

LETTER OF INTENT NO. 2

Between

The Burlington Northern Santa Fe Railway Company (BNSF)

And

International Association of Machinists and Aerospace Workers (IAMAW)

In 2014, BNSF and the IAMAW established a proficiency-based approach to training our machinists in the unique skills required of a successful locomotive journeyman machinist. Then, in February 2019, the parties completed “Letter of Intent No. 1” which sets forth general expectations regarding the proficiency program. This Letter of Intent will further supplement the proficiency agreement, providing for the establishment of a differential for machinist mentors and a one-time incentive for apprentices who complete all aspects of journeyman testing (both written and practical) within one year of beginning their apprenticeship.

I. Machinist Mentor Differential

In order to enhance the machinist proficiency program, it is understood that journeyman machinists may be selected to act as Machinist Mentors. The core duties and responsibilities of a machinist mentor will be to provide instruction and guidance to apprentices as they progress through the apprenticeship program. In addition, Machinist Mentors will provide instruction and guidance to new hire journeymen for up to 90 days after a new hire begins work on the property, or until the new hire employee holds a bid position.

Machinist mentors will be expected to demonstrate safe and efficient work practices and to help prepare apprentices for the successful completion of all aspects of proficiency testing. The machinist mentor will further be expected to provide formal documented feedback regarding an apprentice’s progress, including areas where an apprentice has demonstrated competent performance and areas where the apprentice needs improvement.

Employees acting as mentors will receive a \$0.50 differential for all services performed in a mentor capacity. This differential will be subject to the rules and requirements for skill differentials as set forth under Rule 56 of the September 1, 2013 Agreement and the 1992 National Agreement.

The number of mentors at each location will be determined by management based on the specific training requirements of the location. The Local Chairman or General Chairman and local management will work together on the training requirements the Mentor would be responsible to handle. It is understood that at some outlying locations, no mentors may be required.

For purposes of implementation, at locations where mentors are established, each location will select a list of journeyman machinists who will be eligible to act as mentors. An advertisement will be posted at each location, indicating the number of mentors needed, along with general expectations and requirements of a mentor. Employees will have seven days to submit a written request to be considered for the mentor position, and such request will be submitted to the Superintendent, Local Chairman or General Chairman, and workforce management. The most

qualified candidate(s) will be selected by the Machinist Local Chairman and the Superintendent, after considering qualifications, work history, aptitude, and discipline history. If the Local Chairman and the Superintendent are unable to agree, then the General Chairman and AVP/CMO Mechanical, or their designees, will select the mentor(s).

If a machinist designated as a mentor is not meeting the expectations of a mentor, the local chairman and superintendent will meet to discuss training opportunities and issues that need to be addressed. If, after coaching and counseling, expectations are still not met, the employee may be disqualified as a mentor. The Carrier will provide notification to the employee and the General Chairman of such disqualification, along with the reasons for the disqualification.

II. One-time Incentive

Apprentices who complete all aspects of proficiency testing (both written and practical) within one year of beginning their apprenticeship will receive a one-time incentive bonus payment of \$1,000.00. This bonus payment will be taxed at the applicable IRS rate for bonus payments.

As set forth in Letter of Intent No. 1 of the Machinist Proficiency Agreement, apprentices who complete all aspects of journeyman testing within six months of commencing their apprenticeship may remain assigned to a journeyman until reaching six months of service, at which time they will be placed on the Journeyman Seniority Roster. Apprentices who complete Machinist Journeyman testing within their first six months will receive the full journeyman's hourly rate of pay for the remainder of their apprenticeship.

III. Waiting Period for Re-Test and Disqualification

The February 2019 "Letter of Intent No. 1" requires apprentices who do not pass the written proficiency exam to wait three months before retaking the test. The parties agree to amend that requirement through this agreement, so that apprentices who do not pass the written proficiency exam, must now wait 30 calendar days before retaking the test.

If an apprentice fails the written proficiency exam three times, the apprentice will be considered to have insufficient aptitude to learn the trade and will be disqualified as an apprentice.

IV. Cancellation Clause

Upon a 30-day advance written notice, this Agreement may be canceled by either party. During such advance notice period, the parties will meet in an attempt to resolve the issue involved. Failure to resolve such issues within 30 days shall result in the termination of this Agreement unless otherwise mutually agreed.

It is mutually understood and agreed that this Agreement and its application are made without prejudice to either party's contentions concerning the application of the agreement rules and that this proposal, or its application or acceptance thereof, will not be referred to as a precedent by either party under any circumstances.

This Agreement shall be effective September 1, 2023.

FOR:

INTERNATIONAL ASSOCIATION OF
OF MACHINISTS AND AEROSPACE
WORKERS

Kenneth Krause

Kenny Krause
Lead General Chairman – IAMAW

Approved By:

Kyle Loos, IAMAW PDGC
John Denny, GC
Heath Jacobs, GC
Jason Gibbs, GC
Juan Estrada, GC
Josh Cox, GC

FOR:

THE BNSF RAILWAY COMPANY

Derek Cargill

Derek Cargill
General Director - Labor Relations