, transfer or industry.

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

3. There shall be no restriction on any job within the expanded Houston Terminal performing service at any location within the expanded terminal, except as provided under 3.1 below.

3.1 Jobs held by prior-right employees from one zone shall not be used to replace jobs assigned to prior-right employees in any other zone. That is to say that while there is no restriction as far as any job performing any work within the expanded terminal, the parties understand and agree that so long as there is sufficient work available in a zone, that work is to be performed by a job with a prior-right employee assigned within that zone.

3.1.1 For example, it would be a violation of this agreement to relieve a ATSF zone job held by an ATSF prior-rights employee upon the expiration of eight (8) hours and have either a HBT or BN zone job perform switching in the ATSF zone for 2 or 3 or more hours when the spirit of this agreement contemplates that normally general yard switching performed in any zone should be performed by a prior-righted employee on a job headquartered in that zone. (Implementing Document to PLB 6498)

Section V. LOCATIONS

Yard assignments within the expanded terminal may be established at South Yard, Dayton, Pearland, Alvin and Casey. (Implementing Document to PLB 6498)

**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 schedule 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.

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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
Melissa Beasley
Director Labor Relations

For the Organization:

L.R. Bumpure
L.R. Bumpure
General Chairman UTU (HBT)

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ARTICLE 6

Vacancies

Section I. GENERAL

- (a) As outlined during our conference, the positions of foreman, helper, hostler and hostler-helper will be must-fills, and will not be moved from their assignments, except during emergency situations, as defined in the basic Crew Consist Agreement. (Side Letter No. 4 of Memo. of Agr. 12/2/91)
- (b) When a vacancy, excluding vacation, caused by sickness, temporary disability, suspension, leave of absence, filling temporary vacancy in another grade of service or by reduction in force, remains vacant for 14 days, then such vacancy will be bulletined for 72 hours. At the expiration of that time, the senior man applying for same shall be assigned, and in the event no applications are received, the junior yardman assigned to the extra board will be assigned. Such yardman can only be displaced by a senior man losing his position through no fault of his own, or by one of the reasons set forth in the first portion of this rule.
- (c) The agreement covering making a voluntary gain is still in effect.
- (d) When a yardman bids from one assignment to another, he will not be permitted to bid in the vacancy created thereby, except when displaced through no fault of his own.
- (e) When an older man possesses any vacancy and vacancy is taken by a younger man, the older man will not be allowed to take the position until it again becomes vacant or the older man is deprived of the position he held by reduction of the force. Yardmen laying off at the time of vacancy shall be entitled to such vacancy at the time they return to duty, according to seniority.
- (f) 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 bidder's earliest seniority date in a UTU-represented craft. (Implementing Agreement dated 1-16-98)

Section II. FOREMAN VACANCIES AND HERDER-PILOTS

All trainmen must accept promotion to conductor/foreman when offered by the railroad. Once promoted, trainmen, including those already promoted, will not be permitted to voluntarily relinquish conductor/foreman rights. (Nat'l. Agr. 11/1/91)

- (a) When a vacancy for a foreman on regular crew exists, the senior man on the assignment will have first choice; if they do not desire it, then the junior man (regular or extra) on the assignment qualified to work as foreman will be required to work as foreman.

- (b) Filling vacancies as foremen on extra engines and vacancies of herder-pilots, including self-propelled machines, the senior regularly assigned yardmen with same starting time and same point of going on duty will have first choice; in the event senior men do not desire it, the junior assigned yardman with same starting time and same point of going on duty will be required to work as foreman or herder-pilot.
- (c) Yardmen required to perform service as provided in paragraph (b) will be paid not less than what they would have earned had they remained on their regular assignment.
- (d) It is understood senior yardmen on other assignments with same starting time and same point of going on duty may elect to fill temporary vacancies as foreman or herder-pilot, provided they so notify proper authority in advance of starting time.
- (e) When a vacancy for a foreman occurs on a regular assignment, and there are no bids received or additional assignments are put on and there are no bids received, the junior extra man will be assigned, provided he is qualified to work as a foreman. In the event the junior extra man is not qualified, the junior regularly assigned yardman who is qualified to work as a foreman will be assigned.
- (f) It is understood and agreed that a yardman or yardmen who are run around in the application of paragraphs (a) and (b) will be paid not less than a minimum day.
- (g) In the event a vacancy as engine foreman or herder cannot be filled under the provisions of paragraphs (a) or (b), the extra man first out on the extra board will be called, and in the case of an engine foreman, the senior man on the crew will work as such, it being recognized that a yardman working as engine foreman under this provision is not thereby qualified

Section III.

Yard crews may perform hostling work without additional payment or penalty to the carrier.
(Nat'l Agr. 10/31/85)

Section IV. VACATION VACANCIES

Yardmen taking 14 days or more of their vacation, their vacancy will be bulletined the first day starting vacation.

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

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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.

MEMORANDUM OF AGREEMENT
Between The
BURLINGTON NORTHERN
RAILWAY

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 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.

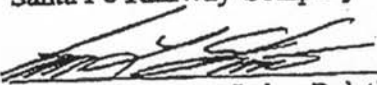
It was understood that an employee could still obtain additional time off if the employee makes proper arrangements with Crew Management prior to the authorized absence expiration.

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

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ARTICLE 7

Extra Men

Section I.

Extra men shall work first-in and first-out on rotary board on all temporary vacancies of less than 14 days, as provided in Article 5. This will not change application of Article 6.

Section II.

Extra men must be available for call during the calling time outlined below, or until which time the Board has been called and set for the respective shift.

1st Calling Time	5:00 a.m. to 8:00 a.m.
2nd Calling Time	1:00 p.m. to 4:00 p.m.
3rd Calling Time	9:00 p.m. to Midnight

Section III.

Yardmen will be called, at their usual calling place, at the expense of the Carrier when called for service. Yardmen notified of being displaced will also be called at the expense of the Carrier. (Mem. Agmt. 9/12/86)

The yardmen desiring to avail themselves of this understanding must file their names and addresses with the General Chairman and a copy sent to the Superintendent of the BNSF RR within fifteen (15) days after cut off the Board, and renew their addresses by registered mail *if their address changes*. Failure to do this or report within thirty (30) days after notification will be considered out of service. Notification to be made by registered mail, and Superintendent and General Chairman furnished a copy. It is understood Article 47 will apply to this section.

ARTICLE 8

GUARANTEED EXTRA BOARD

Section I.

- a. Positions on the guaranteed extra boards will be advertised with one specified off day each half month in accordance with applicable schedule rules. If no bids are received for a vacancy on the board, the most junior yardman on the reserve board will be recalled and will be entitled to displacement rights.
- b. Each yard extra board employee who is available for service an entire half month (except on specified off-day) will be guaranteed a monetary equivalent of 12 days pay at the yard helper rate. In the event all earnings (exclusive of penalty time claims) do not equal or exceed this amount, necessary adjustment will be made in the subsequent payroll period. The guarantee will be reduced by 1/15 for each calendar day or portion thereof the employee is unavailable for service.
- c. The guarantee for employees added to or removed from the board on dates other than the 1st and 16th will be equivalent to 1/15 of the half-month guarantee, for each full calendar day, exclusive of off day, they are available on the board.
- d. Extra board employees shall be used on a first-in, first-out basis.
- e. An extra board employee missing a call will be marked up at the foot of the board behind the yardmen tying up at that time. If the missed call was for an outside vacancy, the employee will be marked off until the employee protecting the call completes the assignment, and will be marked behind that employee.
- f. An extra board employee who lays off will, when reporting, go back on the extra board at the bottom. This will not preclude his use, however, if he is available and his services are needed due to a shortage of yardmen. A yardman who lays off more than twice in a pay period forfeits the guarantee and shall only receive pay for work performed in that pay period. Missing a call for service shall be considered the same as laying off under the guarantees provisions of this Agreement.

Layoffs for jury duty or bereavement leave or lay-offs by officers or committeemen laying off for union business will not be counted as a "lay-off" toward forfeiture of guarantee in that pay period. However, if the yardman lays off in advance of that necessary and/or does not report for service after complete or temporary release from jury duty, such time will be counted as a "lay-off" toward forfeiture of guarantee.

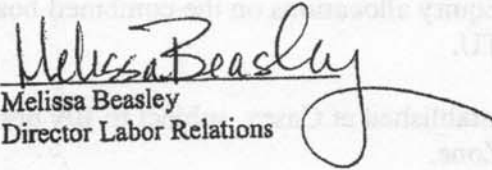
- g. When a board is reduced, the senior employee(s) with request on file will be cut off; if none, decreases will be made in reverse seniority order. Requests must be

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

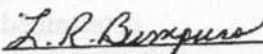
All employees placing to a position on the HBT Yard Extra Board will not be allowed to bid to another position on that Extra Board for 30 days. This does not apply to those employees who are displaced from that position through no fault of own.

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 HBT UTU

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made at least 24 hours prior to reduction and cannot be revoked without 24 hours notice. (Implementing Agreement dated 1-16-98)

Section 2. Extra Service

- 2.1 An extra board shall be established at South Yard, subject to HBT prior rights, to protect extra service within the Houston Zone.
- 2.2 An extra board shall be established at Pearland, subject to ATSF prior rights, to protect extra service at Pearland and the territories identified under Article 17 of this Agreement in paragraphs 1, 2, 3, 5, 6, 7, 8, and 11 (except as provided under Section 2.1)
 - 2.2.1 The Boards established under Sections 2.1 and 2.2 at Houston may be used to supplement each other, without penalty to BNSF.
 - 2.2.2 In the event ATSF prior rights employees fail to protect equity established by Section 2.2 for a period of six full consecutive months, BNSF may serve notice to combine the extra boards established by Section 2.1 and 2.2 at Houston. Equity allocations on the combined board shall be determined by UTU.
- 2.3 An extra board shall be established at Casey, subject to BN prior rights to protect extra service on the BN Zone.
- 2.4 An extra board shall be established at Dayton, subject to ATSF prior rights, to protect extra service at Dayton and the territories identified under Article 17 of this Agreement in paragraphs 9 and 10 (except as provided under Section 2.1)
- 2.5 Except as provided under Section 2.2.1, when it becomes necessary to supplement one extra board with another extra board within the terminal, the earnings realized by the employee shall not be used to offset guarantee. (Implementing Document to PLB 6498)

Section 3.

AGREED UPON QUESTIONS AND ANSWERS (GUARANTEED YARDMEN EXTRA BOARD)

Question and Answer No. 1

- Q. When will the specified off day begin and end?
- A. The off day will be a calendar day (midnight to midnight), or a period of 24 hours from the time relieved or time of return to the extra board location.

Question and Answer No. 2

- Q. Will an extra board employee be considered available for service on the day preceding his off day if the call for duty will result in the employee going on duty on his designated off day?
- A. No. If the employee will not be on duty, or under pay, prior to midnight on the day preceding his off day, he will not be considered available for service.

Question and Answer No. 3

- Q. When will the off day begin for an employee called on the day preceding his off day for an assignment which is relieved after midnight?
- A. At the time relieved and will continue for 24 hours.

Question and Answer No. 4

- Q. Are guaranteed extra board employees required to notify the crew caller when they begin and end observation of assigned off days?
- A. Yes, and upon reporting will be marked up at the bottom of the board.

Question and Answer No. 5

- Q. If an employee lays off prior to the beginning of his off day, and marks up at the end of his off day, or later, where will he be placed on the board?
- A. He will be marked to the bottom of the board when he reports. The off day time will not be charged against his guarantee.

Question and Answer No. 6

- Q. How is an advertised vacancy on the extra board to be handled when becoming first out?
- A. It will be placed on the off board and advertised.

Question and Answer No. 7

- Q. May an extra board employee move to another position on the same extra board?
- A. Yes, in accordance with seniority rules, except he may not bid back on his former position, or another position with the same off day as his former position until it has been once filled and again becomes vacant, unless displaced in the interim.

Question and Answer No. 8

- Q. Where does an extra board employee mark up when reporting back from compensated time off, i.e., jury duty, vacation, bereavement, etc.?
- A. To the bottom of the extra board.

Question and Answer No. 9

- Q. Will an employee's turn continue to move up when he is on vacation or bereavement leave?
- A. No, it will be removed from the board and marked up at the bottom of the board when the employee reports.

Question and Answer No. 10

- Q. What will happen to the extra board turn of the employee who bids in another assignment?
- A. It will be placed on the off board and advertised.

Question and Answer No. 11

- Q. Will employees exercising seniority to the extra board assume the off-day of the position?
- A. Yes, and if he exercises seniority on a position on an off-day, he remains off until the off-day is over.

Question and Answer No. 12

- Q. If an employee is on the extra board for three days and is on vacation the rest of the half, how will he be treated for guarantee purposes?
- A. The employee would be entitled to one fifteenth of the guarantee for each of the three days, excluding a rest day, providing he remains available.

Question and Answer No. 13

- Q. If an employee lays off at 11:50 p.m. and marks back up 24 hours later, how will he be treated for guarantee purposes?
- A. Credit will be taken for two days, 2/15 of guarantee.

Question and Answer No. 14

- Q. If an employee misses a call for an 11:00 p.m. assignment, how will he be treated for guarantee purposes?
- A. He loses a day.

Question and Answer No. 15

- Q. An employee on a guaranteed extra board position is displaced, and displaces onto another guaranteed extra board position. How will this affect his guarantee for that day?

- A. If the displaced employee displaces another employee on the guarantee extra board within 2 hours of the time he is notified that he is displaced, no penalty will be assessed his guarantee for that day.

Question and Answer No. 16

- Q. Will earnings in excess of guarantee in one pay period be used to satisfy the guarantee the next pay period?
- A. No, each pay period stand alone.

Question and Answer No. 17

- Q. Will the "time in" board still be applicable, i.e., will an extra board yardman with five straight time eight hour shifts in his/her work week be run around if other extra yardmen are available?
- A. No; however, the time and one-half rate will continue to apply to service in excess of five straight time eight hour shifts in a work week commencing on Monday.

Question and Answer No. 18

- Q. How often will Carrier regulate guarantee boards?
- A. It is anticipated they will be regulated with the same frequency as present boards, but it may be necessary to increase or decrease a board at other times due to the board. It was understood that when an extra board is increased or decreased, it will not be decreased prior to the expiration of five days (120 hours) except in cases of emergency such as work stoppage, derailment blocking the main line or act of God.

Question and Answer No. 19

- Q. If an employee misses a call to deadhead to an outside assignment, will he/she be permitted, in order to avoid loss of time, to relieve the employee sent to the outside vacancy?
- A. Yes, the employee who missed a call may, by notifying crew clerk, elect to go to the outside vacancy and protect the vacancy.

Question and Answer No. 20

- Q. If an employee is paid for ungranted personal leave days, will this payment be used to offset the guarantee?
- A. No. (Implementing Agreement dated 1-16-98)

Section IV. Request for additional rest

Employees who perform 12 hours of continuous time on duty while assigned to any extra board addressed herein may request, and shall be granted, twelve (12) hours rest without deduction of extra board guarantee. (Implementing Document to PLB 6498)

ARTICLE 9

CREW CONSIST AGREEMENT

Section I.

Effective December 1, 1991, it is agreed that the basic Crew Consist Agreement between the parties dated April 6, 1981, and any agreement with which it conflicts, will be amended and modified to the extent set forth below.

- I. The provisions of the Crew Consist Agreement dated April 6, 1981 shall be amended to provide that a standard crew will consist of one foreman and one helper. All agreements providing for one-man positions, shall remain in effect. The second-helper position shall be eliminated to the extent provided below. The Carrier reserves the right to assign additional helper(s) to a crew at its discretion.
- II. Protected employees will be compensated in addition to their normal earnings a daily Productivity Fund allowance of \$4.50 when working on a reduced crew of a foreman and one helper or foreman only.

The special Allowance will be grandfathered after a total of fifty non-protected yardmen have been employed by the HB&T. Any yardmen hired after number fifty will not be provided the payment of the Special Allowance. It was understood that this payment would be payable only to Prior Right HBT trainmen.

- III. A. The Parties to this agreement shall not serve or progress, prior to the attrition of all protected employees, any notice or proposal for changing the specific provisions of this agreement governing pure attrition, protected employees, special allowance payment to reduced crew members, Employee Productivity Fund deposits, and the administration thereof.
- B. Pursuant to House Resolution 222 adopting the recommendations of PEB 219 and HB&T and the UTU(T) General Committee are to be bound by the Outcome (including any appeals) in Burlington Northern R/R – V. UTU D.O.C. Case No. 91-1851 and UTU V. USA D.O.C. Case No. 91-1861 (consolidated) except to the extent local agreements are reached on Crew Consist. In that regard, if it develops that PEB 219, as clarified by SB 102-29, or pending litigation permits the Carrier to establish Conductor (Engine Foreman) only operations the parties agree to establish such operations as recommended or permitted.

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

It is understood that the following will apply to Foreman-Only Utility Transfer assignments covered by HTB 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.

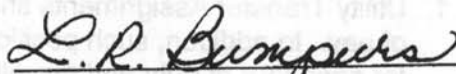
Signed and effective this 1st day of December, 2008.

For BNSF RAILWAY COMPANY:



Gene Shire
General Director Labor Relations

For UNITED TRANSPORTATION:
UNION:



L.R. Bumpurs
General Chairman

- C. No protected yardmen will be furloughed unless all second-helper positions are filled.
- D. When the Carrier elects to add a second-helper to an assignment, or abolish the second-helper position, the entire assignment will be bulletined or abolished in order to allow all crew members the right to exercise their seniority.
As outlined during our conference, the positions of foreman, helper, hostler and hostler-helper will be must-fills and will not be moved from their assignments, except during emergency situations, as defined in the basic Crew Consist Agreement.
- E. During our conference on this date, we agreed to amend the provisions of Article 12, Section 11 (d), paragraph 3 and the Memorandum of Agreement dated September 12, 1986, as follows:
1. Checks will be made available by U. S. Mail or electronic deposit whichever may be specified by the employee to the Treasurer's Office.
 2. The Carrier will furnish each yardman an individual printout of the employee's payroll records at the conclusion of each pay period. Those records are currently available in the computer and that satisfies this provision.

Section 2.

AGREED TO QUESTIONS AND ANSWERS CONCERNING THE MODIFIED CREW CONSIST AGREEMENT DATED DECEMBER 2, 1991

IN GENERAL

1. Does any provision of this agreement change and/or modify the application of any employee and/or labor protection agreement?
A. No

ARTICLE I

Standard Crew & 2nd Helper

3. Can the Carrier call extra board personnel to work as second helpers?
A. Yes, however if a second helper is worked 3 successive days, on any job there will be a second helper assigned, language of Article II of Working Agreement will be complied with in full.
6. When a 3 man job is bulletined how many men are required to ride the bulletin?
A. 3

7. When a 3 man job is worked into (3 days) is Carrier required to keep 2nd helper on the job until bulletin is up on new job?
A. Yes, in addition to the entire job will be re-bulletined.
8. If there is only (1) man available to work on a job of (1 Foreman & 1 Helper) or hostler or helper, will a yardman be moved from a must-fill assignment to fill job?
A. No, there will be no co-mingling of jobs or crews, except in case of emergency as defined in the basic Crew Consist Agreement.
9. Is a shortage of employee considered an emergency?
A. No.
10. If the Carrier establishes a 2nd helper position can 2nd helper be moved to a must-fill position?
A. No, he can not be moved anywhere.
11. When the Carrier bulletins a job for foreman and 2 helpers will the job be worked off the extra board with a foreman and 1 helper or 2 helpers when riding the bulletin?
A. Foreman and 2 helpers.
24. Will all jobs have to have the 2nd helper position filled before a protected man can be furloughed?
A. Yes.
25. When could a regular man be called to work his off days?
A. When the extra-board is completely exhausted of straight time and over time yardmen, then the regular man's overtime board would be called.
29. Can a yardman be forced from a regular assignment to the extra board to fill a bulletined vacancy?
A. No.
30. Is the Special Allowance frozen?
A. No, it shall continue to be subject to future wage and COLA increases.

Section II

ARTICLE 3

- (a) The term "must-fill" positions are positions covered by Agreements between Carrier and UTU, except second yard helper positions in yard service which may be clanked pursuant to this Agreement.
- (b) The term "blanked" position refers to a second helper position on a crew which is not filled and works as a "reduced crew".

- (c) The term "blankable" position refers to a second helper position on a standard crew which is filled by a protected employee and which, under certain specified conditions, can be operated as a "reduced crew" in the absence of a second helper.

ARTICLE 4

No Carrier supervisor, official, or non-craft employee (including yardmasters) shall be used to supplant or substitute in the exclusive work of any yard crew working under UTU Agreements.

ARTICLE 6

Permanent must-fill vacancies, which are not filled voluntarily in the usual manner, will be filled by assigning the most junior helpers on the yardmen's extra board. If non-guaranteed employees are assigned (either by choice or if forced), an equal number of guaranteed employees electing to remain or go to the extra board will, in reverse order of seniority, lose their status as a guaranteed extra yardman. However, a protected employee on the extra board so affected will be permitted to exercise his seniority on any must-fill position held by a junior employee at any time by giving the appropriate Carrier officer an eight (8) hour notice.

ARTICLE 8

The Carrier shall maintain a sufficient number of regular and extra employees to permit reasonable lay-off privileges and to protect must-fill vacancies, vacations, and other extended vacancies.

ARTICLE 9

In the event a standard yard crew member, foreman or helper, fails to report for duty at the assigned reporting time, the remaining crew member may be required to work on a reduced crew basis, not to exceed one (1) hour and 30 minutes if there is an available protected helper on the extra board who will be called to fill the vacancy. If there is no available protected helper on the extra board, the position will be blanked and the remaining crew member will finish that tour of duty.

ARTICLE 10

In the event any member of a standard yard crew, foreman or helper, discontinues duty before completion of the crew's tour of duty, he shall be paid for the actual time on duty. If a replacement is called, the remaining crew member may be required to work not to exceed one (1) hour and 30 minutes. The Carrier may elect to tie the crew up rather than call a replacement, or in the event no protected helper is available from the extra board, the remaining crew member may be required to work foreman only.

ARTICLE 11

New business or new service operations such as piggyback, unit and single commodity trains or cuts, established to compete with other modes of transportation, such as trucks, ships and barges; hours-of-service relief crews; and all non-revenue trains, such as snow plows, work or wreck trains, may be operated with a reduced crew of not less than one (1) foreman and one (1) yard helper.

ARTICLE 12

- (a) Portable radios will be furnished for use by all members of reduced crews consisting of one foreman and one yard helper. Such radios will not exceed three (3) pounds in weight, equipped with a suitable holder, which will firmly hold the radio close to the body and will be of such size as to permit being placed in coat or trouser pocket. Employees will not be held responsible for accidents caused by failure of radio equipment to properly function. Carrier will be responsible for maintenance of radios, and employees will not be held responsible for failure or malfunction of radio equipment unless obviously caused by employee abuse or tampering.
- (b) Sufficient frequency channels will be utilized to provide safe communication.
- (c) Except in an emergency, reduced yard crews will not be required to start switching or perform industrial or transfer service without operable portable radios and radio on engine, nor will they be censored or disciplined in any manner for refusing to do so.
- (d) Lockers will be wired for chargers for all employees and it will be the option of the employee to keep his radio at his on duty point or take it home. (Side Letter No. 4 - Memo of Agr. 12/21/91) (Note: It was understood that the lockers would be wired for chargers at Dayton when the new facility is opened.)

ARTICLE 13

- (a) The Carrier is not restricted by this Agreement from establishing or continuing assignments which have been single assignments, such as, but not limited to, herders, pilots, and switchtenders.
- (b) Where the Carrier elects to operate a job with a crew consist in excess of that required by this Agreement, and the excess position on a crew is filled for three (3) consecutive days, the position will then be advertised and filled in accordance with applicable Agreement. The position may be abolished at any time pursuant to the usual notice requirements.

ARTICLE 18

The parties to this Agreement shall not serve or progress, prior to the attrition of all protected employees, any notice or proposal for changing the specific provisions of this Agreement governing pure attrition, protected employees, special allowance payment to reduced crew

members, Employee Productivity Fund deposits. and the administration thereof.

This section will not bar the parties from making changes in the above provisions by mutual agreement.

This will confirm understanding reached in conference today with respect to interpretation of the work "emergency" as used in paragraph (c) of Article 12 of the Crew Consist Agreement signed April 6, 1981.

We adopt, as a general proposition, the definition of "emergency" as set forth in Webster's New World Dictionary, Second College Edition, copyright 1974, to-wit:

EMERGENCY: A sudden, generally unexpected occurrence or set of circumstances demanding immediate action.

Without attempting to set forth all of the many circumstances and events that would and/or would not constitute emergencies under that or any other general definition, the following are some practical examples of each:

A. EMERGENCIES

1. A derailment or other accident necessitating immediate action to protect persons and/or property.
2. Immediate action to avert accidents and obviate personal injuries and/or property damage.
3. Fire, storm, flood and other circumstances beyond the control of the Carrier that necessitate immediate action to protect persons and/or property.
4. In road service, when a radio becomes inoperable after an engine departs the starting point as defined in Article 12 of the Crew Consist Agreement.
5. When a radio becomes inoperable on a yard assignment, but only for the length of time it takes to get an operable radio to the crew.

B. NOT EMERGENCIES

1. No operable radio available.
2. The need to perform work immediately, minus a condition such as those mentioned in A above.
3. To clear a track for an inbound train, a transfer cut or other cut of cars.
4. To commence weighing cars.
5. To start humping a train or cut of cars.

**AGREED-TO QUESTIONS AND ANSWERS
CONCERNING THE CREW CONSIST AGREEMENT**

IN GENERAL

- Q. Does this Agreement change in any manner Agreement rules and practices pertaining to the filling of foreman vacancies?
- A. No.
- Q. Can the Carrier call extra board personnel to work as second helpers?
- A. Yes, however if a second helper is worked 2 successive days, on any job there will be a second helper assigned, language of Article ii of Working Agreement will be complied with in full.

ARTICLE 10

Reporting for Duty

This Company will designate a place for its yardmen to report on and off duty. The place designated shall be adequate for the requirements of all regular crews to keep their lanterns, rain clothes and lunches; each crew to be provided with separate locker.

It is agreed that a yard crew will work as a unit and will not be separated to perform other switching duties, but may be used to handle cabooses, run air, etc.

ARTICLE 11

Minimum Hours

Yardmen called for any trick will be allowed eight (8) hours pay, whether or not work is furnished the entire time, except in case of sickness, when they shall be paid for time worked.

ARTICLE 12

Receiving Instructions

Yardmaster shall have complete control of yards, and no Foreman or Yardman shall be subject to discipline of Agents or Clerks.

Instructions as to performance of switching (except in work or wrecker service) will come from yardmasters, either direct, or when relayed, in writing over a yardmaster's signature.

It was further understood that certainly it was to be expected that trainmasters would handle directly on their own initiative with yardmen in connection with methods used, such as rule infractions, unsafe practices, rough handling, etc.

ARTICLE 13

Switch Lists

Switch lists will be used in all yards. The switch list will give initial, number, contents, and will be marked for track classification when given to the foremen. Foremen will be furnished written turnover of the yard. One block of cars from head end or rear end of train may be set to one track without a switch list. This does not permit more than one block of cars to be swung without a list. Yardmen will not be required to handle waybills or figure tonnage.

It was agreed that yardmen will be relieved of making regular written turnover; however, they will arrange to discuss the work performed with the Yardmasters.

ARTICLE 14

Protection

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. (Implementing Agreement 1-16-98, Article 3, Section 2)

ARTICLE 15

Coupling Hose and Bad Order Cars

Section I.

Where car inspectors or repairers are maintained, Yardmen will not be required to couple or uncouple air, steam or signal hose, safety chains or unfasten vestibule curtains on either passenger or freight cars, except.

Section II.

Yardmen will not be required to chain or unchain cars in yards or on repair tracks. Yardmen will, however, place cars on bad order tracks where such cars become bad order when being handled by crew in charge.

The BNSF RR agrees to pay yardmen party to this agreement an arbitrary allowance of \$1.81 when yardmen are required by proper authority of the Railway to couple and uncouple air, signal and steam hose, such arbitrary allowance to be made to each member of the yard crew, regardless of which member of the yard crew performs the service, but the arbitrary allowance shall be paid only once to a yard crew in the event such service is performed more than once during a shift. Yardmen will be allowed air pay as claimed, providing yardmaster's name so authorizing is shown on the time slip. Such allowance shall not be applicable or payable when yardmen are required to couple or uncouple air, signal or steam hose as follows:

- (a) Between yard engine and car, caboose or other engine.
- (b) Between cars or between engine and cars where yardmen cut a railroad crossing, street or road crossing to comply with City Ordinances or State Law to permit traffic to use such railroad, street or road crossing.
- (d) Between cars because of break-in-two or doubling hills.
- (d) Between cuts when doubling from one track to another where one track will not hold entire cut of cars.
- (e) Where necessary to set out car or cars that become bad order enroute between Yards or Connecting Lines.
- (f) When air hose can be uncoupled by turning angle cock and pulling the pin.

Yardmen will not be required to perform this service on cars other than those handled or to be handled by the engine with which they are working.

At Union Station or where passenger equipment is switched and carmen are on duty and available, they will do the coupling and uncoupling of steam and signal hose.


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

The independent allowance provided for herein shall be paid separate and apart from the work day, and shall not be considered in arriving at overtime rate nor in computing overtime.

It is not intended to require yardmen to perform all of the work of coupling and uncoupling air, signal and steam hose. The particular operational consideration will govern it.

Section III.

At South Yard and Englewood Yard, yardmen will not be required to couple or uncouple air, steam and signal hose or to test air, nor will they be required to move cars from any of the above-named yards to any outside point for the sole purpose of coupling or testing air by their crew or any other crew.

The six exceptions contained in Section II of this Article will apply to this Section; that is, yardmen may be required to perform any of these six functions at any point without allowance or penalty being applicable.

A crew moving cars from any other point may be required to make a test of air brakes on the cars to be handled by it, to the extent of ascertaining that the brakes are applied to each car when required by law.

Section IV.

- (a) At South Yard and Englewood Yard, yardmen will not be required to handle frogs, chains, cables, or heavy devices in re-railing railroad equipment.
- (b) Yardmen will not be required to handle frogs, chains, cables, or heavy devices in re-railing railroad equipment, except when the main track is blocked outside these six yards; or in the case of other tracks outside of these six yards, except when not more than one set of trucks is derailed and when in the judgment of the engine foreman the car can be re-railed within thirty minutes, and this work will not be required when carmen or trackmen can do the work without delay.

Section V.

In the event of a violation at this agreement, the crew involved will be allowed one day's pay at pro rata rate, in addition to all other earnings.

Section VI.

The bleeding of air from car or cars that have been assigned to yard crew for switching will be performed by yardmen.

Section VII.

In connection with coupling and uncoupling of air, steam and signal hose, it was agreed that herder-pilots would be paid the air pay allowance, provided they coupled hose four (4) or more times in one shift, and it is distinctly understood that the herder-pilots will not couple air hose without proper authorization.

ARTICLE 16

Switches Within Milby Street Mechanical Facilities

Yardmen will not be required to handle switches within the Milby Street mechanical facilities except as members of yard crews engaged in switching cars or equipment in the confines thereof. These will include all switches beyond the north switch of the Long Rip Track, which is about 150 feet south of the north line of Sampson Street, but will not include that switch.

ARTICLE 17

Pursuant to Carrier's notice dated October 31, 2001, as amended by letter dated December 6, 2001, the switching limits at Houston, Texas are extended as follows.

1. The entire Mykawa Subdivision to and including Alvin.
2. West on the Galveston Subdivision from and including Alvin to MP 22 at or near Algoa, including the siding and maintrack on the UP trackage rights territory on the Angelton Subdivision MP 341.2 at or near Brownie.
3. East on the Galveston Subdivision from and including Alvin to and including the station of Duke, MP 47.
4. West on the Houston Subdivision to and including the station of Tomball, MP 87.
5. West on the UP Trackage Rights Glidden Subdivision to and including the Interlocking Limits at Tower 17, MP 36.3
6. North on the UP Trackage Rights Palestine Subdivision to the end of double track at or near MP 210.8.
7. North on the UP Trackage Rights Lufkin Subdivision to and including the station of Humble, MP 18.
8. East on the UP Trackage Rights Beaumont Subdivision to MP 387 at or near Dyersdale Junction.
9. East on the UP Trackage Rights Lafayette Subdivision to MP 325 at or near Dayton.

10. West on the UP Trackage Rights Baytown Subdivision MP 48.7 to MP 21 from at or near Dayton Junction to and including the end of the trackage rights.

11. South on the UP Galveston Subdivision to and including the station of Graham, as well as the new railroad construction of industrial track by the San Jacinto Corporation from Graham to and including the Bayport Loop. (Implementing Document to PLB 6498)

ARTICLE 18

Use of Communication Systems

Section I.

- (a) It is recognized that the use of communication systems, including the use of and the carrying of portable radios, pursuant to operating rules of the individual Carriers, is a part of the duties of employees covered by this Agreement. Existing rules to the contrary are hereby eliminated.
- (b) Portable radios purchased for the use of and carried by ground service employees in yard and transfer service will not exceed three (3) pounds in weight, and will be equipped with a suitable holder which will firmly hold the radio close to the body, or will be of such size as to permit being placed in coat or trouser pockets.
- (c) Employees will not be held responsible for accidents caused by failure of radio equipment to provide safe communication.
- (d) At locations where radio is used, sufficient frequency channels will be utilized to provide safe communication.

Section II. JANUARY 27, 1972 NATIONAL AGREEMENT

- (a) It is understood radio on engine will not be used by yardmaster for the purpose of flagging cars in clear or getting limit in tracks, etc., as this is considered work of yardmen, except in case of emergency to prevent any type of accident.
- (b) Radio will be kept in working order at all times, and when out of order will be reported by foreman, and company will make immediate repairs.

Section III.

The Carrier may issue yardmen their personal radio, holder, microphone and charger when such units are available. These units may be issued to yardmen at the Carrier's discretion and yardmen will not be held responsible for lost, stolen or damaged units that are of no fault of the employee. Yardmen failing to bring their radios to work will not be disciplined, unless such

practice becomes repetitive. All radio repairs will continue to be the responsibility of the Carrier. Lockers will be wired for chargers for all employees and it will be the option of the employee to keep his radio at his on duty point or take it home. (Side Letter No. 4 - Memo of Agr. 12/21/91)

ARTICLE 19

Engines Equipped - Ice

All engines assigned to switching service shall be equipped with headlights and proper grabirons at both ends. Yardmen will not be required to work engines unequipped as stated above longer than one trick, and shall not be prolonged by the substitution of one engine for another.

Ice shall be furnished in sufficient quantities to keep water cool between March 15th and November 15th; ice to be kept in convenient place so that crews will not be delayed in obtaining their supplies.

ARTICLE 20

Productivity Fund Payments

- 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 \$10,000.00; in 1999, \$11,000.00; in 2000, \$12,000.00; in 2001, \$13,000.00; in 2002, \$14,000.00 and in 2003, \$15,000.00. 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 \$15,000.00 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 21

Health Care While Suspended

This is to confirm our understanding in connection with health care benefits for train service and UTU engine service employees who are suspended and their dependents.

We agree that when an employee represented by this Committee is suspended, the Carrier will continue to pay the premiums normally required of it to the appropriate insurance provider(s) so that the suspended employee and his dependents may retain health care coverage during the period of the suspension to the same extent which would be so if the employee were still in service. (Implementing Agreement dated 1-16-98)

ARTICLE 22

Section 1.

REMOTE CONTROL AGREEMENT

THIS AGREEMENT, made this 20th day of August, 2002, by and between each of the carriers listed in Exhibit A, attached hereto and made a part hereof, and the employees of such carriers shown thereon and represented by the United Transportation Union, regarding each such carrier's implementation and utilization of remote control technology for assignments including, but not limited to, yard engines, road switchers, locals and other comparable assignments, witnesseth:

Section 1 - Protection

Protection shall be provided to covered employees in connection with implementation of this Agreement as provided in Attachment A hereto.

Section 2 - Compensation

Effective January 1, 2002, each employee covered by this Agreement assigned to a Remote Control Operator-qualified ("RCO") position and operating Remote Control Locomotive ("RCL") equipment will be paid a special allowance per tour of duty in the amount equal to forty-six minutes at the straight time hourly rate of the applicable position in addition to all other earnings. In no event will there be more than one such payment to an employee per tour of duty.

Section 3 - Training/Certification

- A. For each location where remote control equipment is implemented, the Carrier will provide training so that all ground service employees will be qualified to use remote control equipment. Carrier training programs shall be conducted frequently enough to ensure that employees will be able, without unreasonable

delay, to freely exercise seniority to and from RCO assignments. Yardmasters supervising remote control operations will be trained to become familiar with procedures governing remote control operations.

As a sufficient number of RCO-qualified UTU-represented employees are trained, they may be used to train ground service employees during the on-the-job portion of the training, with the selection of UTU-represented RCO trainers to be a joint effort between UTU and Carrier. Certification remains a responsibility of management.

Section 4 - Bidding/Protection of Positions

- A. RCL assignments shall be advertised in the usual manner at the implementing location.
- B. If insufficient bids are received for the RCO positions involved (including relief), employees shall be force assigned in the usual manner at the implementing location.
- C. Each employee bidding or assigned to an RCO position shall complete the Carrier's RCO training program and shall be held on such position until such time as sufficient qualified employees are available at the location to protect such position.

Section 5 - Overview Committee

- A. A local overview committee consisting of two (2) UTU and various Carrier representatives will meet at mutually agreeable times and locations to discuss and resolve issues and problems associated with the implementation of remote control technology. The UTU representatives shall be selected by the organization.
- B. Regular meetings will occur during the first one-hundred twenty (120) days of operation and on an "as needed" basis thereafter. During such 120-day period, the UTU representatives shall be made whole for lost time, if any, due to attending committee meetings.
- C. The UTU Local Chairmen may participate in the training program as observers for purposes of becoming familiar with and explaining the use of remote control technology to prospective trainees and interested employees.

SIGNED AT WASHINGTON, D.C. THIS 20th DAY OF AUGUST,

Section 2.

ATTACHMENT A

LABOR PROTECTION

1. A protected class of employees shall be established to include those employees in train service (and engine service where UTU holds the contract) as of the effective date of this Agreement. Employees on the effective date of this Agreement who are (i) furloughed and subsequently recalled, (ii) out of service due to carrier disciplinary action and subsequently reinstated to service with seniority unimpaired, or (iii) in yardmaster or engine service (where UTU does not hold the contract), and hold train service seniority, and subsequently exercise such seniority, will be included in the protected class.
2. The period that any member of the protected class may be eligible for protection as provided herein shall be six (6) years from the first date on which an RCL assignment is established in his location.
3. At any location where an RCL assignment is established, the senior protected employee who cannot hold a position through the normal exercise of seniority will qualify to hold a remote control protection ("RCP") slot as provided for below. The normal exercise of seniority to another location shall not reduce the number of RCP slots. If a question develops as to which employee is the appropriate occupant of the RCP slot, the General Chairman and designated carrier representative will determine which employee will occupy such slot.
4. Upon establishment of an RCL assignment, a RCP slot shall be created at that location on a one-for-one basis, i.e., one slot for each such assignment.
5. Any RCP slots shall be reduced on a one-for-one basis by any of the following:
 - A. A buy-out accepted by a train or engine service employee (in service on the effective date of this Agreement) on that seniority district after the effective date of this Agreement;
 - B. The abolishment of an RCL assignment at location; or
 - C. The establishment of any RCL reserve board position, etc. for train or engine service employees at that location.

Note: See attached Side Letter

6. An employee holding a protected slot shall be paid at the yard helper rate based on 5 days per week, provided however, that when his last regular assignment was as a yard foreman, the yard foreman rate shall apply.

7. There shall be no pyramiding of any protective benefits, but the employee shall be paid the higher level of protection.
8. This Agreement does not change any existing rights or obligations employees have under existing protective arrangements.

Section 3.

This is in reference to the Agreement dated August 20, 2002 between certain carriers and the United Transportation Union concerning implementation of remote control technology.

Appendix A, Labor Protection, of that Agreement provides in pertinent part for the reduction of Remote Control Protection ("RCP") slots created thereunder on a one-for-one basis for (i) a buy-out accepted by a train or engine service employee (in service on the effective date of the Agreement) on an affected seniority district, or (ii) the establishment of a Remote Control Locomotive ("RCL") reserve board position, etc. for train or engine service employees at the affected location.

This will confirm our mutual agreement as to the manner in which such provisions will be applied. If RCL buy outs are offered on an affected seniority district, the Carrier may offer up to one-half of the total buy outs to engine service employees. Any such buy outs shall be offered in seniority order to affected employees. The same arrangements would apply to establishment of RCL reserve board positions at the affected location.

ARTICLE 23

Footboard Yardmasters

Section I. INDUSTRIAL

The Superintendent will designate Footboard Yardmasters at Industrial yard or yards or Industrial territories where yardmasters are not assigned by giving at least 24 hours advance notice in Superintendent's Special Instruction Book.

Footboard Yardmasters will be allowed (in excess of the engine foreman's daily rate) an arbitrary of two-thirds of one hour's pay (40 minutes) at the engine foreman's pro rata rate of the basic day.

Footboard Yardmasters will receive and comply with instructions from a yardmaster or other duly authorized official of the company, concerning switching, PICL'ing, marking of list or any other work incidental thereto in the performance of his duties. They may also be required to issue or relay instructions to other employees. It is understood that a Footboard Yardmaster will not be separated from his regular assignment while carrying out the duties of a Footboard Yardmaster.

Footboard Yardmasters may be disqualified as per Article 34 of the Yardmen's Agreement by a yardmaster or duly authorized official of the Company.

Section II. ELECTRONIC LEAD

The Carrier will designate foremen on leads with electronic control switching equipment as "Footboard Yardmasters".

Footboard Yardmasters will receive an arbitrary of two-thirds of one (1) hour's pay (40 minutes) at the engine foreman's pro rata rate.

Footboard Yardmasters may be required to receive and comply with instructions from a yardmaster or other duly authorized officer of the Carrier concerning switching, verification of switch lists, marking of switch list, PICL'ing as may be required, issuing and/or relaying instructions to other employees and other work incidental to the performance of his duties. He will also be required to service paper to printer under his care.

Footboard Yardmasters may be disqualified in accordance with Article 34 of the Yardmen's Agreement by either a yardmaster or duly authorized officer of the Carrier.

It is Further Agreed that vacancies will be filled in the following manner:

1. That in filling vacancies on these assignments, that the senior qualified lead foreman on assignment that date will be assigned to protect vacancy.

2. When a vacancy exists and there is no qualified Electronic Lead Foreman on the assignment, the first out qualified Electronic Lead Foreman will be called from the Extra Board to fill the vacancy. Any extra board yardman who was not qualified for the position will retain their position on the Extra Board. (Memo of Agr. 10/16/87)

3. When a vacancy exists and there is no qualified electronic foreman on the assignment, the senior qualified electronic foreman regularly assigned with the same starting time and same on-duty point will be assigned to protect the vacancy. In the event there is no qualified electronic foreman, regular or extra, with the same starting time and on-duty point, the senior yard helper will be force assigned and Carrier will furnish proper supervision to assist.

It is also understood and agreed that, should Carrier have more than one such assignment at any location, it may designate one assignment to coordinate work with other electronic lead foreman at that location.

It is understood that there will be no co-mingling of crews in connection with switching on the lead.

It is also understood that the so-called "Footboard Yardmaster" working on the lead in question will be permitted to align switches for trains, transfer cuts and various cuts that may be shoved in and/or also double-overs.

If any problems should arise regarding such assignments, the Carrier and General Chairman shall meet to resolve same.

ARTICLE 24

Foreman or Pilot Duties

Section I.

When yardmen are required to perform Pilot's duties, they will receive Foreman's rate of pay for not less than a minimum day.

Section II.

(a) It is agreed that the yardmen will be assigned to perform pilot or herder service in the movement of engines, steam or diesel, between the Union Station and Roundhouse or vice versa, or any other pilot or herder service as may be required within the Terminal limits, by assigning yardmen to regular pilot or herder assignments, except as hereinafter provided.

- (b) It is agreed under this agreement that regular yard crews may be required to handle engines or trains within the Terminal limits, and when the engine foreman is used as a pilot, the yard helpers will not be required to perform any yard service except the movement of their engine for the purpose of picking up the foreman upon completion of the pilot or herder service. The compliance of the provisions of this Section will not constitute a violation of the Yardmen's Agreement.
- (c) It is understood that the Company is privileged to assign a yardman as pilot or herder as an additional member of the regular yard crew, and the provisions of Article 7 of the Yardmen's Agreement will not apply to such crew while the additional member is performing pilot or herder service.
- (d) Regular assigned pilot or herder, under Article 11 of the Yardmen's Agreement, will be assigned with a starting time fixed to meet the requirements of the service, except that no regular shift will be started, or go off duty, between the hours of 12 midnight and 6:30 a.m.

Yardmen may be called for extra pilot or herder service at anytime to meet the requirements of the service.

It is further agreed that exceptions to the starting time rule may be agreed upon by the Management and the General Committee to cover local service requirements in assigning yardmen to positions of herder or pilot service.

ARTICLE 25

UTILITY YARDMEN

Section 1.

Utility Yardman is a single position assignment working within switching limits compensated at the yard foreman rate of pay. ETD pay, if they qualify for such payment under Article 58, is also applicable.

Section 2.

The duties of the Utility Yardman may include:

1. Couple air hoses, bleed air, and set or release handbrakes
2. Perform air tests
3. Line switches for yard transfer and train movements and for movement of engines between trains, roundhouse, ready track or any other location.

4. Perform flagman duties

5. Assist a yard crew or a road crew operating within switching limits. The Utility Yardman may be attached to only one crew at a time. It is not intended that the utility employee will perform the conductor's or foreman's paperwork. It is not the intent of this agreement to create engineer only positions and have the utility assignment perform groundwork for that engineer.
6. Fill a vacated position on a yard crew in the event a member of a yard crew of a foreman and one helper fails to report for duty or discontinues duty before the completion of that assignment.
- a. It was understood that a utility employee could be used to fill a vacancy due to a no-show up to one hour unless the Carrier has called an employee to fill this vacancy.
 - b. If the Carrier called an employee to fill the vacancy within one hour of the starting time for the assignment vacancy, a utility employee may fill the vacancy until the called employee reports but not to exceed three hours total.
 - c. If an employee discontinues service before completion of the shift, the Carrier may fill this vacancy with a utility employee if the vacancy occurs within three hours of the assignment's bulletined completion time. Otherwise, paragraphs (a) and (b) would apply.
 - d. If the utility employee is used more than one hour without the Carrier calling another employee to fill the vacancy and/or if the utility employee fills the vacancy for more than three hours, the utility employee will be considered assigned to the new assignment and he will be paid time and one-half for the entire shift. The utility employee is due no additional compensation if used in accordance with paragraphs (a), (b) and (c).

Section 3.

A portable radio will be furnished the Utility Yardman.

Section 4.

It was understood the Operation Department, Labor Relations and the UTU would meet to discuss the utility assignments approximately 90 days following implementation of this provision.

ARTICLE 26

Extra Engine, Regularly Assigned

After engines worked three (3) successive days on the same shift in the same yard, there will be a regular crew assigned.

ARTICLE 27

Work Train and Self-Propelled Machines

Section I. WORK TRAIN

Extra or regular work trains will consist of a foreman and one (1) helper.

It is understood and agreed that work train will not be required to perform general yard switching and will only be used in work train service, and only handle cars in work train.

Work train will be made up by yard crew.

Meal periods will be handled in accordance with Article 41.

Eight (8) hours or less to constitute a work train day.

It is understood that in the handling of work train service by a yard assignment, not to exceed five (5) cars per shift, is not lead, transfer or industry work and can be performed by any assignment, provided no one performs work on the assignment of the crew during their absence (job swapping prohibited).

Any crew so used as above in work train service will be allowed an arbitrary of a minimum of one (1) hour at the pro rata rate, and actual time so consumed on a minute basis thereafter. Time to be governed by the actual performance and conclusion of such work. (This time to be governed from actual coupling into work train until cut away from.)

Section II. SELF - PROPELLED MACHINES

Covering the Employment of Yardmen with Self-Propelled on Rail Work Equipment Machines Performing Service Wholly Within Terminal Limits.

- (a) Self-propelled pile drivers, clam shells, burro cranes, bridge derricks, rail detector cars and other self-propelled on rail work equipment machines, which cannot be removed from rails or which can be removed from rails only by temporary or permanently affixed mechanical hoisting or raising devices, will be manned by an engine foreman when such machines are required to handle or switch one or more standard cars in addition to its tank and/or idler. Substandard cars will not be used to evade the use of yardmen.
- (b) When such machines are named in paragraph (a) handle one or more standard cars, an engine foreman and two (1) helper will be used.

- (c) When two (2) self-propelled machines as named in paragraph (a) are employed together on the same project, one of which is more or less stationary except in moving from bent to bent, from pile to pile, and the other is used to serve the semi-stationary machine, they will be considered as one machine for the purpose of this Agreement, and an engine foreman and one (1) yard helper will be assigned.
- (d) When machines covered by this agreement are placed on a particular track (except main track) in conformity with this agreement or by a yard engine and movements thereafter are confined to that particular track, and no live switches are fouled by the machine when moved under its own power, no yardman will be assigned. If a portion of main track is temporarily or permanently out of service, the track that is substituted will be known as the main track; when derailments, washouts, or any conditions arise that ordinary work train service is performed, paragraphs (a), (b), and (c) of this Section will be applied.
- (e) Machines covered by this Article will not unload ballast without the use of an engine foreman and one (1) helper.

Section III. YARD SERVICE

A yard conductor (foreman) will be employed on on-rail self-propelled vehicles or machines operating within general switching limits, provided such machines have sufficient power to move freight cars; and if more than two cars are handled at any one time, a yard brakeman (helper) will also be employed.

This provision will not apply to the operation of self-propelled vehicles or machines in confined areas such as shop tracks, supply areas, tie yards and so forth, except that with respect to such self-propelled machines now working in the confined areas where rules or practices require the employment of a yard ground man, such rules and practices are preserved and the yard conductor's (foreman's) rate will apply to this service. (June 25, 1964 National Agreement)



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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.

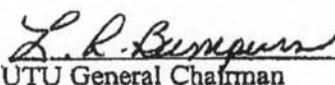
It is understood that this Letter of Understanding may be cancelled by either party giving 10-days notice to the other.

Signed and effective this 26 day of March, 2007.

For BNSF Railway:

For the United Transportation Union:


Director Labor Relations


UTU General Chairman

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ARTICLE 28

Non-Salaried Employees 401(k) Retirement Plan

I am pleased to inform you that we will be extending the BNSF Non-Salaried Employees 401(k) Retirement Plan to the employees you represent. The details of the Plan enclosed for your review. These are the same materials that your members should have recently received.

I believe that this 401(k) plan is an important financial vehicle for savings and retirement. Employees will be able to contribute pre-tax dollars for retirement savings, while reducing their current taxable income. They will also be able to contribute post-tax dollars for short, medium, or long-term investment purposes. Other benefits include the ability to select from various investment options and the growth of equity that may be utilized to secure a loan against those monies within the Plan.

The BNSF Non-Salaried Employees 401(k) Retirement Plan will be administered by the Vanguard Group and has been will accepted by employees who are currently utilizing it. I hope that employees you represent will find it to be a convenient and effective way for them to save for the futures. (Implementing Agreement dated 1-16-98)

ARTICLE 29

Interchange Tracks

Section I.

- (a) Employees of the BNSF RR Company will be notified by bulletin of the designation by name or number of the interchange tracks on each connecting line.
- (b) Any change in the designation of a track or tracks will be promptly posted to BNSF RR employees by bulletin, in advance, in conformity with time limit of connecting lines.
- (c) A minimum number of tracks will be designated, and it is understood and agreed that a non-designated track may only be used for interchange when the designated track or tracks are filled to capacity, and such track must be adjacent to the designated track or tracks.

Section II. NATIONAL AGREEMENT OF JANUARY 27, 1972

- (a) At points where yard crews are employed, road freight crews may be required to receive their over-the-road trains from a connecting Carrier or deliver their over-the-road trains to a connecting Carrier, provided such trains are solid trains which move from one Carrier to another intact, with or without motive power and/or caboose.

- (b) If road crews referred to in paragraph (a) of this Section are not required to return or deliver their motive power and/or their caboose to or from their on or off duty points, an alternate means of transportation will be provided.
- (c) At designated interchange points, if a Carrier does not now have the right to specify additional interchange tracks, it may specify such additional track or tracks as the Carrier deems necessary, providing such additional track or tracks are in close proximity. Bulletins specifying additional tracks will be furnished the General Chairman or Chairmen involved prior to the effective date.
- (d) If the number of cars being delivered to or received from interchange tracks of a connecting Carrier exceeds the capacity of the first track used, it will not be necessary that any one interchange track be filled to capacity before use is made of an additional track or tracks, provided however, the minimum number of tracks necessary to hold the interchange will be used.
- (e) Crews used in interchange service may be required to handle interchange to and from a foreign Carrier without being required to run "light" in either direction.

ARTICLE 30

Rights in Yards - Road-Yard Movements

Section I. RIGHTS IN YARDS

Yardmen will have rights in all yards and terminal limits of this Company.

Section II. ROAD-YARD MOVEMENTS

1. National Agreement 8/25/78

Road freight crews may be required at any point where yard crews are employed to do any of the following as part of the road trip, paid for as such without any additional compensation and without penalty payments to yard crews, hostlers, etc.: one straight pick up at another location in the initial terminal (in addition to picking up train) and one straight set out at another location in the final terminal (in addition to yarding the train); one straight pick up and/or set out at each intermediate point between terminals; switch out defective cars from their own trains, regardless of when discovered; handle engines to and from train to ready track and engine house, including all units coupled to the operating unit (units); pick up and set out cars of their trains from or to the minimum number of tracks which could hold the cars provided, however, that where it is necessary to use two or more tracks to hold the train, it is not required that any track be filled to capacity; and exchange engine of its own train.

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

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2. National Agreement 10/31/85

Road crews may perform the following work in connection with their own trains without additional compensation:

- (a) Get or leave their train at any location within the initial and final terminals and handle their own switches. When a crew is required to report for duty or is relieved from duty at a point other than the on and off duty point fixed for that assignment and such point is not within reasonable walking distance of the on and off duty point, transportation will be provided.
- (b) Make up to two straight pick-ups at other location(s) in the initial terminal in addition to picking up the train and up to two straight set-outs at other location(s) in the final terminal in addition to yarding the train; and, in connection therewith, spot, pull, couple, or uncouple cars set out or picked up by them and reset any cars disturbed.
- (c) In connection with straight pick-ups and/or set-outs within switching limits at intermediate points where yard crews are on duty, spot, pull, couple or uncouple cars set out or picked up by them and reset any cars disturbed in connection therewith.
- (d) Perform switching within switching limits at times no yard crew is on duty. On carriers on which the provisions of Section 1 of Article V of the June 25, 1964 Agreement are applicable, time consumed in switching under this provision shall continue to be counted as switching time. Switching allowances, where applicable, under Article V, Section 7 of the June 25, 1964 Agreement or under individual railroad agreements, payable to road crews, shall continue with respect to employees whose seniority date in a craft covered by this Agreement precedes the date of this Agreement and such allowances are not subject to general or other wage increases.

3. National Agreement 11/1/91

Pursuant to the new road/yard provisions contained in the recommendations of Presidential Emergency Board No. 219, as clarified, a road crew may perform in connection with its own train without additional compensation one move in addition to those permitted by previous agreements at each of the (a) initial terminal, (b) intermediate points, and (c) final terminal. Each of the moves -- those previously allowed plus the new ones -- may be any one of those prescribed by the Presidential Emergency Board: pick-ups, set-outs, getting or leaving the train on multiple tracks, interchanging with foreign railroads, transferring cars within a switching limit, and spotting and pulling cars at industries.

4. Protection

- (a) Employees adversely affected by the provisions of Section 1 of this Article shall receive the protection afforded by Article I (except Section 4) of the New York Dock Protective Conditions (Appendix III, F.D. 28250).

ARTICLE 31

Hours of Service Trains

Yard crews may perform the following work outside of switching limits without additional compensation except as provided below:

- (a) Bring in disabled train or trains whose crews have tied up under the Hours of Service Law from locations up to 25 miles outside of switching limits.
- (b) Complete the work that would normally be handled by the crews of trains that have been disabled or tied up under the Hours of Service Law and are being brought into the terminal by those yard crews. This paragraph does not apply to work train or wrecking service.

Note: For performing the service provided in (a) and (b) above, yard crews shall be paid miles or hours, whichever is the greater, with a minimum of one (1) hour for the class of service performed (except where existing agreements require payment at yard rates) for all time consumed outside of switching limits. This allowance shall be in addition to the regular yard pay and without any deduction therefrom for the time consumed outside of switching limits. Such payments are limited to employees whose seniority date in a craft covered by this Agreement precedes the date of this Agreement and is not subject to general or other wage increases.

- (c) Perform service to customers up to 20 miles outside switching limits provided such service does not result in the elimination of a road crew or crews in the territory. The use of a yard crew in accordance with this paragraph will not be construed as giving yard crews exclusive rights to such work. This paragraph does not contemplate the use of yard crews to perform work train or wrecking service outside switching limits.
- (d) Nothing in this article will serve to prevent or affect in any way a carrier's right to extend switching limits in accordance with applicable agreements. However, the distances prescribed in this Article shall continue to be measured from switching limits as they existed as of August 25, 1978, except by mutual agreement.
- (e) Yard crews may perform hostling work without additional payment or penalty. (Nat'l Agr. 11/1/91)

ARTICLE 32

Incidental Work

- (a) Road and yard employees in ground service and qualified engine service employees may perform the following items of work in connection with their own assignments without additional compensation:
 - (1) Handle switches
 - (2) Move, turn and spot locomotives and cabooses
 - (3) Supply locomotives and cabooses except for heavy equipment and supplies generally placed on locomotives and cabooses by employees of other crafts.
 - (4) Inspect cars
 - (5) Start or shutdown locomotives
 - (6) Bleed cars to be handled
 - (7) Make walking and rear-end air tests
 - (8) Prepare reports while under pay
 - (9) Use communication devices; copy and handle train orders, clearances and/or other messages.
 - (10) Any duties formerly performed by firemen.
- (b) Road and yard employees in engine service and qualified ground service employees may perform the following items of work in connection with their own assignments without additional compensation:
 - (1) Handle switches
 - (2) Move, turn, spot and fuel locomotives
 - (3) Supply locomotives except for heavy equipment and supplies generally placed on locomotives by employees of other crafts.
 - (4) Inspect locomotives
 - (5) Start or shutdown locomotives
 - (6) Make head-end air tests

- (7) Prepare reports while under pay
- (8) Use communication devices; copy and handle train orders, clearances and/or other messages.
- (9) Any duties formerly performed by firemen.

ARTICLE 33

Promotions

The yardman longest in the service shall be given preference, and shall have a fair opportunity to demonstrate his ability to perform the work, and anyone feeling that he has not had a fair or impartial examination shall have the right to appeal to higher authority.

Should the company promote any yardman to an official position, such employee will not lose his yard rights.

In the application of this Article, Yardmen accepting official positions with BNSF Railway will not forfeit their seniority rights as yardmen.

ARTICLE 34

Yardmasters and Assistants

In the appointment of Yardmasters and Assistant Yardmasters, the oldest qualified Yardman shall be considered.

The Carrier will issue a bulletin at each location at least thirty (30) days in advance, advising of its intention to appoint one or more yardmasters, so as to enable those desiring such appointment to qualify.

ARTICLE 35

Transferring to Engine Service

Section I. - PROMOTION

The following principles will govern in the selection and promotion to engine service and conductor/foreman:

- (1) Trainmen who established seniority prior to November 1, 1985 will be governed by existing rules with respect to promotion to conductor/foreman and will not be required to accept promotion to engine service.

- (2) Trainmen who establish seniority on or after November 1, 1985 must accept promotion to conductor/foreman in proper turn.
- (3) Trainmen who establish seniority on or after November 1, 1985 will be selected for engine service in accordance with Section 2 of this Article. However, if a sufficient number of trainmen (including those promoted to conductor do not make application for engine service to meet the carrier's needs, such needs will be met by requiring trainmen (including promoted conductors) who establish seniority on or after November 1, 1985 to take engine service assignments or forfeit seniority in train service.
- (4) If the carrier's needs for engine service employees are not met during a period when there are not sufficient trainmen (including promoted conductors) in service with a seniority date on or after November 1, 1985 who must accept promotion to engine service or forfeit seniority in train service, the carrier may hire qualified engineers or train others for engine service.

Section II. - RETENTION OF SENIORITY

- (1) Subject to the carrier's legal obligations, when selecting new applicants for engine service, opportunity shall first be given to employees in train and yard service on the basis of their relative seniority standing, fitness and other qualifications being equal. Transfer of engineers from one seniority district to another on the same railroad system will not be violative of this provision.
- (2) Any person who is selected for engine service and does not have seniority as trainman will acquire seniority as trainman upon entering engine service, subject to paragraph (3) hereof.
- (3) An employee who has established seniority as conductor (foreman), trainman (brakeman-yardman), hostler or hostler helper (but without seniority as a locomotive fireman) who is selected for engine service shall retain his seniority standing and all other rights in train and/or yard or hostling service. However, such employee shall be permitted to exercise such rights only in the event he or she is unable to hold any position or assignment in engine service as engineer, fireman on a designated position in passenger service, hostler or hostler helper. (Sec. 1 & 2 - Nat'l Agr. 10/31/85)

ARTICLE 36

Changing and Abolishing of Assignments Displaced Employees

Section I. CHANGING AND ABOLISHING ASSIGNMENTS

- (a) Twenty-four (24) hours notice of change in assignments or working conditions will be given by the Railroad (this to apply in reducing or increasing the number of engines in service) so as to enable yardmen to exercise their seniority rights.
- (b) It is understood that in abolishing an assignment, notice to that effect will be posted not later than the assigned quitting time of the assignment on the day prior to effective date, with time of effectiveness to be assigned quitting time, with the further understanding that with such notice, an assignment may be abolished regardless of what day of the assignment's work week it might be, that is, whether on one of its work days or before, after or on an off day.
- (c) When notice of abolishment is posted on an off day, every reasonable effort will be made to give notice to employees involved. In case of failure to notify an employee involved within two (2) hours after such abolishment, a Western Union telegram will be sent to his registered address, notifying him of such abolishment. Employees affected may exercise displacement rights at any time subsequent to the last work they are scheduled to perform under the notice: should notice be cancelled prior to its effectiveness, any vacancies that might develop by exercise of such displacements will be advertised as new vacancies.

Section II. DISPLACED YARDMEN

- (a) Yardmen who are displaced shall place themselves within 48 hours after notification, except yardmen on leave of absence, off account of sickness, or laying off at the time they are displaced, will place themselves within 48 hours from notification.
- (b) Yardmen who fail to place themselves, or exercise their seniority as herein provided, will be assigned to the applicable extra board, seniority permitting.
- (c) When a yardman is displaced:
 - 1. Whose seniority requires that he take a regular job and,
 - 2. Who has, prior to displacement already served one or two off days during a Monday-Sunday week, and
 - 3. Who elects to displace on a job on which one or two off days occur later in that period,

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:

For the Organization:

Melissa Beasley
Melissa Beasley
Director Labor Relations

L.R. Bumpurs
L.R. Bumpurs
General Chairman UTU (HTB)

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He may, only after exercising his displacement, temporarily take the extra board with the intention of affording him an opportunity to work five (5) shifts during that period.

(d) It is understood that in doing so:

1. he will not be permitted to go on an extra board until he has served two (2) days during such Monday-Sunday period, and
2. he will take all the conditions of the extra board while assigned thereto, and
3. he may remain on the extra board no longer than necessary to work enough shifts to afford him opportunity to work five (5) shifts during such week, but otherwise
4. he will not be permitted to remain on the extra board later than calling time for his regular assignment following its off days, but in no case would he stand for a call for service commencing after midnight Sunday, and
5. no yardman will have a claim by reason of this arrangement.

ARTICLE 37

Rates of Pay, Overtime, and Daily Earnings Minima

Section I. RATES OF PAY

(a)	<u>Effective July 1, 1994</u>	<u>Rate</u>
	Foremen.....	\$133.08
	Helpers.....	127.32

- (b) Eight (8) hours or less shall constitute a day's work.
- (c) Sante Fe Yardmen's pay rates will apply to former HBT employees who come into BNSF's employ. HBT Yardmen's pay rates will apply to all other yardmen working under the HBT Yard Schedule. (Implementing Agreement 1-16-98, Article 3, Section 1)

Section II. OVERTIME

- (a) Except when changing off to work alternately days and nights for certain periods, working through two shifts to change off; or where exercising seniority rights from one assignment to another, all time worked in excess of eight (8) hours continuous service in a 24-hour period shall be paid for as overtime, on the minute basis at one and one-half times the hourly rate.

MEMORANDUM OF AGREEMENT
Between The
BURLINGTON NORTHERN AND SANTA FE RAILWAY
COMPANY

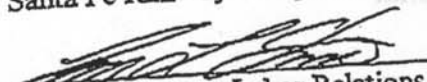
And The
UNITED TRANSPORTATION UNION
(Former HBT)

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:

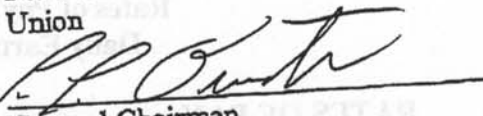
"Santa Fe Yardmen's pay rates will apply to all yardmen working under the HBT Yardmen's Schedule within the Houston Terminal."

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

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- (b) Overtime Rate for Extra Yardmen - except as indicated below or when changing off where it is the practice to work alternately days and nights for certain periods, working through two shifts to change off, or where exercising seniority rights, all time worked in excess of eight (8) hours continuous service in a twenty-four (24) hour period shall be paid for as overtime on a minute basis at one and one-half times the hourly rate.

Section III IN APPLYING THIS RULE, THE FOLLOWING SHALL GOVERN:

- (a) This rule applies only to service paid on an hourly or daily basis and not to service paid on mileage or road basis.
- (b) A tour of duty in road service shall not be used to require payment of such overtime rate in yard service.
- (c) An extra man who has had 8 hours rest shall be paid at pro rata rate for the first tour of duty which begins on a calendar date subsequent to his last former service. Starting time to govern.
NOTE: For the purpose of this rule, a crew on a 12 Midnight - 8 a.m. shift will be considered as having performed service on the date previous to that on which the work terminated.
- (d) An extra man changing to a regular assignment or a regularly assigned man reverting to the extra list shall be paid at the pro rata rate for the first eight hours of work following such change
- (e) This agreement shall not affect any existing rule in the schedule of any individual Carrier relating to a service performed on a succeeding trick when a yardman's relief fails to report at the fixed starting time.

Section IV - RATE PROGRESSION - NEW HIRES

Entry rates for employees within the Houston Terminal 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.

Section V. TRAINING PAY

Side Letter No. 13

Section 9 of the Training Agreement signed this date, March 3, 1997, provides for an additional ten percent (10%) training payment for Craft Instructors and brakemen/helpers when trainees are assigned.

Such premium rate is established to ensure the trainee is given the appropriate and necessary training and also to ensure the required written evaluations are completed by the Craft Instructor (and brakeman/helper, where required) after each training trip.

Section VI - DUPLICATE TIME PAYMENTS

- (a) Duplicate time payments, including arbitraries and special allowances that are expressed in time or miles or fixed amounts of money, shall not apply to employees whose seniority in train or engine service is established after November 1, 1985.
- (b) Duplicate time payments, including arbitraries and special allowances that are expressed in time or miles or fixed amounts of money, not eliminated by this Agreement shall not be subject to general, cost-of-living or other forms of wage increases. (Nat'l Agr. 11/1/91)

Section VII

SERVICE SCALE

Section 1

Any employee who is subject, on June 30, 2004, to Article IV, Section 5 of the UTU Implementing Document A of November 1, 1991 shall be compensated, on and after July 1, 2004, at the full rate of the position when working as a conductor/foreman, brakeman/helper, hostler, or engineer (on a carrier party hereto on which the UTU represents locomotive engineers).

Section 2

Local rules that adjust compensation for employees based on length of service on carriers that are not covered by the aforementioned Article IV, Section 5 are hereby amended in the same manner as provided in Section 1.

Section 3

Each carrier covered by this Article shall establish a Service Scale that shall be applicable to all employees whose seniority in train or engine service is established on or after July 1, 2004.

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.

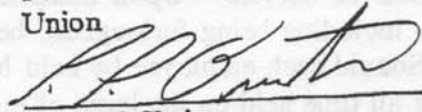
Instructor pay will not be considered a duplicate time payment and is subject to future wage increases.

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

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Such Service Scale shall conform to the rules in effect on such carrier on June 30, 2004 that adjust employee compensation based on length of service (including the aforementioned Article IV, Section 5 where and to the extent applicable). The carrier shall make arrangements with the applicable organization representative(s) for a process to review such preexisting rules prior to establishment of the Service Scale.

ARTICLE 38

Time Slips and Paychecks

Section I. PAYCHECKS

- (a) Shortage - When yardmen are short as much as one (1) day's pay of their earnings in a pay period, time checks will be issued as soon as the error is discovered and will be mailed to the yardman not later than one (1) day after error is discovered, when requested.
- (b) Advance - Newly employed yardman or yardmen who have been off sick or injured may make a draw on their check of one (1) week in advance of payday after working two (2) weeks.
- (c) Separation of Service - Upon demand, when a yardman is discharged or leaves the service, including being furloughed, he will not be held for his pay to exceed five (5) days. Should such employee be held beyond the expiration of five (5) days, he will be paid for all time held on the basis of eight (8) hours a day at pro rata rate of service last performed.
- (d) Checks will be made available **via** Electronic Deposit or by U.S. Mail, whichever may be specified by the employee to the Treasurer's Office.

The Carrier will furnish each yardman an individual printout of the employee's payroll records at the conclusion of each pay period. (Side Letter No. 6 of Memo of Agr. 12/2/91)

- (e) Back Pay and Time Claims - It is understood that in payment of a national settlement involving back pay, that the amount of monies involved will be shown by being placed on the check stub when payment is made.

When time claims are settle, the claimant will be furnished a copy of the letter advising when payment will be made.

ARTICLE 39

VACATIONS

Section I. VACATIONS

- (a) Each employee subject to the scope of schedule agreements held by the Organization's signatory to the Vacation Agreement will be qualified for an annual vacation of one (1) week with pay, or pay in lieu thereof, if during the preceding calendar year the employee renders service under schedule agreements held by the Organization's signatory to the Vacation Agreement amount to 180 qualifying days (computed at 1.6 days per shift).
- (b) Each employee having two (2) or more years of continuous service will be qualified for an annual vacation of two (2) weeks with pay, or pay in lieu thereof, if during the preceding calendar year the employee renders service amounting to 165 qualifying days (computed at 1.6 days per shift), and during the said two (2) or more years of continuous service renders service of not less than 320 basic days in miles or hours, paid for as provided in individual schedules.
- (c) Each employee having eight (8) or more years of continuous service will be qualified for an annual vacation of three (3) weeks with pay, or pay in lieu thereof, if during the preceding calendar year the employee renders service amounting to 150 qualifying days, and during the said eight (8) or more years of continuous service renders service of not less than 1,280 basic days in miles or hours, paid for as provided in individual schedules.
- (d) Each employee having 17 or more years of continuous service will be qualified for an annual vacation of four (4) weeks with pay, or pay in lieu thereof, if during the preceding calendar year the employee renders service amount to 150 qualifying days (computed at 1.6 days per shift), and during the said 17 or more years of continuous service renders service of not less than 2,720 basic days in miles or hours, paid for as provided in individual schedules.
- (e) Each employee having 25 or more years of continuous service will be qualified for an annual vacation of five (5) weeks with pay, or pay in lieu thereof, if during the preceding calendar year the employee renders service amounting to 150 qualifying days (computed at 1.6 days per shift), and during the said 25 or more years of continuous service renders service of not less than 4,000 basic days in miles or hours, paid for as provided in individual schedules.

Section II. SPLITTING VACATIONS

It is understood that in the scheduling of vacations, yardmen will be allowed one (1) split with the understanding that all of the vacation will have to be taken by the period of the last split, and if extra men are available, additional vacation splits may be granted.

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.

All other provisions of the National Vacation Agreements are still applicable.

Section III.

In addition to splitting vacations under Section II of this agreement, yardmen with three (3) or more weeks of vacation may elect, when submitting vacation requests, to designate one (1) week of vacation to be taken one (1) day at a time, pursuant to 24 hours advance notice to Crew Caller subject to availability of extra men. Designated week may be taken only between January 1 and October 15 of each year. Any portion of designated week not taken by October 15 will be paid for in lieu of vacation, on the first half of the October payroll, provided the employee submits the vacation timeslip between October 1 and October 15 of that calendar year. If the employee fails to submit a timeslip by October 15, BNSF will compensate the employee any vacation not taken during that calendar year on the first half of January pay period. (Memo Agr. 9/12/86)

The 1996 National Agreement has amended the one day vacation agreement as follows:

An employee may take up to one week of his annual vacation in single day increments, provided, however, that such employee shall be automatically marked up for service upon the expiration of any single day vacation. (1996 Nat'l Agr.)

Section II. SPLITTING VACATIONS

It is understood that in the scheduling of vacation, yardmen will be allowed one (1) split with the understanding that all of the vacation will have to be taken by the period of the last split, and if even one available additional vacation split may be granted.

**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.

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For the Carrier:

Melissa Beasley
Melissa Beasley
Director Labor Relations

For the Organization:

L.R. Bumpurs
L.R. Bumpurs
General Chairman UTU (HBT)

This agreement will become effective on January 1, 2008 and may be amended by the parties or a 60 day written notice of intent to amend by either party upon the other.

7. Reduction in operative personnel leave days must be approved by the Carrier representative and the subject to the needs of service.

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

9. An employee may elect to receive payment for part or all of the thirty-one days in their account. Payment for each day will be 2/3 of the employee's pay per annum leave day subject to future wage increases and/or cost-of-living adjustments.

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

11. The number of personal leave days will be reduced by the number of paid holidays or pay in lieu thereof received in calendar year or paid terminal leave.

12. 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 Day.

13. Example: Employee X has used all 11 Holiday Days and 11 Personal Days prior to termination. This would not be entitled to any payment under either the Holiday Pay or the Anniversary Rule. If Employee Y was laid in on the holiday.

14. All active employees working under HBT Agreement will be entitled to 11 personal leave days.

15. When related to Personal Leave Day application the following is now in effect:

16. 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 Day.

17. Example: Employee X has used all 11 Holiday Days and 11 Personal Days prior to termination. This would not be entitled to any payment under either the Holiday Pay or the Anniversary Rule. If Employee Y was laid in on the holiday.

18. The number of personal leave days will be reduced by the number of paid holidays or pay in lieu thereof received in calendar year or paid terminal leave.

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

20. An employee may elect to receive payment for part or all of the thirty-one days in their account. Payment for each day will be 2/3 of the employee's pay per annum leave day subject to future wage increases and/or cost-of-living adjustments.

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

22. Reduction in operative personnel leave days must be approved by the Carrier representative and the subject to the needs of service.

23. This agreement will become effective on January 1, 2008 and may be amended by the parties or a 60 day written notice of intent to amend by either party upon the other.

ARTICLE 40

Holidays

Section I.

National Holidays to be observed by yardmen are:

New Year's Day

President's Day

Good Friday

Memorial Day

Fourth of July

Labor Day

Thanksgiving Day

Day After Thanksgiving

Christmas Eve

Christmas Day

New Year's Eve

Section II.

- (a) It is agreed that the Company will not abolish a job assignment that is scheduled to work the holiday for the sole purpose of evading the holiday pay, but the Company does reserve the right to blank a job on the holiday and pay the crew on the assignment a day at pro rata rate.
- (b) It is understood a regular man laying off the day prior to the holiday and his job is blanked on the holiday may mark up on the extra board and be available for service the entire day to receive a day at pro rata rate.
- (c) The crew will be given advance notice, by bulletin, at least sixteen (16) hours prior to the starting time of the job which is to be blanked on the holiday.
- (d) Carrier may utilize an additional assignment, not to exceed one (1) hour, within the designated working limits of assignments that are blanked on the holiday. service not to exceed one (1) hour will not constitute job swapping.

ARTICLE 41

Meal Periods

Section I. MEAL PERIODS

- (a) Yard crews will be allowed 20 minutes for lunch between four and one-half (4 1/2) and six (6) hours after starting work without deduction in pay, and will not be required to work longer than six (6) hours without being allowed 20 minutes for lunch, with no deduction in pay or time therefor.
- (b) It is understood that the lunch period provision is mandatory and must be given within the specified time (between four and one-half and six hours after going on duty), the lunch period to be calculated from the time the entire crew begins work as a unit, but in the event any portion of the lunch period is extended beyond the six (6) hours, yard crews will be paid twenty (20) minutes as overtime and allowed twenty (20) minutes for lunch.
- (c) In the event crews are worked beyond the regular eight (8) hour assignment, they will be allowed twenty (20) minutes for lunch between four and one-half (4 1/2) and six (6) hours after the time of taking their first lunch period. Paragraph (b) will apply in the payment of overtime for the second meal period.

Section II. SECOND MEAL PERIOD

Crews required to work second meal period will be placed at some point where they can get meals.

It is understood that when a yard crew is in a yard where a locker room is located when lunch period comes due, the crew will be permitted to avail themselves of nearest such locker room.

In the event a yard crew is run out of the yard under the above, they will be paid the penalty as provided in paragraph (b) above and will be permitted to take their lunch at a point where a locker room is located, provided destined to such a yard.

ARTICLE 42

Pay for Jury Duty and Bereavement Leave

Section I.

When a trainman is summoned for jury duty and is required to lose time from his assignment as a result thereof, he will be paid for actual time lost with a minimum of a basic day's pay at the straight time rate of his position for each calendar day lost less the amount allowed him for jury service for each such day, excepting allowances paid by the court for meals, lodging and transportation, subject to the following qualification requirements and limitations:

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

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

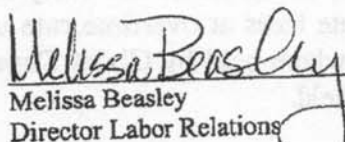
In lieu of a 20-minute meal period, the yard crew will be allowed 10 miles if they are on-duty for less than 10'40". If the yard crew is on-duty in excess of 10'40", they will be allowed an additional 6 miles.

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.

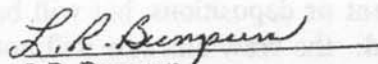
Notwithstanding the provisions of this agreement, the parties acknowledge that a crew will continue to be allowed to eat at any time during their tour of duty as long as it does not delay train operations in any way.

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)

(1) A trainman must furnish the Carrier with a statement from the court of jury allowances paid and the days on which jury duty was performed.

(2) The number of days for which jury duty pay will be paid is limited to a maximum of 60 days in any calendar year.

(3) No jury duty pay will be allowed for any day on which the trainman is entitled to vacation or holiday pay. (Implementing Agreement dated 1-16-98)

Section II.

Bereavement leave, not in excess of three (3) calendar days, following the date of death, will be allowed in case of death of an employee's brother, sister, parent, child, spouse or spouse's parent. In such cases, a minimum basic day's pay at the rate of the last service rendered will be allowed for the number of working days lost during bereavement leave. Employees involved will make provision for taking leave with their supervising officials in the usual manner. (August 25, 1978 National Agreement)

ARTICLE 43

Attending Court and Investigations, Giving Depositions, and Serving as Witnesses

Section I.

The maximum of forty (40) minutes referred to in Article 50 will not apply when representatives of the Claim Department require yardmen to remain in excess of the forty minutes to furnish statement or depositions, but will be paid on a minute basis at overtime rate until time actually released; the crew unit rule will not apply in cases where held by Claim Department, and each yardman will fill out separate time claim for time so held.

Except as provided above, yardmen when not on duty attending court, testifying at inquest or giving depositions, in the interest of the Company, or making statements for the Claim Department, will be paid for each calendar day all time so held at pro rata rate of service last performed, with a minimum of three hours, or allowed actual time lost, whichever is greater. Upon request, yardmen will be entitled to eight hours rest following release therefrom when so engaged for a period in excess of three hours.

Section II.

Time and expenses earned under this article will be paid on the first pay day in the month following the month in which said service is rendered.

Section III.

Superintendents will apply this rule in a broad manner with a view of preventing any undue hardships on yardmen, and in every case where they have not had proper opportunity for rest, will upon request, be given eight hours undisturbed rest before being required to go in service.

ARTICLE 44

Pay for Going Outside Yard Limits

Yardmen in yard service will be allowed 100 miles at standard through freight rates for going outside yard limits; this in addition to eight (8) hours pay for yard service. This does not apply to interchange business with connecting lines.

Within Road-Yard Service Zones, yard crews may be used to handle disabled road trains or those tied up under the Hours of Service Act outside their final terminal without penalty to road crews. For such service, yard crews shall be paid miles or hours, whichever is the greater, with a minimum of one (1) hour for the class of service performed (except where existing agreements require payment at yard rates) for all time consumed outside of switching limits. This allowance shall be in addition to the regular yard pay and without any deduction therefrom for the time consumed outside of switching limits.

This Article 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. (Implementing Agreement dated 1-16-98)

ARTICLE 45

Preparatory Time - Foreman

Yard engine foremen will report for duty ten (10) minutes in advance of time for crew to go to work as a unit. This preparatory time will be paid for at pro rata rate, separately and in addition to other time earned on the shift worked. This payment is not defined as an arbitrary or special allowance.

Should the United Transportation Union again serve notice on the BNSF Railway Company for cabooses, it is agreed that this Agreement becomes null and void, and the ten (10) minutes preparatory time is automatically cancelled upon receipt of such notice.

In the event the Carrier should serve notice or discontinue the payment of the ten (10) minutes preparatory time under this Agreement, the United Transportation Union's notice for cabooses, identified as Item X-13, is automatically reinstated.

ARTICLE 46

Paying for Supplies

Yardmen will not be required to pay for supplies used in the discharge of their duties, except for switch keys and white lanterns and Book of Rules.

Electric lanterns and bulbs will be furnished by the BNSF RR.

ARTICLE 47

Accident Reports

It is agreed yardmen required to make out accident reports involving a personal injury, or in cases where necessary to have such reports covering accidents where those involved escaped receiving an injury, after completion of their eight (8) hour tour of duty, will be paid on actual minute basis at overtime rate, with a minimum of fifteen (15) minutes and a maximum of forty (40) minutes.

ARTICLE 48

Pay for Other Than Regular Duties

When yardmen are assigned to other than their regular duties, they will receive not less than their regular rates, and when assigned to a position where a higher rate applies, they will receive the higher rate.

ARTICLE 49

Notary Fees, etc.

All official papers that require notary public or other office approval, expense shall be borne by the company.

ARTICLE 50

INVESTIGATIONS

- (a) (1) An employee shall not be discharged on any charge whatsoever, until after a fair and impartial formal investigation has been held by the Superintendent or his representative, and his guilt established.
- (2) An employee may be held off duty pending formal investigation in instances when, if permitted to work, it is apparent that he would be a hazard to himself or his fellow employees.
- (b) (1) An employee shall not be disciplined on any charge whatsoever, without first having a fair and impartial investigation and his guilt established, unless he agrees in writing to the Superintendent to waive investigation, accepting discipline against his personal record. When an employee waives formal investigation and accepts discipline, he will be advised in writing of the discipline assessed.
- (2) Formal investigation(s) will not be scheduled account of a personal injury(s) of an employee(s) unless the Carrier's normal preliminary investigation develops a substantial reason to believe that a violation of a specific operating or safety rule may have occurred which caused such injury. Discipline will not be assessed unless the Carrier proves at the investigation a clear violation of a specific rule by the individual.
- This does not modify or abrogate the employee's right to accept discipline by record in writing and waive formal investigation.
- (c) (1) Prior to the investigation the employee(s) involved will be notified in writing, with copy to his (their) duly authorized local chairman, of the charges, which will be confined to the case to be investigated, sufficiently in advance of the time set for investigation to allow reasonable opportunity to secure the presence of necessary representative and witnesses. In fixing hours at which investigations will be held, due consideration of the need for rest by employees will be given by the Company's officers.
- (2) If the final decision decrees that charges against the employee(s) were sustained, discipline issued will be confined to the case being investigated, as set forth in the notice.
- (d) Investigations will be held promptly, but in any event not later than thirty (30) days from the date of occurrence of the incident to be investigated, except when the employee, his representative, or a material witness is unable to attend an investigation because of sickness or injury, the investigation may be deferred until such time as the employee, his representative or material witness is able to attend the investigation.

- (e) (1) Unless otherwise agreed to, all employees involved and notified shall be present at the investigation.
- (2) The employee(s) charged will remain throughout the investigation, as well as all witnesses after giving their testimony unless the latter are excused by mutual consent.
- (f) At the investigation, the employee will be entitled to be represented by his duly authorized General or Local Chairman of the UTU or an employee of his choice, holding seniority on his seniority district.
- (g) There shall be a Board of Inquiry composed of the Superintendent or his representative and the representatives of the employees being investigated. No person or persons, other than the members of the Board of Inquiry, shall be permitted to interrogate any witness or otherwise take part in the determination of the matter which is being investigated. No person or persons shall be allowed to be present in any investigation, other than the Board of Inquiry named and the actual witnesses if there is any objection by any member of the Board of Inquiry, except Mechanical Department representatives will be permitted to remain in those cases where enginemen and/or Mechanical Department employees are a party to the same matter being investigated, but will not be permitted to interrogate conductors or trainmen.

NOTE: With respect to your position as a Mechanical Department Representative, who is a member of an Eastern Lines Board of Inquiry cannot interrogate an individual when the investigation rule contained in a current schedule covering the Northern and Southern Division, specifically so states, this will confirm our discussion at Dallas, Texas, July 24, during which you were advised that formal investigations conducted under Eastern Lines procedures would recognize Section XIII of the so-called Interdivisional Agreement dated October 4, 1972 to the extent a Mechanical Department Representative would not personally interrogate such individual; however, we would retain other prerogatives attached to Eastern Lines procedures such as the order individuals would testify whether they be witnesses or principals. (Letter of Understanding dated July 26, 1973)

- (h) True copy of investigation papers will be furnished the employee under investigation, or his representative, provided request therefor is made at time investigation is held.
- (i) An employee disciplined as a result of a formal investigation shall be informed of that fact within thirty (30) days after the investigation is completed, unless a longer time limit is mutually agreed to in specific cases.
- (j) In the handling of appeals involving discipline matters, the following shall govern:
 - (1) (A) When discipline has been assessed as a result of a formal investigation and the decision as rendered by the Company is not satisfactory to the employee, an appeal may be taken from that decision. The affected employee or his representative must make the appeal in writing to the Superintendent within sixty

(60) days from the date of advice of the assessment of discipline to the employee.

- (B) Claims not allowed must be declined by Carrier to the individual employee or his representative, whoever presented the claim, by notice in writing within sixty (60) days from date same is filed, giving the reason for such disallowance.
 - (C) If the decision is not satisfactory to the affected employee or his representative, a request for conference may be initiated within sixty (60) days from the date of the decision of the Superintendent or appeal the claim within sixty (60) days to the General Manager who is the Carrier's highest officer of appeal for cases involving discipline.
 - (D) When a conference is held with the Superintendent, the sixty (60) day period for appeal to the General Manager will start running as of the date the Superintendent advises the employee and his representative in writing, the result of the conference.
- (2) If the appeal is to be denied by the General Manager, he must notify the General Chairman, in writing, within sixty (60) days of the date of the appeal, giving the reasons for such declination.
 - (3) Decision by the General Manager shall be final and binding unless within eighteen (18) months from the date of said officer's written decision such claim is disposed of on the property or proceedings for the final disposition of the claim are instituted by the employee or his duly authorized representative and such officer is so notified. It is understood, however, that the parties may, by agreement, in any particular case, extend the eighteen (18) month period herein referred to.
 - (4) If the decision of the General Manager is not satisfactory, the General Chairman must request a conference with respect to the specific claim within the eighteen (18) month period referred to in paragraph 3. If the General Chairman requests in writing a conference within sixty (60) days of the date of the written decision of the General Manager, the eighteen (18) month period shall not commence until the date of the written decision of the General Manager following such conference.
 - (5) With respect to appeals involving an employee held out of service in discipline cases, the original notice of request for reinstatement with pay for time lost shall be sufficient.
 - (6) If there is a failure to comply with the time limit provision of this agreement by either party, the matter shall be considered closed, and settled accordingly, but this shall not be considered as a precedent or waiver of the contentions of either party for the handling of other similar discipline cases.

This section (j) will not apply to requests for reinstatement on a leniency basis.

NOTE: Should either party consider the time limit provisions of Section (j) have been violated, such position must be advanced in writing at the next level of appeal or said contention will not be given further consideration.

- (k) (1) Conductors and trainmen discharged from service and subsequently reinstated must report for duty or arrange for an appropriate leave of absence within thirty (30) calendar days from date of notification of their reinstatement, and while discharged will be required to keep the trainmaster currently informed of their address and telephone number and any subsequent change by certified letter with copy to the Local Chairman.
- (2) Conductors and trainmen being reinstated to the service by other than Board Award will retain their original seniority date and standing provided they report for duty within thirty (30) days from (a) date such notice is received as evidenced by return registered receipt, or (b) letter is returned unclaimed to employing officer, in which latter event the date as shown on sending party's receipt affixed by Post Office will establish date from which the 30-day period will run. Copy of reinstatement notice will be furnished Local Chairman.
- (3) Failure to report for duty within thirty (30) calendar days from date of notification will result in forfeiture of their seniority. These provisions will be subject to the trainmen and yardmen Stay Home Rule.
- (l) If the final decision decrees that charges against the employee were not sustained, the record shall be cleared of the charge; if the final decision decrees that the employee was unjustly dismissed after the investigation, he shall be reinstated and paid for all time lost.
- (m) No employee dismissed from the service will be reinstated after being out of service six months from date of dismissal unless such action is concurred in by the General Chairman of the UTU.
- (n) (1) Employees acting as witnesses in investigations for and at the request of the Company will suffer no loss of earnings due to attending such Investigations; but, when called by the committee representing the employees or by individuals, no compensation will be paid by the Company.
- (2) Except as provided in Item 5 hereof, employees disciplined shall not be compensated for attending such investigations unless such discipline is found to be unjust.
- (3) Employees not disciplined, and who are not required to deadhead to or from the place where the investigation is held, will be reimbursed for any loss of earnings resulting from attendance at such investigation.

- (4) Employees not disciplined, and who are required to deadhead to or from the place where the investigation is held, will be compensated for loss of earnings or for deadheading, whichever is the greater.
- (5) Employees disciplined by reprimand or demerit marks only, and who are required to deadhead to or from the place where the investigation is held, will be compensated for such deadheading.
- (6) There is no provision in the respective agreements requiring compensation for living expenses.
- (7) Loss of earnings shall be determined on the following basis:
 - (A) For crews assigned to regular runs or jobs, lost earnings shall be the earnings of their assignments on days not permitted to work thereon.
 - (B) When all members of a pool freight train crew are required to attend formal investigations, and their turn becomes first out and is due to depart while they are not available, the turn will be placed at the bottom of the board and following crew used. If the crew becomes available for service and goes on duty before the crew used in its stead returns to the terminal, lost earnings shall be the one-way trip made by the substitute crew; if the substitute crew returns to the terminal before the crew attending the investigation becomes available for service and goes on duty, lost earnings shall be the earnings of the substitute crew.
 - (C) If less than all members of a pool freight train crew are required to attend a formal investigation, and their turn becomes first out and is due to depart while they are not available, their turn will be run in its turn with extra employees replacing those held for the investigation; the latter to await return of their turn and lost earnings shall be the earnings of the extra employees used in their stead.
 - (D) Extra employees required to attend a formal investigation, and who become first out and due for service while unavailable, will be removed from the board and paid a minimum day (at passenger rates for conductors or trainmen assigned to passenger extra boards, and through freight rates for all others) for each calendar day that they are held, and when released will be placed at the bottom of the board.
 - (E) Trainmen eligible for emergency service in higher grades shall not be available therefor while attending investigations or awaiting return of their turn, and lost earnings shall be calculated solely as provided herein.

- (o) Employees who attend investigations at the request of the Company and not disciplined and who suffer no loss in earnings as a result of such attendance, will be paid on the minute basis at one-eighth (1/8th) of the daily rate applicable to the last service performed, for the actual time required to be in attendance at the investigation, the time to be computed from the time required to report for the investigation until released therefrom with a minimum of three (3) hours.

NOTE: The parties recognize the need to expedite and timely resolve discipline cases; therefore:

- (1) The provision of this agreement will apply only to those discipline cases which the General Chairman and the Director-Labor Relations agree should be presented to an Expedited Board of adjudication established under the terms hereof.

- (2) At least thirty (30) days prior to the hearing the Organization will furnish the Neutral member of the Expedited Board a brief submission, not to exceed five (5) pages (excluding exhibits), and any awards they feel will support their position.

- (3) At least thirty (30) days prior to the hearing the Carrier will furnish the Neutral Member of the Expedited Board a brief submission, not to exceed five (5) pages (excluding exhibits), and any awards they feel will support their position. In addition, the Carrier will furnish:

Notice of the Investigation

Transcript of the Investigation

Letter notifying the employee of the discipline assessed

Employee's service and/or discipline record

Copies of correspondence between the parties

- (4) If a discipline case involves a request to remove demerits and the assessment of these demerits resulted in removal of claimant from service for excessive demerits, the claim for removal of demerits and for reinstatement must be progressed to the same Board, either the Expedited Board covered by this agreement or through normal Board procedures.

- (5) The Public Law Board Agreement attached hereto will establish the Expedited Board. It is understood a Neutral will be agreed upon by the parties to act as Third Member and Chairman of the Expedited Board. Either party may, by formal notice, request a change in the Neutral Member of the Board. (Agreement signed January 4, 1990.)



Melissa A. Beasley
Director
Labor Relations

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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

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ARTICLE 51

MEMORANDUM OF AGREEMENT BETWEEN BURLINGTON NORTHERN RAILROAD COMPANY AND THE UNITED TRANSPORTATION UNION (JTD)

RE: Uniform Time Limit Rule for handling Claims and Grievances.

Article I - Non-Applicability

This rule does not apply to requests for reinstatement without pay in discipline cases.

Article II - Non-Compliance with Time Limit Rule Does Not Set Precedent.

Failure to comply with the time limits specified in this rule will not set a precedent or waiver of the contentions of either party as to future application of rules regarding similar or identical claims. When U.S. mail is used the postmark date will apply.

Article III - Claim and Declination Deadlines.

All claims and grievances, including claims for guarantee payments, must be filed in writing by or on behalf of the employee or employees with the officer of the Carrier authorized to receive same within sixty (60) days from the date of the occurrence on which the claim is based. The date of occurrence in discipline cases is the date the notification of discipline is received. Claims not allowed must be declined* by Carrier to the individual employee or his representative, whoever presented the claim, by notice in writing within sixty (60) days from date same is filed, giving the reason for such disallowance. If not so notified the claim shall be allowed.

* the date of declination is the date the payroll printout is delivered to the employee or, in the case of a so-called "letter claim" the date the declination is delivered (mailed) to the individual submitting the claim.

Article IV - Appeal and Declination Deadlines.

If claim be is to appealed, such appeal must be submitted in writing by the *employee or representative of the employee's choosing* to the designated Carrier Officer within sixty (60) days from the date of notice of disallowance from the Carrier. Failing to comply with this provision the claim shall be barred. If such appeal is to be declined the designated Carrier Officer will have sixty (60) days from date of such appeal to do so and if not declined to the appellant in writing within that period the claim shall be allowed. Claims initiated in letter format by a Local Chairman, declined by the designated Carrier Officer, will not be appealed under this Article but may be progressed by the General Chairman under Article VIII.

Article V - Right of Representatives to File and Pursue Claims.

This rule recognizes the right to representatives of the organization signatory hereto, to file and pursue claims for and on behalf of an employee or employees (named or unnamed) they represent. The Organization and the Carrier will cooperate to identify the aggrieved employee or employees (when they are unnamed) when the issue is settled on the property or, in the event the claim is not settled on the property, prior to submission of the dispute to a Tribunal having jurisdiction to dispose of the claim.

Article VI - Continuing Claims.

Claims of a continuing nature (claims that involve a single agreement violation that have ongoing influence) applicable to an employee or employees need not be filed for each alleged violation, but must be resubmitted each sixty (60) days. This recognizes the right of the employee(s) or their representative to file a claim for up to a sixty (60) day preceding the date of the discovery of the alleged violation upon which the claim or grievance is based.

Article VII - Right of Parties to Amend Positions During On-Property Handling.

It is further recognized that the General Chairman and/or the Carrier's highest appeal officer are free to amend the respective positions taken by their local representatives with respect to the basis on which a claim is initially premised or declined during its handling on the local level so as to be consistent with their respective positions concerning the meaning and application of the involved rules of the contract.

Article VIII - Final On-Property Appeal and Declination.

Claims appealed by the General Chairman will be submitted to the highest designated Carrier officer within sixty (60) days of the date of declination by the designated Carrier Officer or the claim will be barred. Highest designated Carrier Officer must decline the appeal within sixty (60) days or claim will be allowed.

Except for discipline, the highest designated Carrier Officer and the General Chairman must conference the dispute within one (1) year of the date of the highest designated Carrier Officer's declination. The declination of the highest designated officer will be binding unless proceedings are instituted to dispose of said issue before a tribunal having jurisdiction within one year of the date of that declination. Failure to institute such proceedings will not establish precedent for any pending or future analogous claims.

Article IX - Deadline for Submission of Dispute to Arbitration.

Time limits as stated in this agreement may be extended for any case by mutual agreement between the parties.

Article X - Effect of this Agreement.

This agreement supersedes all previous agreements, practices or understandings on time limits for handling claims and grievances.

ARTICLE 52

Leave of Absence

Section I.

Yardmen on committee business, when such business has reference to grievances concerning this Company and its employees, will be granted necessary leave of absence and furnished with necessary transportation to the extent of the pass regulations of the line or lines involved. Unlimited leave of absence will be granted in case of sickness or injury or in case of official promotion, either with the Company or with the Organization.

Yardmen off in excess of thirty (30) days without written leave of absence will be removed from the seniority list, except yardmen who are off due to illness or injury (vacation excluded). When conditions justify, the Management will meet with the General Chairman of the UTU-T and agree to grant requests for leave of absence, not to exceed one (1) year, to an employee who has been in service more than sixty days. It is understood that such leave of absence will not be granted to any yardman for the purpose of accepting employment as such on any other railroad, except as specifically agreed to between the General Chairman and the Management.

Yardmen or leave of absence under this agreement may return to service prior to expiration of leave of absence.

Section II.

Employees who fail to report for duty at the expiration of their written leave of absence will forfeit all seniority and be automatically removed from the seniority roster and their record closed.

The Carrier shall initiate such action within ten (10) calendar days starting from the expiration of such written leave of absence.

ARTICLE 53

PHYSICAL RE-EXAMINATION

In the event of an employee of a class included in the scope of this Agreement who is found to be disqualified as a result of a re-examination conducted under the Company's rules governing physical examinations including eyesight, color sense and hearing feels that his physical condition does not justify removal from the service or restriction of his rights to service, such employee, upon request in writing by himself or his representative within 15 days following notice of disqualification, may be given further re-examination as follows:

(a) If disqualified because of physical disabilities:

- (1) The employee will be jointly re-examined by a physician designated by the Company and a physician of the employee's own choice who shall both be graduates of a Class (A) medical school of regular medicine. This re-examination will be conducted at the office of the Company's physician, unless otherwise mutually agreed to by the two physicians. If the two physicians agree that the employee is disqualified, their decision is final; if they agree the employee is qualified, he will be returned to the service.
- (2) If the two physicians fail to agree, the employee's physician and the Railroad's physician will select a third physician who shall be a practitioner of recognized standing in the medical profession and where any special type of case is involved must be a certified specialist in the disease or impairment which resulted in the employee's disqualification. The board of physicians thus selected will examine the employee and render a report of their findings within a reasonable time, not exceeding 15 days after their selection, setting forth the employee's physical condition and their conclusion as to whether he meets the requirements of the Company's physical examination rules. The 15-day period may be extended through mutual agreement between the General Chairman and the General Manager.
- (3) The railroad company and the employee involved will each defray the expense of their respective physicians. The fee of the third member of the board, not exceeding \$100 will be borne equally by the employee involved and the railroad company. Other examination expenses, such as X-ray, electrocardiographs, etc., not exceeding \$100, will be borne equally by the employee involved and the railroad Company.
- (4) If the majority of the board of physicians conclude that the employee meets the requirements of the Company's physical examination rules, he shall be permitted to return to service from which removed.
- (5) If there is any question as to whether there was any justification for restricting the employee's service or removing him from service at the time of his disqualification by the Company doctors, the original medical findings which disclose his condition at the time disqualified shall be furnished to the neutral doctor for his consideration and he shall specify whether or not, in his opinion, there was justification for the original disqualification. The opinion of the neutral doctor shall be accepted by both parties in settlement of this particular feature. If it is concluded that the disqualification was improper, the employee will be compensated for loss of earnings, if any, resulting from such restrictions or removal from service incident to his disqualification.

- (6) Should the decision of the board of physicians be adverse to the employee and he considers that his physical condition has improved sufficiently to justify considering his return to service, a re-examination will be arranged upon request of the employee, or his representative, but not earlier than ninety (90) days after such decision, nor oftener thereafter than each ninety (90) days.

- (b) If disqualified because of defects in vision, color sense or hearing:

When an employee upon re-examination fails to meet the required standards on vision, color sense, or hearing, such re-examination may, if requested by the employee or his representative within 15 days, be followed by a field test under joint direction of a committee consisting of two representatives of management and two employees from the ranks of train, engine or yard service, such field tests to be conducted in the following manner:

- (1) **FOR VISION AND COLOR PERCEPTION:** The field test will be made with flags, lamps and signals used in daily operation of engines and trains, with or without glasses, at varying distances, but not to exceed two thousand (2000) feet for the correct observation by day and by night of block signals, signal lights, lamps, flags, and fusees, under service conditions. Whenever necessary, the tests for color perception shall induce the varying atmospheric conditions existing with cloud weather, smoke, rain, fog, mist and snow. The response to each test shall be as prompt as actual service conditions necessitate, and the tests may be repeated as frequently, and in whatever order may be necessary to determine the facts beyond reasonable doubt.
- (2) **FOR HEARING:** The field test shall demonstrate ability to hear ordinary conversations, air whistle signals, torpedoes and other audible signals, under service conditions. The response to each test shall be as prompt as actual service conditions necessitate and the tests may be repeated as frequently, and in whatever order may be necessary to determine the facts beyond reasonable doubt.
- (3) The field tests shall be held as soon as practicable after receipt of request therefor and will be so arranged that the responses are solely those of the individual tested without interference or aid; otherwise, the entire test shall be repeated.
- (4) The Joint Committee will carefully record the different distances at which signals are displayed or given; the responses made by the individual tested, and the degree of promptitude of responses, and will make a joint report to the Management, advising whether the employee passed a satisfactory test and, if not, agreeing if possible in a recommendation as to the service, if any, to which the individual may be safely assigned.

**PAY FOR TIME LOST, DEADHEADING, ETC.,
IN CONNECTION WITH PHYSICAL RE-EXAMINATION**

- (c) (1) Except as otherwise provided in this Agreement, an in-service employee withheld from service on instructions of the Carrier for the purpose of undergoing a medical evaluation, shall, unless correctly restricted or disqualified as a result thereof, be paid for all time lost until authorized by the Carrier to resume duty.
- (2) If such employee is required to report for medical evaluation at a point other than the home terminal of his assignment or at his point of residence if his normal habits make

available a reasonable opportunity for examination at such point, he shall be paid the greater of:

- (A) all time lost, or
- (B) necessary actual miles of travel at the passenger rate, and he shall be reimbursed for necessary expenses incurred on his account only, until return. Convenient available passenger train service will be used, unless upon request Carrier authorizes another mode of travel. Allowance will not be made for more time lost and expenses incurred than are necessary for the travel period, completion of the examination and expeditious return to his terminal or point of residence.
- (d) An employee who is off duty for a period of thirty (30) or more days on account of a serious medical deficiency which could lead to his restriction or disqualification should give Carrier as much advance notice, in writing, as reasonably possible of date of intended return to service. If he attempts to resume service without at least ten days such advance notice, the Carrier, at its discretion, will have ten days to accomplish a medical evaluation, during which time no payment will be made for time lost, but he will be paid for necessary actual miles of travel and expenses as outlined in Section (c)(2) hereof.
- (e) When instructed by the Carrier to undergo a medical examination at the home terminal of his assignment or at his point of residence if his normal habits make available a reasonable opportunity for examination at such point, and sufficient time is allotted without loss of time, the employee shall arrange to undergo such examination in that manner.

When instructed by the Carrier to undergo a medical examination at the home terminal of his assignment or at his point of residence, the employee will make a reasonable effort to obtain the medical examination without loss of time. If, in his opinion, he is unable to do so, such advice must be furnished to his appropriate supervisor in order to permit the Carrier to arrange for scheduling such examination which will be a requirement in order to receive pay under this rule for all time lost (if any). After the scheduling of the examination, if an employee is displaced from or bids off his assignment, he must notify the Carrier at least 24 hours in advance of his appointment in order to permit rescheduling of the examination to avoid loss of time.

- (f) A furloughed employee recalled for service and required to undergo medical evaluation prior to resumption of service is not covered by the provisions of this Agreement.

NOTE: The term "medical evaluation" includes but is not limited to the actual medical examination, laboratory procedures, X-rays, and so forth as well as time for final decision after results thereof are known.

ARTICLE 54

Instructional And Re-Examination Classes

1. Subject to the exceptions outlined below, when employees, who are not on duty and under pay, are required by the Carrier to attend instructional or re-examination classes that last four (4) hours or less, they will be compensated for actual lost earnings, with a minimum of one-half of a basic day at the straight-time rate of the last service performed. In the event the instructional or re-examination classes last more than four (4) hours, employees will be compensated for actual lost earnings, with a minimum of a basic day at the straight-time rate of the last service performed.
 - (a) Employees attending such classes on an assigned rest day or scheduled day off will receive the payment provided under Section 1 above at the overtime rate for yard helpers.
 - (b) Extra board employees who have to mark off in order to attend such classes will not be considered as "unavailable" to the extra board for guarantee purposes and shall not receive the compensation provided under Section 1 hereof. Extra board employees who do not mark off to attend such classes will receive the compensation provided under Section 1 hereof and such compensation will not be used as an offset to the employee's guarantee.
2. The provisions of this Agreement will not apply to classes required for promotions, previous examination failures, return to service, leave of absence or discipline.

ARTICLE 55

Furnishing Agreements

Semi-annually, as soon after January 1 and July 1 as can conveniently be arranged, the Carrier will have printed and will furnish such additional pages for the agreement as needed to include effective agreements, memorandum of agreements, and understandings. It is understood that the Organization and the Management will confer to determine the subject matter to be included. It is further understood that the inclusion of national agreements or understandings will not be required.

ARTICLE 56

Deduction Agreement (Union)

This Agreement made this 19th day of February 1957, by and between the Houston Belt & Terminal Railway Company, hereinafter referred to as the Carrier, and the United Transportation Union, hereinafter referred to as the Union.

IT IS AGREED:

Section I.

- (a) The Carrier will deduct all sums for union dues, initiation fees, assessments, and insurance premiums (not including fines and penalties), payable to the Union by members of the Union employed by the Carrier from wages earned in yard service, upon the written and unrevoked authorization of a member, in the form agreed upon by the parties hereto, copy of which is identified as Attachment "A", and made a part hereof.
- (b) The signed authorization may, in accordance with its terms, be revoked only by giving written notice to the Union:
 - (1) Within the fifteen (15) day period immediately following the first anniversary of the effective date of this Agreement; or
 - (2) Thereafter in any year within the fifteen (15) day period immediately following the anniversary date; or
 - (2) Within fifteen (15) days from termination of this Agreement; or
 - (4) Within fifteen (15) days from the termination of the rules and working conditions agreement between the parties.
- (c) Revocation of the authorization shall be in the form agreed upon by the parties, copy of which is identified as Attachment "B", and made a part hereof.
- (d) The authorization will terminate automatically with the death or retirement of the employee involved.
- (e) Both the authorization forms and the revocation of authorization forms shall be reproduced and furnished to its members by the Union without cost to the Carrier. The Union shall assume full responsibility for the procurement and execution of said forms by employees and for delivery of said forms to the Carrier. In like manner, the revocation of an authorization shall be furnished by the employee to the Union, which shall be solely responsible for its delivery to the Carrier, as set forth in Section 2 hereof.

Section II.

Deductions, as provided for herein, shall be made by the Carrier in accordance with a certified mast deduction list, alphabetically arranged, furnished to the Auditor by the Secretary and/or Treasurer of each local lodge of which the employee is a member. Such list, together with assignment forms, shall be furnished to the Auditor within ten (20) days after the effective date of this agreement. The original list furnished shall show the employee's name, Social Security Account Number, and the amount to be deducted in the form approved by the Carrier. Thereafter, two (2) lists shall be furnished by the tenth (10th) day of each month in which deductions are to be made by the Secretary and/or Treasurer of each local lodge to the auditor, as follows:

- (a) A list showing any changes in the amounts to be deducted from the wages of employees with respect to whom deductions are already being made. such lists shall show both the amount previously authorized to be deducted and the new amounts to be deducted; also, the names of employees from whose wages no further deductions are to be made, which shall be accompanied by revocation of assignment forms signed by each employee so listed. When no changes are to be made, the list shall so state.
- (b) A list showing additional employees from whose wages the Carrier shall make deductions, as herein provided, together with an assignment authorization form signed by each member so listed. Where there are no such additional employees, the list shall so state.

Section III.

Deductions, as provided for herein, will be made monthly by the Carrier from wages due employees for the second period in each calendar month; and the Carrier will, subject to the provisions of Section 4 hereof, remit to the Union the total amount of such deductions, less sums withheld in accordance with section 5, on or before the twenty-fifth (25th) day of the month following the month in which such deductions are made.

Section IV.

- (a) In the event earnings of an employee are insufficient to permit the full amount of deduction, no deduction will be made, and responsibility for collection shall rest entirely with the Union. A statement will be furnished by the Auditor of the Carrier of the employees who have authorized deductions but where earnings were insufficient.
- (b) The following payroll deductions shall have priority over deductions covered by this Agreement:
 - Federal, State and Municipal taxes and other deductions required by law, including garnishments and attachments.
 - Amounts due the Carrier.
 - Hospital Association contributions.
 - Prior valid assignments and deductions.

- (c) Any amount not deducted shall not be added to deduction lists for the employee for any subsequent payroll period.

Section V.

Responsibility of the Carrier under this agreement shall be limited to remitting the amounts actually deducted from wages of employees, pursuant to this agreement, subject to Section 4. The Carrier shall not be responsible financially for failure to make deductions or for making improper or inaccurate deductions. Any questions arising to the correctness of the amount deducted shall be handled between the employee involved and the Union.

Section VI.

This agreement is subject to the express agreement of the parties hereto to observe and comply with the provisions of applicable federal and state laws now in existence or enacted during the term hereof, it being the intention of either party hereto to relieve the other party hereto from complying with any provision of this agreement which may be in conflict with or violate any applicable state or federal law now in existence or enacted during the term hereof.

Section VII.

The Union shall indemnify, defend and save harmless the Carrier from any and all claims, demands, liability, losses, or damage resulting from the entering into or complying with the provisions of this agreement.

Section VIII. WAGE ASSIGNMENT AUTHORIZATION

I hereby assign to the United Transportation Union that part of my wages necessary to pay my monthly union dues, initiation fees, assessments, and insurance premiums (not including fines and penalties), as reported to the Houston Belt & Terminal Railway Company, by the Secretary and/or Treasurer of my Local Lodge in monthly statements certified by him, as provided under the Deduction Agreement entered into by and between the Union and the Carrier; and I hereby authorize the Carrier to deduct from my wages all such sums, and to pay the monies to the Secretary and/or Treasurer of my Local Lodge.

This signed authorization may, in accordance with its terms, be revoked only by giving written notice to the Union:

- (1) Within the fifteen (15) day period immediately following the first anniversary of the effective date of this Agreement;
- (2) Thereafter in any year within the fifteen (15) day period immediately following the anniversary date; or
- (3) Within fifteen (15) days from the termination of this Agreement; or

- (4) Within fifteen (15) days from the termination of the rules and working conditions agreement between the parties.

The authorization will terminate automatically with the death or retirement of the employee involved.

Employee Social Security Account No. _____

NAME: _____

(Last)

(First)

(Middle In.)

HOME ADDRESS: _____

(Number and Street)

(City, State and Zip)

(Date)

(Occupation)

(Signature)

(Lodge No.)

WAGE ASSIGNMENT REVOCATION

Can Be Filed Only Between April 1 and April 15

Effective _____, I hereby revoke the Wage Assignment Authorization now in effect, assigning to the United Transportation Union (T) that part of my wages necessary to pay my monthly union dues, initiation fees, assessments, and insurance premiums (not including fines and penalties) now being withheld pursuant to the Deduction Agreement between the Union and the Carrier; and I hereby cancel the authorization now in effect authorizing the Carrier to deduct such monthly union dues, initiation fees, assessments, and insurance premiums (not including fines and penalties) from my wages in accordance with Section 1, paragraph (b) of the Deduction Agreement.

Employee Social Security Account No. _____

NAME: _____

(Last)

(First)

(Middle In.)

HOME ADDRESS: _____

(Number and Street)

(City, State and Zip)

(Date)

(Occupation)

(Signature)

(Lodge No.)

ARTICLE 57

Off-Track Vehicle Accident Benefits

Payments to be Made

In the event any one of the losses enumerated in subparagraphs (1), (2), and (3) below results from an injury sustained directly from an accident covered in paragraph (a) and independently of all other causes and such loss occurs or commences within the time limits set forth in subparagraphs (1), (2), and (3) below, the Carrier will provide, subject to the terms and conditions herein contained, and less any amounts payable under Group Policy Contract GA-23000 of The Travelers Insurance Company or any other medical or insurance policy or plan paid for in its entirety by the Carrier, the following benefits:

(1) Accidental Dent or Dismemberment

The Carrier will provide for loss of life or dismemberment occurring within 120 days after date of an accident covered in paragraph (a):

Loss of Life	\$300,000
Loss of Both Hands	\$300,000
Loss of Both Feet	\$300,000
Loss of Sight of Both Eyes	\$300,000
Loss of One Hand and One Foot	\$300,000
Loss of One Hand and Sight of One Eye	\$300,000
Loss of One Foot and Sight of One Eye	\$300,000
Loss of One Hand and One Foot or Sight of One Eye	\$150,000

"Loss" shall mean, with regard to hands and feet, dismemberment by severance through or above wrist or ankle joints; with regard to eyes, entire and irrecoverable loss of sight.

No more than \$300,000 will be paid under this paragraph to any one employee or his personal representative as a result of any one accident.

(2) Medical and Hospital Car

The Carrier will provide payment for the actual expense of medical and hospital care commencing within 120 days after an accident covered under paragraph (a) of injuries incurred as a result of such accident, subject to limitation of \$3,000 for any employee for any one accident, less any amounts payable under Group Policy Contract GA-23000 of The Travelers Insurance company or under any other medical or insurance policy or plan paid for in its entirety by the Carrier.

(3) Time Loss

The Carrier will provide an employee who is injured as a result of an accident covered under paragraph (a) commencing within 30 days after such accident 80% of the employee's basic full-time weekly compensation from the Carrier for time actually lost, subject to a maximum payment of \$1,000.00 per week for time lost during a period of 156 continuous weeks following such accident, provided, however, that such weekly payment shall be reduced by such amounts as the employee is entitled to receive as sickness benefits under provisions of the Railroad Unemployment Insurance Act.

(4) Aggregate Limit

The aggregate amount of payments to be made hereunder is limited to \$10,000,000 for any one accident, and the Carrier shall not be liable for any amount in excess of \$10,000,000 for any one accident, irrespective of the number of injuries or deaths which occur in or as a result of such accident. If the aggregate amount of payments otherwise payable hereunder exceeds the aggregate limit herein provided, the Carrier shall not be required to pay as respects each separate employee a greater proportion of such payments than the aggregate limit herein provided to the aggregate amount of all such payments.

ARTICLE 58

IT IS AGREED:

1. Yardmen working in the Houston Terminal can handle any ETD without penalty.
2. 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 a location where BNSF carmen are on duty that crew will be paid one hour at the appropriate rate of pay. This payment will be made on a without prejudice basis.
3. For purposes of this agreement, appropriate rate of pay, is the rate of pay that is currently being paid for handling ETDs/ETMs (Code 34).
4. Ground service employees with ground service seniority dates on or after January 16, 1998 are not eligible for this payment.
5. This understanding is unique to the payment for handling ETDs/ETMs on this property and is applicable only to those employees with seniority dates prior to January 16, 1998, and is not intended to revise Article IV, Section 5, of the October 31, 1985 National Agreement.

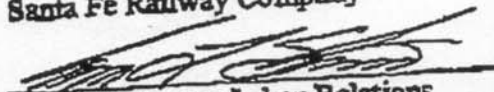
MEMORANDUM OF AGREEMENT
Between The
BURLINGTON NORTHERN AND SANTA FE RAILWAY
COMPANY
And The
UNITED TRANSPORTATION UNION
(Former HBT)

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

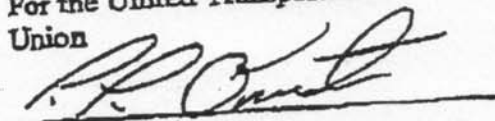
Notwithstanding the provisions of Article IV, Section 5, of the October 31, 1985 National Agreement with the United Transportation Union (UTU), when a yardman with a ground service seniority date prior to January 16, 1998, is a member of ground service yard crew that handles one or more ETDs/ETMs during 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

93A

ARTICLE 59

For convenience, references to gender, if any, in this agreement are made in the masculine gender. It is understood and agreed by the parties to this agreement that references to the masculine gender include both the masculine and the feminine gender.

Witnessing the provisions of Article IV, Section 2, of the October 21, 1982 National Agreement with the United Transportation Union (UTU), when a yardman with a ground service assignment shall perform a job of duty at any location will be paid one hour at the appropriate rate of pay. It was understood that a new credit shall be paid for any one payment during any single work of day. This provision will be made on a without prejudice basis.

Signed this 20th day of October, 2002.

For the United Transportation Union
General Chairman

For the Washington Northern and Santa Fe Railway Company
General Director Labor Relations

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.

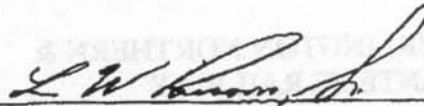
Section 3

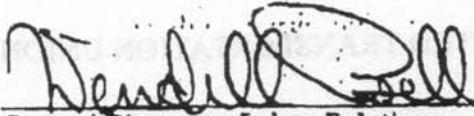
This agreement will become effective upon 5 days' written notice from the company, after execution by the parties. It may later be changed by mutual agreement or in accord with applicable law.

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

LETTER OF AGREEMENT

(September 16, 2002)


IT IS AGREED:

Under this rewritten Agreement, dated September 16, 2002, that the inclusion of excerpts from various agreements reproduced herein is not to be construed as excluding, canceling or superseding other written agreements or settlements not in conflict with schedule rules and/or excerpts of agreements contained herein; such other written local and national agreements or settlements, though not included herein, are continued in full force and effect until changed under the provisions of the Railway Labor Act, as amended.

If any error due to misprinting of any of the rewritten agreements contained herein is discovered, then the original agreement applies. Where any original agreement has been reduced herein for sake of brevity, it is understood the original signed agreement in effect supersedes, if a dispute should arise between the parties.

SIGNED at Houston, Texas, this 16th day of September 2002.

UNITED TRANSPORTATION UNION


General Chairman

BURLINGTON NORTHERN &
SANTE FE RAILWAY


General Director of Labor Relations

BNSF

Gene L. Shire
General Director - Labor Relations

Burlington Northern Santa Fe

P.O. Box 961030
Fort Worth, TX 76161-0030
2600 Lou Menk Drive
Garden Level
Fort Worth, TX 76131
Phone: 817-352-1076
Fax: 817-352-7482

Mr. P.W. Tibbit
General Chairman UTU
2606 Exchange Place
P.O. Box 3069
Temple, TX. 76504

August 12, 2002

Mr. J.D. Mullen
General Chairman BLE
509 SW Wilshire
Suite D
Burleson, TX. 76028

Mr. G.D. Welch
General Chairman UTU
P.O. Box 477
Teague, TX. 75860

Mr. Austin Morrison
General Chairman BLE
7637 Canyon Drive
Amarillo, Texas 79110

L.L. Overton
General Chairman UTU
400 Randal Way
Suite 102
Spring, TX. 77388

Gentlemen,

Enclosed are copies of Awards adopted by Public Law Boards 6524 (BLE) and 6498 (UTU), as well as the tentative Implementing Document attendant to PLB 6498, addressing the extension of switching limits in the Houston area.

We anticipate implementing this extension in stages beginning on or about September 16, 2002. As we are all aware, this will be a significant undertaking; therefore, in addition to taking the process in "steps," I believe that you gentlemen should be included in our planning and implementing schedule.

The Gulf Division Officers are currently designing their operations plan and, initially, will be working with General Chairman Overton to discuss how the yard assignments will be distributed. We are also scheduling meetings with TY&E Compensation Systems, Crew Support, Service Design and Performance, as well as others to assure that this change is accomplished as smoothly as possible.

Along those lines, you are invited to attend a meeting in Houston, beginning at 10:00 a.m. on August 26, 2002, to go over the operations plan and address areas where you may have questions, concerns or suggestions. Feel free to invite your Local Chairmen or other Union Officers/Representatives. The meeting location will be driven by the number of people attending, so please let me know at your earliest convenience if you will be able to attend

and how many other people you intend to invite and/or represent you. As soon as we have a feel for how many people will be attending, we will finalize a meeting location and you will be advised.

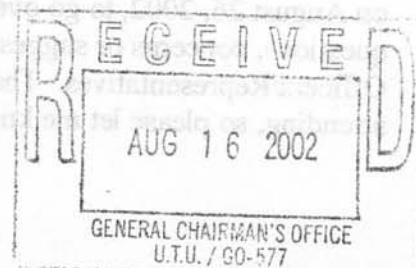
I look forward to seeing all of you on August 26th.

Sincerely,



Mr. Mike Futhey
International Vice President UTU
7610 Stout Road
Germantown, TN. 38138

Mr. Stephen D. Speagle
Vice President BLE
1613 Burning Tree Drive
Decatur, IL. 62521



PUBLIC LAW BOARD NO. 6524

Case No. 1

Award No. 1

PARTIES TO DISPUTE: BROTHERHOOD OF LOCOMOTIVE ENGINEERS

-and-

**THE BURLINGTON NORTHERN AND
SANTA FE RAILWAY COMPANY**

QUESTION AT ISSUE

Shall the Carrier's proposal as set forth in its notice dated October 31, 2001, notifying the Brotherhood of Locomotive Engineers of its desire to extend switching limits to the extent indicated at Houston, Texas be granted?

MAY 13, 1971 NATIONAL AGREEMENT

ARTICLE II - SWITCHING LIMITS

Article 7 - Changing switching limits of the May 23, 1952 Agreement hereby amended to read as follows:

- (a) Where an individual carrier not now having the right to change existing switching limits where yard crews are employed, considers it advisable to change the same, it shall give notice in writing to the General Chairman or General Chairmen of such intention, specifying the changes it proposes and the conditions, if any, it proposes shall apply in event of such change. The carrier and the General Chairman or General Chairmen shall within 30 days, endeavor to negotiate an understanding.

In the event the carrier and the General Chairman or General Chairmen cannot so agree on the matter, the dispute shall be submitted to arbitration as provided for in the Railway Labor Act, as amended, within sixty days following the date of the last conference. The carrier shall designate the exact questions or conditions it desires to submit to arbitration and the General Chairman or General Chairmen shall designate the exact questions or conditions such General Chairman or General Chairmen desire to submit to arbitration.

Such questions or conditions shall constitute the questions to be submitted to arbitration.

The decision of the Arbitration Board will be made within 30 days after the Board is created, unless the parties agree at anytime upon an extension of this period. The award of the Board shall be final and binding on the parties and shall become effective thereafter upon 7 days notice by the carrier.

- (b) This rule shall in no way affect the changing of yard or switching limits at points where no yard crews are employed.
- (c) This rule shall become effective September 1, 1971, except on such carriers as may elect to preserve existing rules or practices and so notify the authorized employee representatives on or before August 1, 1971.

FINDINGS

This Board, upon the whole record and all the evidence, finds as follows:

That the parties were given due notice of the hearing;

That the Carrier and Employees involved in this dispute are respectively Carrier and Employees within the meaning of the Railway Labor Act as approved June 21, 1934;

That this Board has jurisdiction over the dispute involved herein.

The Houston Belt and Terminal Railway Company (hereinafter referred to as the HB&T) was a jointly owned subsidiary of the Union Pacific Railway Company (hereinafter referred to as the Union Pacific or the UP) and the Burlington Northern and Santa Fe Railway Company (hereinafter referred to as the Carrier or the BNSF). The HB&T operated within terminal switching limits performing service for both railroads. It also handled interchange traffic with the Port Terminal Railroad Association (hereinafter referred to as the PTRR). The PTRR services customers and performs switching at the ports in the Houston area.

Pursuant to the Surface Transportation Board (hereinafter referred to as the STB) approval of the merger between the UP and the Southern Pacific Railroad (hereinafter referred to as the SP) the Carrier acquired trackage rights on three Subdivisions in the

Houston Terminal. The Carrier operates its own trains with its own crews over these subdivisions.

In August of 1997, the BNSF and the Union Pacific decided to dissolve the HB&T and bring their respective segments of the HB&T under their direct control. In order to affect the break up of the HB&T, the Carrier and the UP were required to obtain an exemption from the STB. The STB approved the break up of the HB&T and in doing so it imposed the *Norfolk & Western* labor protective conditions on both carriers. It should be noted that after the HB&T was dissolved, the UP controlled 90% of the territory in the Houston Terminal and 80% of the traffic.

Pursuant to the *Norfolk & Western Conditions*, the Brotherhood of Locomotive Engineers (hereinafter referred to as the Organization or the BLE) and the Carrier entered into an Implementing Agreement to allow for the integration of the trackage rights granted the Carrier in the Houston Terminal with other BNSF operations. Among other things, that Implementing Agreement provided that erstwhile HB&T locomotive engineers who chose to work for the Carrier would work under the former Atchinson, Topeka and Santa Fe Railway Company (hereinafter referred to as ATSF) Northern and Southern Schedule Agreement for Engineers. In 1999, the parties modified the Implementing Agreement.

Operations at the Houston Terminal were extremely inefficient and costly for the BNSF. The Carrier's train and engine crews were spending inordinate time on duty when working at the Houston Terminal. It should be noted that the Houston Terminal is an vast facility consisting of numerous yards and several subdivisions. A number of

business are located within the Terminal territory, such as Exxon, Chevron, Amoco and Dayton Plastic, among others.

On July 20, 2001, the Carrier met with representatives of the BLE and representatives of the United Transportation Union (hereinafter referred to as the UTU) to discuss ways to make the Houston Terminal more efficient. A second meeting was held on August 30, 2001. Extending the switching limits at the Houston Terminal was one of the subjects discussed at these meetings. A third meeting was held on October 3, 2001, but no progress was made.

Under Article II of the May 13, 1971, BLE National Agreement where a carrier considers it advisable to change switching limits it is required to give notice to the General Chairman in writing specifying the changes it proposes and any conditions it proposes to apply in the event of such change. The Agreement allows the carrier and the General Chairman 30 days to negotiate an understanding regarding a carrier's proposal to extend switching limits.

On October 31, 2001, the Carrier notified BLE General Chairman Mullen and BLE General Chairman Austin Morrison that it was proposing to extend existing switching limits at Houston, Texas. A similar notice was given to the UTU General Chairmen pursuant to Article VI of the January 27, 1972, UTU National Agreement.

On November 5, 2001, the Organization advised the Carrier that it considered its October 31, 2001 notice improper inasmuch as the action the Carrier contemplated taking was related to the merger between the ATSF and the Burlington Northern Railroad hereinafter referred to as the BN). According to the Organization, the Carrier was required to impose the labor protective conditions applicable to that merger to any

engineer adversely affected by the extension of switching limits at Houston. On December 6, 2001, the Carrier amended its October 31, 2001 notice.

On December 6 and 7, 2001, the Organization and the Carrier reached a tentative agreement extending the switching limits at Houston, Texas. The Committee represented by General Chairman Morrison (former BN engineers) ratified the agreement. However, the Committee represented by General Chairman Mullen (former ATSF engineers) did not ratify the agreement.

Pursuant to Article II (a) of the May 13, 1971 BLE National Agreement, in the event a carrier and the General Chairman cannot reach an agreement on extending switching limits the dispute shall be submitted to arbitration.

The parties agreed to submit the aforementioned Question at Issue to this Board for resolution. The Board met in Fort Worth, Texas on May 8, 2002. The Organization and the Carrier submitted extensive evidence and arguments at that hearing in support of their respective positions. Based on the evidence and arguments advanced by the Organization and the Carrier this Board hereby renders the following decision.

Unlike the 1972 UTU National Agreement the May 13, 1971 BLE National Agreement does not embody any standards to determine under what circumstances a carrier has the right to extend switching limits. Nevertheless, numerous arbitration tribunals have concluded that the appropriate paradigm is whether the carrier has demonstrated that extending switching limits:

- (1) will result in more efficient and adequate switching service; and/or
- (2) will facilitate development.

The Carrier has convinced this Board that extending the switching limits at Houston, Texas pursuant to its October 31, 2001 notice "*will result in more efficient and adequate switching service*" for its customers by reducing inefficiency in its operations at the Houston Terminal. As noted above, the Houston Terminal is exceptionally extensive consisting of numerous yards and subdivisions and many businesses. In calendar year 2001, an average of 68 trains a day operated within the Terminals territory. BNSF operates between 35 and 45 trains and yard jobs a day. It also interchanges between 100 and 800 cars a day with the PTR. A.

Road crews currently provide service on much of the territory in Houston over which the Carrier has trackage rights. These crews operate under road rules. Expanding the switching limits at the Houston Terminal will allow the Carrier to use yard crews for some of this service. Yard crews, of course, will operate under the more flexible yard rules. This should enhance efficiency and thus improve service to the customers served by the Carrier in this area.

It is significant to note that the Carrier is planning to build a yard at Dayton that is capable of holding 1000 railcars. The Carrier hopes to attract additional plastics business by building this yard. The Carrier has persuaded this Board that it needs the flexibility provided by existing yard rules in order to attract this new business. Currently, temporary engineer vacancies at Dayton are filled from the Galveston extra board. The deadhead from Galveston to Dayton takes two hours leaving these employees a maximum of 10 hours to work under the Hours of Service Law. This, of course, is both inefficient and costly for the Carrier. Once switching limits are extended, yard crews can be headquartered at Dayton thereby avoiding deadheading employees from Galveston.

Arbitration boards have held that replacing a road crew with a yard crew is not an impediment to extending switching limits under the 1972 UTU National Agreement.

Therefore, this should not be a bar under the comparable 1971 BLE National Agreement, in our opinion.

There is presently a road assignment at Dayton that works six days a week transporting hopper cars filled with plastic pellets from the Dayton Plastic Storage Yard to South Yard in Houston. This crew makes a 2 and ½ hour trip to South Yard then deadheads back to Dayton where it is released. Under existing road rules, this assignment can only make one trip between Dayton and South Yard during a tour of duty. If this assignment operated under yard rules the crew would be allowed to make more than one trip and could also perform other tasks during their tour of duty. Clearly, this would be more efficient and economical than the present operation at Dayton.

The Carrier has also convinced this Board that extending the switching limits on other subdivisions where it has trackage rights will result in a more efficient and economical operation over these subdivisions in the Houston Terminal. For instance, the Houston Rock Pool crew will be able to make the 90-mile trip between Sealy and Tomball if switching limits are extended which will save a crew start as well as eliminate the delay caused by changing crews at Houston.

Similarly, if switching limits are extended crews operating between Teague and Houston should have sufficient time on duty to deliver their train to Arcola. This will eliminate changing crews at South Yard and should help to alleviate the present congestion around South Yard. Further, if the current switching limits at Houston are extended the Carrier will not be required to fill temporary vacancies on the subdivisions

in Houston over which it has trackage rights from the Galveston extra board. This will eliminate the expense, time and inefficiency caused by the deadheading of crews from Galveston to other subdivision in the extensive Houston Terminal.

The Organization argues that the Carrier's October 31, 2001, notice to extend the switching limits at Houston is improper since what the Carrier is seeking to accomplish is related to the merger between the BN and the ATSF. However, this Board finds the extension of switching limits at Houston unrelated to that merger. As Arbitrator Francis X. Quinn observed in a dispute between the UTU and BNSF over the Carrier's proposal to extend switching limits at Houston (Procedural Award No. 1 of Public Law Board No. 6497):

"The record is clear, the Houston Terminal has already been consolidated pursuant to Norfolk and Western conditions. There are no remaining rearrangement of forces, seniority allocation, or consolidation issues. The Houston Terminal is a BNSF yard and has been for over three years and is subject to all the provision in the 1972 National Agreement. . . . Therefore, the Carrier's notice dated October 31, 2001, as amended, notifying the UTU of its desire to extend switching limits at Houston, Texas, was proper pursuant to Article VI of the 1972 National Agreement. . . ."

For the same reasons expressed by Arbitrator Quinn, this Board finds the Carrier's notice to the BLE dated October 31, 2001, as amended on December 6, 2001, a proper notice under the May 13, 1971 BLE National Agreement.

For several reasons, the Carrier strenuously argues that the tentative agreement that failed ratification should not be imposed by this Board. The Carrier contends that that tentative agreement included benefits, such as three "prior rights zones;"

reporting/show up allowances to extra board employees protecting vacancies at Pearland, Alvin, Rosenberg, Casey and Dayton; and restrictions on who could perform work and where it would be performed and so forth. The benefits are totally unrelated to extending switching limits, according to the Carrier. Additionally, the Carrier estimates that the delay in extending the Houston switching limits caused by the tentative agreement failing ratification has cost it approximately 1.3 to 2 million dollars. For all these reasons, the Carrier urges this Board to order the switching limits at Houston be extended without imposing the tentative agreement that failed ratification.

This Board finds considerable merit in the Carrier's argument. Nevertheless, the tentative agreement the parties reached after two days of negotiations should be adopted, in this Board's opinion. Admittedly, the tentative agreement includes benefits not normally associated with the extension of switching limits. However, when the switching limits are extended at Houston as proposed by the BNSF this will result in one of the largest rail yards in the nation. Some engineers, such as those on the extra board at Galveston and those on road switchers at Dayton, arguably will be adversely impacted by the extension of the Houston switching limits.

In our view, the tentative agreement that failed ratification struck a fair balance between the efficiency and economy which the Carrier will achieve by extending the switching limits at Houston and the rights of engineers working in the Terminal. Accordingly, this Board finds that the tentative agreement that failed ratification should be adopted.

For all the aforementioned reasons, this Board finds that extending the switching limits at Houston, Texas in accordance with the Carrier's October 31, 2001, notice as

amended clearly will result in more efficient and adequate switching service for the Carrier's customers and will also facilitate development of new business for the BNSF in the Houston area. For these reasons, the Carrier has the right under the May 13, 1971 BLE National Agreement to extend these switching limits. Under the circumstances of this case, we are of the opinion that the tentative agreement reached by the parties on December 6 and 7, 2001, that failed ratification should be adopted. That Memorandum of Agreement is appended hereto and is incorporated into this Award.

AWARD

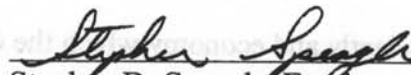
The Carrier's proposal as set forth in its notice dated October 31, 2001, notifying the Brotherhood of Locomotive Engineers of its desire to extend switching limits at Houston, Texas to the extent indicated is granted.



Robert M. O'Brien, Chairman and Neutral Member



Gene L. Shire, Carrier Member



Stephen D. Speagle, Employee Member

Dated: *June 25, 2002*

MEMORANDUM OF AGREEMENT
Between The
BURLINGTON NORTHERN AND SANTA FE RAILWAY
COMPANY
And The
BROTHERHOOD OF LOCOMOTIVE ENGINEERS

1. Pursuant to Carrier's notice dated October 31, 2001, as amended by letter dated December 6, 2001, the switching limits at Houston, Texas are extended as follows.
 - 1.1 The entire Mykawa Subdivision to and including Alvin.
 - 1.2 West on the Galveston Subdivision from and including Alvin to MP 22 at or near Algoa, including the siding and maintrack on the UP trackage rights territory on the Angelton Subdivision MP 341.2 at or near Brownie.
 - 1.3 East on the Galveston Subdivision from and including Alvin to and including the station of Duke, MP 47.
 - 1.4 West on the Houston Subdivision to and including the station of Tomball, MP 87.
 - 1.5 West on the UP Trackage Rights Glidden Subdivision to and including the Interlocking Limits at Tower 17, MP 36.3
 - 1.6 North on the UP Trackage Rights Palestine Subdivision to the end of double track at or near MP 210.8.
 - 1.7 North on the UP Trackage Rights Lufkin Subdivision to and including the station of Humble, MP 18.
 - 1.8 East on the UP Trackage Rights Beaumont Subdivision to MP 387 at or near Dyersdale Junction.
 - 1.9 East on the UP Trackage Rights Lafayette Subdivision to MP 325 at or near Dayton.
 - 1.10 West on the UP Trackage Rights Baytown Subdivision MP 48.7 to MP 21 from at or near Dayton Junction to and including the end of the trackage rights.

- 1.11 South on the UP Galveston Subdivision to and including the station of Graham, as well as the new railroad construction of industrial track by the San Jacinto Corporation from Graham to and including the Bayport Loop.
2. The Houston Terminal shall be divided into three (3) prior-rights zones.
 - 2.1 The HBT zone shall encompass all territory within the pre-existing switching limits of the HBT.
 - 2.2 The BN zone shall encompass all territory from the pre-existing HBT switching limit on the rail-line toward Teague to the new switching limit established to and including Tomball (Section 1.4 above)
 - 2.3 The ATSF zone shall encompass all remaining territory, not covered by 2.1 or 2.2 hereof, within the newly established switching limits at Houston.
3. Engineers holding a seniority date on the HBT seniority roster established on or before January 6, 1999 (reference Memorandum of Agreement dated September 22, 1999 combining former ATSF and HBT engine service seniority) shall be considered as prior-rights HBT zone engineers and shall have preference to any job assigned within the HBT zone.
4. Engineers on the former BN's Joint Texas Division Seniority Roster shall be considered as prior-rights BN zone engineers and shall have preference to any job assigned within the BN zone.
5. Engineers holding a seniority date on the former Santa Fe Galveston seniority district established on or before January 6, 1999 (reference Memorandum of Agreement dated September 22, 1999 combining former ATSF and HBT engine service seniority) shall be considered as prior-rights ATSF zone engineers and shall have preference to any job assigned within the ATSF zone.
6. There shall be no restriction on any job within the expanded Houston Terminal performing service at any location within the expanded terminal, except as provided under 6.1 below.
 - 6.1 Jobs held by prior-right engineers from one zone shall not be used to replace jobs assigned to prior-right engineers in any other zone. That is to say that while there is no restriction as far as any job performing any work within the expanded terminal, the parties understand and agree that so long as there is sufficient work available in a zone, that work is to be performed by a job with a prior-right engineer assigned within that zone.

- 6.1.1 For example, it would be a violation of this agreement to relieve a ATSF zone job held by an ATSF prior-rights engineer upon the expiration of eight (8) hours and have either a HBT or BN zone job perform switching in the ATSF zone for 2 or 3 or more hours when the spirit of this agreement contemplates that normally general yard switching performed in any zone should be performed by a prior-righted engineer on a job headquartered in that zone.
7. Road crews may be required to receive or deliver their train at any location within the expanded terminal.
- 7.1 If by operation of this provision a road crew is obligated to traverse additional miles, such additional actual miles traveled shall be added to the miles of the assignment, including those miles traveled upon return to the designated off-duty location.
8. Yard assignments within the expanded terminal may be established at South Yard, Dayton, Pearland, Alvin or Casey.
- 8.1 Yard assignments at Casey shall be governed by the former JTD agreement provisions.
- 8.2 Yard assignments at locations other than Casey shall be governed by the former ATSF agreement provisions.
- 8.3 These yard assignments may not be tied-up (finally relieved from service) except at the original on-duty location of that yard assignment.
9. The Galveston extra board shall protect temporary vacancies and extra service for yard jobs at Alvin, Pearland and Rosenberg, as well as the road vacancies on the Galveston-Houston Local. The HBT extra board shall protect temporary vacancies and extra service for yard jobs in the HBT zone. Temporary vacancies and extra jobs at other locations within the expanded terminal shall be filled from the so-called "trackage rights" extra board at Houston.
- 9.1 If the "trackage rights" extra board is exhausted it may be supplemented by the HBT extra board only to fill yard jobs. If the HBT extra board is exhausted it may be supplemented by the "trackage rights" extra board. When one extra board supplements another extra board pursuant to this provision, the earnings shall not be used to offset any extra board guarantee.
- 9.2 The Galveston extra board shall not be used to supplement any extra board, nor shall either the "trackage rights" or HBT extra boards be used to supplement the Galveston extra board.

- 9.3 The "trackage rights" extra board shall reflect an equity ratio of 50% former BN and 50% former ATSF (see the order of selection list appended hereto as Attachment "A"). The collective bargaining provisions applicable to the former Santa Fe shall apply to this extra board.
- 9.4 Extra engineers called from the Galveston extra board to fill temporary vacancies or other extra service pursuant to the terms of this agreement shall be paid a "report" allowance in lieu of any relocation benefits to report to the location ready to commence service. This allowance shall be payable to both pre and post-85 engineers and shall be subject to all future COLA and general wage increases.
- 9.4.1 Extra engineers called to protect vacancies at Pearland, \$45.00 each way.
- 9.4.2 Extra engineers called to protect vacancies at Alvin, \$28.00 each way.
- 9.4.3 Extra engineers called to protect vacancies at Roesenberg, \$65.00 each way.
- 9.5 Extra engineers called from the "trackage rights" extra board to fill temporary vacancies or other extra service pursuant to the terms of this agreement (or extra engineers called off of the HBT board pursuant to Section 9.1 above) shall be paid a "report" allowance in lieu of any relocation benefits to report to the location ready to commence service. This allowance shall be payable to both pre and post-85 engineers and shall be subject to all future COLA and general wage increases.
- 9.5.1 Extra engineers called to protect vacancies at Casey, \$27.00 each way.
- 9.5.2 Extra engineers called to protect vacancies at Dayton, \$38.00 each way.
- 9.6 The payments provided under Sections 9.4 and 9.5 above are subject to existing BLE rules addressing deadheading conditions attendant to temporary vacancies at outlying locations.
- 9.7 Engineers who perform 12 hours of continuous time on duty while assigned to any extra board addressed herein may request, and shall be granted, twelve (12) hours rest without deduction of extra board guarantee.
- 9.8 The existing provisions for a three (3) hour call are preserved and extended to the "trackage rights" extra board.

- 9.9 Force assignment to allocated positions on the "trackage rights" extra board shall be effected pursuant to existing former JTD agreement provisions (for BN allocated positions) or existing former ATSF agreement provisions (for ATSF allocated positions).
10. The parties agree to meet at least every six (6) months to review the distribution of work throughout the expanded terminal to determine whether the equities are being properly maintained in concert with the intent of the agreement. Furthermore, this section shall not serve to prevent any representative of any portion of BLE interest in the Houston terminal from requesting more frequent meetings.
11. This agreement may be cancelled by either BNSF serving a 90-day cancellation notice on BLE or BLE serving a 90-day cancellation on BNSF. The parties agree to meet within the 90-day period in an effort to resolve any issues that caused the service of the cancellation notice.
- 11.1 Should the agreement be cancelled pursuant to the terms of this Section, the parties recognize that the date of the cancellation notice shall serve as the "date of last conference" as contemplated under Article II of the 1971 National Agreement that amended Article 7 of the May 23, 1952 Agreement.

Signed this _____ day of _____, 2001 and effective _____, 2001.

FOR THE BURLINGTON NORTHERN
AND SANTA FE RAILWAY COMPANY:

MHS/CLS
Assistant Vice President Labor Relations

CLS
General Director Labor Relations

RGB
Director Labor Relations

FOR THE BROTHERHOOD OF
LOCOMOTIVE ENGINEERS:

AM
General Chairman ATSF/HBT

CS
General Chairman JTD

APPROVED:

Vice President BLE

PUBLIC LAW BOARD NO. 6498

PARTIES) UNITED TRANSPORTATION UNION
TO)
DISPUTE) THE BURLINGTON NORTHERN AND SANTA FE RAILWAY

QUESTION AT ISSUE:

Shall the Carrier's proposal as set forth in Notice dated October 31, 2001, as amended by letter dated December 12, 2001, notifying the United Transportation Union of its desire to extend switching limits to the extent indicated at Houston, Texas be granted?

FINDINGS:

The Board, after hearing upon the whole record and all the evidence, finds that the parties herein are Carrier and Employee within the meaning of the Railway Labor Act, as amended; this Board has jurisdiction over the dispute involved herein; and, the parties were given due notice of hearing thereon.

When the Burlington Northern and Santa Fe Railway (Carrier or BNSF) determined that conferences with representatives of both the United Transportation Union (Organization or UTU) and the Brotherhood of Locomotive Engineers (BLE) failed to mutually resolve certain issues that it submits are necessary to enable it to provide more adequate and efficient switching service to current and potential customers in the Houston, Texas area, the General Director-Labor Relations sent the following letter of October 31, 2001 to the General Chairpersons of the Organization who represent Carrier employees in train service, namely, Messrs. L. L. Overton, P. W. Tibbit, and G. D. Welch. A similar letter was sent at the same time to representatives of the BLE pursuant to rules applicable to engine service employees.

Pursuant to Article VI, Section 1, of the January 27th, 1972 National Agreement notice is hereby given of BNSF's intent to extend the switching limits at Houston, Texas as follows:

The entire Mykawa Subdivision to and including Alvin

West on the Galveston Subdivision from and including Alvin to MP 22 at or near Algoa, including the siding and maintrack on the UP trackage rights territory on the Angelton Subdivision MP 341.2 at or near Brownie

East on the Galveston Subdivision from and including Alvin to MP 43 at or near Duke

West on the Houston Subdivision to MP 107 at or near Dobbin

West on the UP Trackage Rights Glidden Subdivision to and including the Interlocking Limits at Tower 17

North on the UP Trackage Rights Palestine Subdivision to MP 190 at or near Conroe

North on the UP Trackage Rights Lufkin Subdivision to MP 46 at or near Cleveland

East on the UP Trackage Rights Beaumont Subdivision to MP 387 at or near Dyersdale Junction

East on the UP Trackage Rights Lafayette Subdivision to MP 325 at or near Dayton

West on the UP Trackage Rights Baytown Subdivision MP 48.7 to MP 21 from at or near Dayton Junction to and including Durham Yard.

I suggest that we meet in an effort to negotiate and (sic) understanding to effect the extensions commencing at 8:00 a.m. November 28, 2001 through 12:00 noon on November 29, 2001 in the Carrier facilities in Spring, Texas. The meeting will be joint with the Brotherhood of Locomotive Engineers.

I will look forward to seeing you there.

As scheduled, representatives of the Carrier met with representatives of the UTU and the BLE on November 28 and 29, 2001. At the conference, and by separate letter of November 28, 2001, the General Director-Labor Relations notified the representatives of both the UTU and the BLE that the above mentioned notice of October 31, 2001 was amended. Amendments to certain of the switching limits at Houston, Texas as initially set forth in the October 31, 2001 letter, and two additional items, were described in the November 28, 2001 letter to be as follows:

East on the Galveston Subdivision from and including Alvin to MP 43 at or near Duke **is changed to read**, East on the Galveston Subdivision from and including Alvin to and including the station of Duke.

West on the Houston Subdivision to MP 107 at or near Dobbin *is changed to read* West on the Houston Subdivision to and including the station of Tomball.

North on the UP Trackage Rights Palestine Subdivision to MP 190 at or near Conroe *is changed to read* North on the UP Trackage Rights Palestine Subdivision to the end of double track at or near MP 210.8.

North on the UP Trackage Rights Lufkin Subdivision to MP 46 at or near Cleveland *is changed to read* North on the UP Trackage Rights Lufkin Subdivision to and including the station of Humble.

South on the UP Galveston Subdivision to and including the station of Graham, as well as the new railroad construction of industrial track by the San Jacinto Corporation from Graham to and including the Bayport Loop.

Yard crews may go on and off duty at South Yard, Dayton, Pearland, Alvin or Casey.

The Carrier and the BLE reached tentative agreement. The Carrier and the UTU were not able to reach agreement, it basically being the position of the Organization that the parties reached an impasse because it asserts that the Carrier is, among other things, seeking to: (1) effect a coordination covered by protective conditions under the guise of a request to extend switching limits; (2) get around differing rates of pay and crew consist agreements; (3) have an unfettered right to run from former BN road territory to former ATSF road territory and vice versa in interdivisional service; (4) coordinate former main lines; (5) handle unit rock trains through Houston to their destination on the former ATSF and former BN without changing crews; (6) terminate former ATSF jobs at Galveston and bring those jobs into the Houston Terminal in a relocation of forces; (7) extend switching limits in every direction in one notice; and, (8) contrary to the commonly called "cram down" agreement between the parties, seeking to impose one rules agreement to cover the proposed area. Further, it is the position of the Organization that an extension of switching limits agreement necessitates inclusion of provisions for: (1) employee protection; (2) a commitment to retain all current jobs and assignments, with elimination only through attrition; and, (3) abandonment of any expansion of Houston Belt & Terminal Railroad (HBT) yard service territory.

The Organization asserts that "efficiency to customers is not provided by the Carrier as required by the Controlling Agreement." It points to certain areas that would be effected by an extension of switching limits as currently being serviced by road switcher assignments and other road jobs that it maintains adequately meet customer needs. The Organization also argues that on some of the main line where an extension of switching is requested that there are not any industries or there are no industrial complexes that the

BNSF serves. In this respect, the Organization says that the Carrier "cannot improve what they do not have (customers) on these territories."

Following the exchange of several letters between counsel for the Carrier and counsel for the Organization it was agreed that there be established a Procedural Public Law Board to determine whether the Carrier letter of October 31, 2001, as amended, was proper pursuant to Article VI of the 1972 UTU National Agreement. It was further agreed that should the Procedural Board find that the Carrier notice was duly served pursuant to Article VI of the 1972 UTU National Agreement, that a Merits Board would then be established to address the several issues at impasse.

On April 12, 2002 Procedural Public Law Board No. 6497, with Francis X Quinn as the chair and neutral member, issued an award affirming that the Carrier notice was proper pursuant to Article VI of the 1972 UTU National Agreement. The Findings of the Procedural Board, which followed a review of the issues in dispute, reads as follows:

It is clear that Section 1 of Article VI of the 1972 National Agreement does not restrict the Carrier's right to extend switching limits involving more than one seniority district. It seems that as long as the Carrier can show improved efficiency and/or improved customer service, the switching limits may be extended.

The procedural case at hand is fairly simple. The UTU wants this Board to find that the switching limits is a "Major Transaction," subject to labor protection and the "Cram Down" Agreement. Such is not the case. The record is clear, the Houston Terminal has already been consolidated pursuant to Norfolk and Western conditions. There are no remaining rearrangement of forces, seniority allocation, or consolidation issues. The Houston Terminal is a BNSF yard and has been for over three years and is subject to all the provisions contained in the 1972 National Agreement. Therefore, the question at issue can only be answered in the affirmative. The Carrier's notice dated October 31, 2001, as amended, notifying the UTU of its desire to extend switching limits at Houston, Texas, was proper pursuant to Article VI of the 1972 UTU National Agreement. The Carrier has satisfactorily answered all procedural objections, and the merits of this question are now properly before the Merits Board. The Merits Board will meet on May 14, 2002, to resolve the merits of the question at issue.

This Public Law Board (the Board) was thus established to hear and decide the Question at Issue as set forth above.

Article VI, Switching Limits, of the 1972 UTU National Agreement reads in part here pertinent as follows:

Existing agreements are amended to read as follows:

The employees involved, and the carriers represented by the National Carriers' Conference Committee, being desirous of cooperating in order to meet conditions on the various properties to the end that efficient and adequate switching service may be provided and industrial development facilitated, adopt the following:

Section 1. Except as provided in Section 2 hereof, where an individual carrier not now having the right to change existing switching limits where yard crews are employed, considers it advisable to change the same, it shall give notice in writing to the General Chairman or General Chairmen of such intention, whereupon the carrier and the General Chairman or General Chairmen shall, within 30 days, endeavor to negotiate an understanding.

In the event the carrier and the General Chairman or General Chairmen cannot agree on the matter, the dispute shall be submitted to arbitration as provided for in the Railway Labor Act, as amended, within 60 days following date of last conference. The decision of the Arbitration Board will be made within 30 days thereafter. The award of the Board shall be final and binding on the parties and shall become effective thereafter upon seven days' notice by the carrier.

It is evident as concerns the position of the Organization that prior agreements between the parties and past arbitration decisions have already covered or provided for certain of the subject matters that the Organization contends are necessary to an agreement to extend the switching limits at Houston, Texas, or, conversely, determined the subject matter to have no applicability to consummation of an extension of switching limits agreement. In this respect, the Board concurs with the following statement that was made by Carrier's Senior General Attorney in a letter of January 23, 2002 to the General Counsel for the UTU concerning various issues advanced by the Organization in opposition to the Carrier notice:

[T]he initiative in Houston simply is not an Article I Section 4 transaction or a "cram down" situation. The seniority of former BN and former Santa Fe employees vis-à-vis the Houston Belt and Terminal employees has *already* been resolved and the trackage involved has *already* been appended to the existing BN and Santa Fe seniority districts. The decision of what agreement applies to the former HB&T property assumed by BNSF has *already* been resolved and, at the request of then UTU President Charles Little, that agreement is the Houston Belt and Terminal Agreement. All that BNSF is doing is exercising existing prerogatives under the HB&T Schedule Agreement and the 1972 National Agreement

to extend switching limits into and out of Houston. Admittedly, this may allow a train originating on the former BN to traverse the lines of the former ATSF within the terminal. However, under Article VIII Section 1 of the 1985 National Agreement road crews may, "Get or leave their train at any location within the initial and final terminals..." and that is all that will happen under BNSF's proposal. UTU cannot compel a *New York Dock* proceeding simply because it does not like the manner the carrier exercises its existing rights. The integration of forces/selection of agreement process as modified by the February 11, 2000 agreement has *already* been satisfied in this case by virtue of the January 16, 1998 agreement and the subsequent Quinn arbitration decision.

In this same connection it is noted that in its Findings that Procedural PLB No. 6497 said the Houston Terminal has already been consolidated pursuant to Norfolk and Western conditions and "the Houston Terminal is a BNSF yard and has been for over three years and is subject to all the provisions contained in the 1972 National Agreement."

Unfortunately, because of their diverse positions on the dispute, no agreement was reached between the Carrier and the UTU on any issue. In this respect, the Carrier says that since there is no tentative or failed agreement for the Board to consider that should the Board find that BNSF's request be granted, the only result should be the expansion of the HBT Collective Bargaining Agreement to fill the expanded Houston Complex. This position of the Carrier notwithstanding that in correspondence of record the Carrier had stated that it was willing to offer the Organization "a similar arrangement" to that provided the BLE, with the understanding there would be, as with the BLE, a uniform application of one collective bargaining agreement throughout the expanded terminal, i.e., the HBT Schedule of Rules Agreement.

The Organization urges that the Board may not properly give any consideration whatever to the fact that the Carrier and the BLE reached agreement on the issue, albeit the matter had to eventually be submitted to arbitration when one of the two BLE committees subject to the agreement did not ratify the tentative agreement. At the same time, the Organization states in its ex parte submission to the Board: "The Carrier is only trying to get relief from crew consist provisions as indicated by their refusal to offer train service employees the identical agreement as engine service employees." In this respect, the Organization says:

From the outset of negotiations, the Carrier made it clear that crew consist relief was a centerpiece to the new operations planned. The Carrier wanted to operate with conductor or foreman only. HB&T has provisions for foreman only operations where neither the former BN nor ATSF provide for conductor only on the assignments in question. This is reflected in correspondence issued by General Chairman Tibbit, (Exhibit No. 13), responded to by Labor Relations Officer Gene Shire, (Exhibit No.

14). The Carrier allowed the BLE the right to use their road agreements in the expanded area but would not afford the same right to the UTU. This was driven solely by the crew consist arrangements.

The Board does not find merit in the Organization contention that consideration may not be given to the agreement that the Carrier entered into with the BLE.

It is evident that the Carrier was seeking to reach agreement with the Organization on terms that it stated in correspondence of record would constitute "a similar arrangement" with that arrived at with the BLE. Here, it is noted that the Carrier letter of October 31, 2001 to the General Chairpersons of the Organization stated that the scheduled meeting on its notice "will be joint with the Brotherhood of Locomotive Engineers." Further, a Carrier letter of December 10, 2001 to the General Chairpersons of the Organization relative to conferences that had been held on November 28 and 29, 2001, included reference to the Carrier and the BLE having reached a tentative agreement covering the extension of switching limits in the Houston area, the letter stating:

Finally, BNSF and BLE have reached a tentative agreement covering the extension of switching limits in the Houston area. A copy of the initialed agreement is also attached for your reference. I am willing to offer UTU a similar arrangement. However, as with the BLE, there must be a uniform application of one collective bargaining agreement throughout the expanded terminal. Since we are expanding the switching limits of the HB&T Yard and all yard employees in Houston are currently working under the HB&T Schedule, as amended, that revised schedule would apply. Furthermore, please note that while the proposed switching limits have not been changed from those identified in my November 28, 2001 letter, we have in several cases included specific milepost locations.

The record also shows that on December 14, 2001 that General Chairperson Tibbit wrote the following letter to the Carrier General Director—Labor Relations as concerns a stated interest in discussing the same tentative agreement that the Carrier had reached with the BLE:

This will confirm receipt of your December 10, 2001 letter, Certified Mail, Return Receipt Requested #P875-025-348 concerning switching limits at Houston, TX.

This will also confirm our telephone conference the morning of December 11, wherein I informed you that I would be interested in discussing with you the same agreement that was tentatively reached between the carrier and the Brotherhood of Locomotive Engineers. You advised me at that time that you would have to have one yard agreement in place and that would be the former Houston Belt & Terminal agreement.

I informed you that I would contact the other involved parties and get back with you. By copy of this letter, I am informing those parties.

Pursuant to Article II(a) of the May 13, 1971 BLE National Agreement the failure to reach agreement on extending the switching limits in the Houston area was submitted to arbitration, namely, Public Law Board No. 6524, with Robert M. O'Brien as the chair and neutral member.

PLB No. 6524 held that the tentative agreement that failed ratification should be adopted. At the same time, PLB No. 6524 rejected Carrier argument that certain provisions of the tentative agreement that are not normally included in the extension of switching limit agreements not be imposed by reason of the delay that the Carrier sustained in extending the Houston switching limits. PLB No. 6524 said that the tentative agreement that failed ratification struck a fair balance between the efficiency and economy which the Carrier will achieve by extending the switching limits at Houston and the rights of engineers working in the Terminal.

In the light of the above considerations and overall study of the voluminous record, the Board finds that the Carrier has shown that its request to extend switching limits at the Houston Terminal is properly within the meaning and intent of the authority granted under Article VI of the 1972 UTU National Agreement. The Carrier has shown that the requested extension of switching limits will permit it to provide more adequate and efficient switching service to current and potential customers in the Houston Terminal area. It will also permit the Carrier to remain competitive with the Union Pacific (UP) and changes resultant from merger of the UP with the Southern Pacific (SP) that have provided the UPSP a significant presence in the Houston Terminal area. As the Carrier has shown and states: "This [extension of switching limits] shall be accomplished by offering more regular and frequent service; by increasing the velocity of its trains; by being able to offer competitive rates to its customers and finally by encouraging further industrial development in the vicinity of the Gulf Ports."

As held in the awards of prior arbitration boards in disputes involving the interpretation and application of the 1972 UTU National Agreement, the fact that the extension of switching limits allows a carrier to replace road crews with yard crews, replace generally more restrictive road rules with generally more flexible yard rules, replace road switchers with yard engines, or give cause for there to no longer be a need to change crews at a given location, are not impediments to the right of a carrier to extend switching limits under the 1972 UTU National Agreement. Clearly, changes in road service rules by reason of an expansion of yard service into former road territory are not to be confused with differences in rules that remain in effect as concerns a separation between road and yard areas that continue unchanged or unaffected by the extension of switching limits.

The Board being of a belief that there is need for a high degree of uniformity of agreement covering employees in train and engine service so as to provide more adequate and efficient switching service to current and potential customers, it will be the decision of the Board that an agreement like that reached by the Carrier and the BLE pursuant to the Carrier notice of October 31, 2001, as amended, and affirmed by PLB No. 6524, be conformed and adopted by the Carrier and the Organization, with, however, the yard agreement of the former HBT to be applicable to the expanded switching area.

The Board makes its determination relative to applicability of the yard agreement of the former HBT in recognition, as stated above, that the 1972 UTU National Agreement contemplates and has been interpreted as intending that a yard agreement be expanded where a carrier exercises its right, as stated in Section 1 of Article VI, "to change existing switching limits where yard crews are employed." It also seems to the Board that notwithstanding any impact that such a decision will have on current crew consist agreements that there will continue to be a need for certain assignments in the expanded switching area to be crewed with more than a conductor/foreman and that an expansion of service should increase rather than decrease employment opportunities.

AWARD:

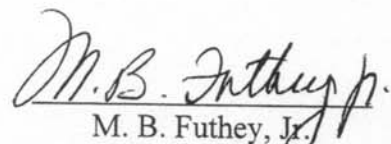
The Question at Issue is answered in the affirmative, subject to the conditions as set forth in the above Findings of the Board.



Robert E. Peterson
Chair & Neutral Member



Gene L. Shire
Carrier Member



M. B. Futhey, Jr.
Organization Member

Fort Worth, TX

Dated: 07-30-02

