

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

Interdivisional service may be established between La Junta and Newton under the following conditions:

1. Interdivisional pool freight Crews will operate between La Junta and Newton.
2. BNSF will determine the ratio of calling home terminal and away-from-home terminal pool freight Crews at La Junta and Newton, dependent upon the needs of the service and Crew availability. The ratio of calling Crews with the same home terminal in comparison to Crews from the other home terminal, at either La Junta or Newton, shall not exceed 5:1, except as provided below.
 - 2.1 In the event of a bona fide emergency, the calling ratio shall not apply
 - 2.2 In the absence of an available away-from-home terminal Crew, more than 5 home terminal Crews may be called.
 - 2.3 If either party to this Agreement is of the opinion that application of the 5:1 ratio creates undue hardship and imbalance, the matter will be discussed between the Local Chairmen and the Crew Superintendent. Failing resolution, the matter may be appealed by the General Chairman to the Assistant Vice President of Labor Relations
3. Except in cases of emergency, Crews in this service shall only lay-off and report for service at the home terminal only.
4. When a pool freight Crew arrives at the home terminal the Crew shall be placed to the bottom of the home terminal board. When a pool freight Crew arrives at the away-from-home terminal, the Crew shall be placed to the bottom of the away-from-home terminal board. These shall be the "inactive" boards.
5. BNSF shall, at 4 a.m., 8 a.m., noon, 4 p.m., 8 p.m., and midnight, "activate" Crews from the "inactive" boards to a so-called "active" board. When Crews are activated, their order of call shall be determined and shall govern the order of Crews called for service. BNSF shall endeavor, to the extent possible, to activate only those number of Crews that BNSF believes are to be used during the following eight-hour period. So-called "cut-in" Crews may be eliminated from the active list at activation time.

- 5.1 It is understood that the Local Chairman and the appropriate Carrier Officer may, by mutual agreement, adjust the activation times specified in this Agreement.
6. When a "cut-in" Crew stands to be called from the active board, rested home terminal Crews in this service shall be offered the opportunity to work the turn. If a turn on the active board accepts the work, the "cut-in" turn shall replace the slot held by the turn accepting the work. If a turn on the inactive board accepts the work, the "cut-in" turn shall be eliminated.
7. BNSF may re-sort activated Crews on the active list, at 7:45 a.m. The intent of this Section is to reduce held away from home terminal time and reduce deadheading. It is not intended that this initiative be used to arbitrarily sort the active boards for other purposes. So-called "cut-in" Crews may be eliminated from the active list during re-sort. It is understood that a Crew may only be re-sorted once before being placed on duty after being placed on the active board. It is further understood that a Crew shall not be "sorted around" after having been activated for 12 hours.
8. Once a Crew is activated at the home terminal, that Crew shall not be subject to receiving a call for service until the expiration of four (4) hours. For example, at locations where the calling time is 1 and ½ hours, a Crew at the home terminal could not have an on-duty time prior to 5 and ½ hours after being activated. This provision shall not apply to Crews at the away-from-home terminal.
9. The active board shall be updated at each activation time by deleting Crews that have been called during the prior four hours and adding Crews being activated.
10. As of 12:01 a.m. each Sunday, UTU Local Chairmen will be provided a status report of trips made by La Junta and Newton Crews during the preceding seven-day period (from the preceding Sunday at 12:01 a.m.).
- 10.1 BNSF will be obligated to obtain a trip equity reflecting 57% of the trips made by La Junta Crews and 43% of the trips made by Newton Crews, plus or minus 4 trips, at any point between 12:01 a.m. on the 12th day and 11:59 p.m. on the 14th day.
- 10.2 If at any point during the 72-hour period from 12:01 a.m. on the 12th day and 11:59 p.m. on the 14th day the trip equity balance is within four trips, no adjustment shall be made to balance the pool. A new balance cycle shall not begin until 12:01 a.m. on the 15th day, or 12:01 a.m. on the third Sunday.

- 10.2.1 When the trip equity balance is within four trips at any point between 12:01 a.m. on the 12th day and 11:59 p.m. on the 14th day of the cycle, the number of trips within the allowable parameter of four shall be carried over to the next balance cycle.
- 10.3 If a balance within four trips cannot be reached at any point during the 72-hour period from 12:01 a.m. on the 12th day and 11:59 p.m. on the 14th day of the cycle, BNSF shall be obligated to balance the trip equity (within four trips) to the home terminal pool with the lesser number of trips realized from the beginning of the balance cycle based on the imbalance as of 11:59 p.m. on the 14th day. This to be accomplished by deadheading or working a sufficient number of Crews working the home terminal pool with the lesser number of trips (who are at either the home terminal or the away-from-home terminal) by 11:59 p.m. of the 14th day.
11. In connection with relieving pool freight crews in this service tied up under the Hours of Service Law, the following will prevail when it is necessary to call a road crew out of the terminal:

WESTBOUND TRAINS

Between Newton and Dodge City including Dodge City the ID pool Crew (in this service) standing first out at Newton will provide hours of service relief.

Between Dodge City and La Junta a Crew from the La Junta extra board will provide hours of service relief.

EASTBOUND TRAINS

Between La Junta and Dodge City, including Dodge City, the ID pool Crew (in this service) standing first out at La Junta will provide hours of service relief.

Between Dodge City and Newton a Crew from the Newton extra board will provide hours of service relief.

- 12 Crews shall be allowed the run-through meal allowance currently provided under existing Agreements.
13. Pool freight Crews called for and departing the terminal in this service will be allowed the mileage terminal to terminal, except when the service is interrupted by an emergency such as flood, washout, derailment, and the Crew is returned to the originating terminal. In that event, the Crew, after securing full legal rest, will be placed first-out over all others with the same Subdivided Seniority District, being given first consideration for deadhead to the home terminal. It is further understood that payment of all district miles terminal to terminal does not apply to Crews called for a

deadhead separate from service, nor does this modify the current call and release rule.

- 13.1 The provision contemplated by this Section are not intended to, nor do they, modify the deadhead compensation provisions contained under Article X of the 1990 Crew Consist Modification Agreement in effect on the Eastern and Western Lines.
14. Crews governed by the terms of this Agreement shall receive continuous held away from home terminal pay upon expiration of 16 hours after being relieved from duty at the away-from-home terminal until placed on duty for service or deadhead at the away-from-home terminal. In the event the Employee is called to deadhead separate from service, the continuous held away from home terminal pay shall cease when the deadhead departs the terminal.
15. To expedite the handling of Crews, BNSF may elect to designate a specific away-from-home terminal Crew to deadhead, and this crew does not necessarily have to be on the active board. Once the Crew is so designated, the Crew will be released to travel back to the home terminal. The "turn" will remain at the away-from-home terminal and be handled in accordance with the terms and conditions of this Agreement.
16. All miles run in excess of the miles encompassed in the basic day shall be paid for at a rate calculated by dividing the basic daily rate of pay in effect on October 31, 1985 by the number of miles encompassed in the basic day as of that date (subject to the application of Article I, Section 8 of Award of Arbitration Board No. 559). Car scale and weight-on-drivers additives will apply to mileage rates calculated in accordance with this provision.
17. When an Crew is required to report for duty or is relieved from duty at a point other than the on and off duty points fixed for the service established hereunder, BNSF shall authorize and provide suitable transportation for the Crew. Suitable transportation includes BNSF owned or provided passenger carrying motor vehicles or taxi, but excludes other forms of public transportation.
18. Crews shall be allowed a meal allowance, at the rate currently provided under National Agreements, after four hours at the away from home terminal and another allowance after being held an additional eight hours.
19. Disciplinary hearings or investigations involving Crews in this interdivisional service will be held at their home terminal, except when the majority of the principals and witnesses who are to attend live at other locations.

- 20. Crews in this service may advance their vacations so as to coincide with layover days at the home terminal.
- 21. Crews in this service may be moved from one long pool train to another long pool train traveling in the same direction; however, long pool Crews shall not be moved from a long pool train to a short pool train.
- 22. Except as specifically modified herein, all other Agreements and understandings concerning work performed between La Junta and Newton remain in effect.

Signed at Ft. Worth, TX., on August 21, 2000 and effective September 8 2000

FOR THE BURLINGTON NORTHERN
AND SANTA FE RAILWAY CO.:

FOR THE UNITED
TRANSPORTATION UNION:

Mark S. ...
Assistant Vice President Labor Relations

Jim A. Huston
General Chairman

[Signature]
General Director Labor Relations

AGREED TO QUESTIONS AND ANSWERS:

- Q. If the balance between pools were to be "4" at 11:00 p.m. on the eleventh day of the balancing cycle and did not reach "4" at any point between 12:01 a.m. on the 12th day and 11:59 p.m. on the 14th day, while ending up 8 one-way trips out of balance at 11:59 p.m. on the 14th day, what is the obligation of the Carrier?
- A. The Carrier would be obligated to balance the trips in favor of the pool with the lesser number of trips in the amount of 4 one-way trips (8 one-way trips out of balance - 4 one-way trip limit = 4 one-way trips). The new balance cycle will start with 4 one-way trips in favor of the pool with the greater number of trips.
- Q. When the Carrier is obligated to make the trip balance as contemplated by the above Question and Answer, how shall it be accomplished?
- A. The Carrier will call from the pool with the lesser number of one-way trips the required number of Crews from the home terminal and/or away-from-home terminal to deadhead by 11:59 p.m. of the 14th day.
- Q. What is the penalty if the Carrier fails to deadhead the number of Crews required as described above?
- A. The required number of Crews that should have been called to deadhead by 11:59 p.m. of the 14th day will, when going on duty after 11:59 p.m. of the 14th day, be allowed a one-way basic day deadhead (without regard to whether the employee is pre- or post- 85) at the appropriate rate in addition to all other earnings on the trip.
- Q. If the balance of trips between the pools were to be 10 out of balance on the 7th day of the balancing cycle, yet a 4 balance was reached at 9:00 p.m. on the 12th day, while ending up 8 trips out of balance at 11:59 p.m. on the 14th day, what is the obligation of the Carrier?
- A. The Carrier would not be obligated to make any adjustments since a "4" balance was reached between 12:01 a.m. on the 12th day and 11:59 p.m. on the 14th day.
- Q. If at 11:59 p.m. on the 14th day the balance was off by 7 one-way trips between the pools, yet 3 Crews were en route, what is the obligation of the Carrier?
- A. Carrier would not be obligated to make any adjustments, since the 3 Crews en route as of 11:59 p.m. on the 14th day will be counted as having completed their trips for purposes of trip balance, i.e., within 4 one-way trips.

- Q. Will Crews who are on duty but have not departed as of 11:59 p.m. on the 14th day be counted in the trip balance?
- A. Yes.
- Q. How will Crews overtaken by the Hours of Service Law be treated with respect to trip balance?
- A. Crews in this service overtaken by the Hours of Service Law will be credited with the entire one-way trip for balancing purposes. Likewise, a Crew in this service properly utilized to perform Hours of Service relief will be credited with an entire one-way trip for balancing purposes.
- Q. What if there is an involuntary service interruption affecting this pool between 12:01 a.m. on the 8th day and 11:59 p.m. of the 14th day of the balancing cycle?
- A. The Carrier will attempt to balance the trips at some point between 12:01 a.m. on the 12th day and 11:59 p.m. on the 14th day. However, if conditions were such that a trip balance of "4" cannot be obtained between 12:01 a.m. on the 12th day and 11:59 p.m. on the 14th day as a result of the service interruption, the Carrier will not be responsible for balancing trips between the pools for that particular cycle; however, the imbalance will be carried over to the next balancing cycle.
- Q. If a trip balance of "4" is obtained on the 12th or 13th day of the cycle, when does a new cycle begin?
- A. Regardless of when a "4" balance is reached between 12:01 a.m. on the 12th day or 11:59 p.m. on the 14th day, a new balance cycle begins at 12:01 a.m. on the 15th day, or every third Sunday at 12:01 a.m.
- Q. Will any trips incurred as a result of work/wreck trains be utilized for trip balancing purposes?
- A. No, only trips incurred in ID freight service will be included in trip balance.

SIDE LETTER NO. 1


Dear Mr. Huston,

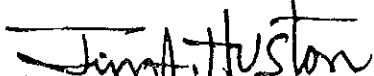
This is in reference to Agreement signed this date establishing Interdivisional Service between La Junta and Newton. Section 2 of the Agreement states, in part, "The ratio of calling Crews with the same home terminal in comparison to Crews from the other home terminal, at either La Junta and Newton, shall not exceed 5:1, except as provided below." We agreed that because of the anticipated size of the pool that a 3:1 limit may well be more appropriate.

Therefore, it is understood that when this Agreement is made effective, the Carrier shall not exceed a 3:1 ratio of calling Crews with the same home terminal. If it appears, at any time, that this understanding becomes difficult to adhere to, upon 10-days written notice, one party upon the other, the 3:1 ratio provided pursuant to this Side Letter shall be extinguished, the 5:1 ratio contained in Section 2 shall be reinstated, with further changes to be accomplished, if necessary, pursuant to the provisions of Section 2.3 of this Agreement.

Sincerely,

Agreed:


General Director Labor Relations


General Chairman

SIDE LETTER NO. 2

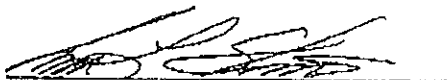
Dear Mr. Huston,

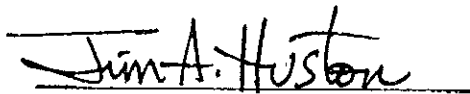
This is in reference to Agreement signed this date establishing Interdivisional Service between La Junta and Newton.

An Employee who has deadheaded separate from service from the home terminal to the away-from-home terminal, or vice versa, may make request upon arrival at the home terminal to be placed first out, or advanced five turns, whichever is less, on the inactive board after rest. The request will indicate the Crew/turn that he/she follows. No claim for runaround or mishandling will be allowed when an Employee is advanced in accordance with the provisions of this Side Letter.

Sincerely,

Agreed:


General Director Labor Relations


General Chairman