

A G R E E M E N T

between

**BNSF RAILWAY
COMPANY**

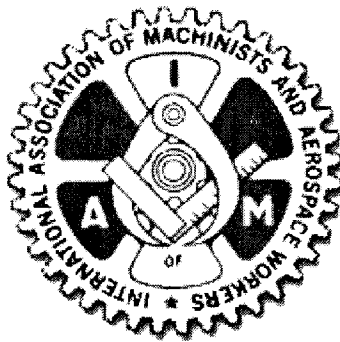
and its employees
represented by

**International Association of
Machinists and Aerospace Workers**

AFL-CIO

This Agreement shall apply to employees of BNSF who perform work outlined herein in the Mechanical Department.

Effective September 1, 2013



FORM LAB

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PREAMBLE

The Welfare of the BNSF Railway and its employees is dependent largely upon the service which the railroad renders the public. Improvements in this service and economy in operating and maintenance expenses are promoted by willing cooperation between the railroad management and its employees. When the groups responsible for better service and greater efficiency share fairly in the benefits which follow their joint efforts, improvements in the conduct and efficiency of the railroad are greatly encouraged. The parties to this Agreement recognize the forgoing principles and agree to be governed by them in their relations.

The parties to this Agreement pledge to comply with Federal and State Laws dealing with nondiscrimination toward any employee. This obligation to not discriminate in employment includes, but is not limited to, placement, upgrading, transfer, demotion, rates of pay or other forms of compensation, selection for training, layoffs, and termination.

Whenever words are used herein in the masculine gender, they shall be construed as though they were also used in the feminine gender in all cases where they would so apply, and the singular form of words shall be read as the plural where appropriate.

GENERAL RULES

Rule 1. HOURS OF SERVICE – BASIS OF PAY

- (a) Eight (8) hours shall constitute a day's work.
- (b) Except as otherwise provided in this Agreement or as may hereafter be established by mutual agreement, all employees shall be paid on the hourly basis.
- (c) The expressions "positions" and "work" used in this Agreement refer to service, duties, or operations necessary to be performed the specified number of days per week, and not to the work week of individual employees.
- (d) The work week for all employees, subject to the exceptions contained in this Agreement, will be forty (40) hours, consisting of five (5) days of eight (8) hours each, with two (2) consecutive days off in each seven (7). The work weeks may be staggered in accordance with the Carrier's operational requirements; so far as practicable the days off shall be Saturday and Sunday. The foregoing work week rule is subject to the provisions of this Agreement.
- (e) On positions the duties of which can reasonably be met in five (5) days, the days off will be Saturday and Sunday.
- (f) Where the nature of the work is such that employees will be needed six (6) days each week, the rest days will be either Saturday and Sunday or Sunday and Monday.
- (g) On positions which have been filled seven (7) days per week any two (2) consecutive days may be the rest days with the presumption in favor of Saturday and Sunday.
- (h) All possible regular relief assignments with five (5) days of work and two (2) consecutive rest days will be established to do the work necessary on rest days of assignments in six (6) or seven (7) days' service or combinations thereof, or to perform relief work on certain days and such types of other work on other days as may be assigned under this Agreement. Where no guarantee rule now exists such relief assignments will not be required to have five (5) days of work per week. The inclusion of the preceding sentence shall be without prejudice to the determination of whether or not a guarantee exists.

Assignments for regular relief positions may on different days include different starting times, duties and work locations for employees of the same class in the same seniority district, provided they take the starting time, duties and work locations of the employee or employees whom they are relieving.

- (i) If in positions or work extending over a period of five (5) days per week, an operational problem arises which the Carrier contends cannot be met under the provisions of paragraph (e) above, and requires that some of such employees work Tuesday to Saturday instead of Monday to Friday, and the employees contend the contrary, and if the parties fail to

agree thereon, then if the Carrier nevertheless puts such assignments into effect, the dispute may be processed as a grievance or claim.

(j) The typical work week is to be one with two (2) consecutive days off, and it is the Carrier's obligation to grant this. Therefore, when an operating problem is met which may affect the consecutiveness of the rest days of positions or assignments covered by paragraphs (f), (g) and (h), the following procedure shall be used:

(1) All possible regular relief positions shall be established pursuant to paragraph (h).

(2) Possible use of rest days other than Saturday and Sunday, by agreement or in accordance with other provisions of this Agreement.

(3) Efforts will be made by the parties to agree on the accumulation of rest time and the granting of longer consecutive rest periods.

(4) Other suitable or practicable plans which may be suggested by either of the parties shall be considered and efforts made to come to an agreement thereon.

(5) If the foregoing does not solve the problem, then some of the relief or extra men may be given non-consecutive rest days.

(6) If after all the foregoing has been done there still remains service which can only be performed by requiring employees to work in excess of five (5) days per week, the number of regular assignments necessary to avoid this may be made with two non-consecutive days off.

(7) The least desirable solution of the problem would be to work some regular employees on the sixth or seventh days at overtime rates and thus withhold work from additional relief men.

(8) If the parties hereto are in disagreement over the necessity of splitting the rest days on any such assignments, the Carrier may nevertheless put the assignments into effect subject to the right of employees to process the dispute as a grievance or claim. In such proceedings the burden will be on the Carrier to prove that its operational requirements would be impaired if it did not split the rest days in question and that this could be avoided only by working certain employees in excess of five (5) days per week.

(k) To the extent extra or furloughed men may be utilized under applicable agreements or practices, their days off need not be consecutive; however, if they take the assignment of a regular employee they will have as their days off the regular days off of that assignment.

(l) 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 unassigned employees shall mean a period of seven (7) consecutive days starting with Monday.

(m) Where work is required by the Carrier to be performed on a day which is not a part of any assignment, it may be performed by an available unassigned employee who will otherwise not have forty (40) hours of work that week; in all other cases in accordance with the appropriate overtime agreement.

NOTE: The inclusion in paragraphs (l) and (m) of this Rule 1 of the words "unassigned employees" shall be without prejudice to the determination of whether or not unassigned employees may be utilized under existing agreements and practices.

(n) The Carrier shall designate the headquarters point for each relief assignment, which shall be changed only after reasonable written notice to the employee affected.

(o) If time consumed in actual travel, including waiting time en route from the headquarters point to the work location, together with necessary time spent waiting for an employee's shift to start exceeds one hour and thirty minutes, or if on completion of his shift necessary time spent waiting for transportation plus the time of travel including waiting time en route necessary to return to his headquarters point or to the next work location, exceeds one hour and thirty minutes, then the excess over one hour and thirty minutes in each case shall be paid for as working time at the straight-time rate of the job to which traveled.

(p) Where an employee is required to travel from his headquarters point to another point outside the environs of the city or town in which his headquarters point is located, the Carrier will either provide transportation without charge or reimburse the employee for such transportation cost. ("Transportation" means travel by rail, bus or private automobile and "transportation cost" means the established passenger fare or automobile mileage allowance where automobile is used.)

(q) When such employees are unable to return to their headquarters on any day they shall be entitled, in addition to the allowances under paragraphs (o) and (p), to reimbursement for actual necessary cost of lodging and meals while away from headquarters in accordance with the provisions of Rule 18(c) of this Agreement. Employees shall not be paid for any hours after their assigned hours unless actually working, or traveling to another work location. Accommodations on a sleeper may be furnished in lieu of the lodging above provided for and time spent on the sleeper will not be considered travel.

(r) It is anticipated that the Carrier will make such relief assignments so as to have, consistent with the requirements of the service and other provisions of the current Agreement, a minimum amount of travel and time away from home for the employees involved and at the request of the General Chairman of the craft involved, the Carrier's representatives will meet to discuss questions that may be raised as to such assignments.

(s) An employee who performs rest day relief service on an assignment covered by other travel time rules in this Agreement will be covered by such rules while on duty in place of the relieved employee, but his travel to and from the headquarters of the relieved employee will be subject to this rule.

(t) Changes in this Rule 1 must be by mutual agreement between the General Chairman of the craft involved and the officer authorized to negotiate revision of the Agreement.

Rule 2. SHIFTS

(a) One Shift

When one shift is employed, the starting time shall not be earlier than 6:00 A.M. nor later than 8:00 A.M. The lunch period shall be within the limits of the fifth and sixth hours and length of the lunch period shall not be less than thirty (30) minutes nor more than one (1) hour, unless otherwise agreed to between the General Chairman of the craft involved and the officer authorized to negotiate revision of Agreement.

This relates to starting time at shop points where but one shift is employed and is not intended to restrict the starting time at other points (such as roundhouses, terminals and car yards, etc.) where service requirements make it necessary to start a single shift of employees at any other hour.

(b) Two Shifts

When two shifts are employed, the starting time of the first shift shall be not earlier than 6:00 A.M. nor later than 8:00 A.M. The starting time of the second shift shall be in accordance with the requirements of the service, but not earlier than the close of the first shift nor later than 10:00 P.M., and all employees thereon shall be assigned to eight (8) consecutive hours and will be allowed twenty (20) minutes to eat during the fifth or sixth hour after going on duty without deduction in pay. It is permissible at roundhouses and car yards to start any portion of the second shift at a later hour than the balance of the shift but not later than 10:00 P.M. This rule shall not apply at any point where there is not a break of two hours or more in the continuity of service of the two shifts.

(c) Three Shifts

Where three shifts are employed, the starting time of the first shift shall be not earlier than 6:00 A.M. nor later than 8:00 A.M.; the second shift not earlier than 2:00 P.M. nor later than 4:00 P.M.; and the third shift not earlier than 10:00 P.M. nor later than 12:00 A.M. midnight. Each shift shall consist of eight (8) consecutive hours including twenty (20) minutes for lunch during the fifth or sixth hour after going on duty with no reduction in pay. It is agreed that three eight hour shifts may be established under the provisions of this rule for the employees necessary to the continuous operation of power houses, millwright gangs, heat treating plants, train yard, running repair and inspection forces without extending the provisions of this rule to the balance of the shop force.

When shift starts at 12:00 A.M. midnight it is understood that this is the third shift of the previous day. For example:

1st Shift, Jan. 1, 8:00 A.M. to 4:00 P.M.

2nd Shift, Jan. 1, 4:00 P.M. to 12:00 A.M. midnight
3rd Shift, Jan. 1, 12:00 A.M. midnight to 8:00 A.M., Jan. 2

Rule 3. MEAL PERIOD, UNIFORM COMMENCING AND QUITTING

(a) The time established for commencing and quitting work for all employees on each shift in either the Car or Locomotive Departments, considered separately, shall be bulletined and shall be the same at the respective points except as provided in Rule 2.

(b) Meal Period

When a meal period is assigned, it shall be not less than thirty (30) minutes, nor more than sixty (60) minutes and shall be given between the beginning and the end of the fifth hour after going on duty, except as may be otherwise arranged by mutual agreement. The time for and the length of the meal period shall be discussed between the Management and the authorized Committee representing employees affected at the Shop, Roundhouse, Yard or point.

(c) Lunch Period

When no meal period is assigned, twenty (20) minutes to eat will be allowed during the same hours (except as provided in Rule 2) without deduction in pay.

(d) Intermittent Service

At outlying points where the service requirement is intermittent, employees may be assigned to work eight (8) hours within a spread of twelve (12) provided there shall be but one interval of release of not less than two (2) hours' duration, exclusive of the meal period. No release and return to duty shall be assigned between ten (10) P.M. and five (5) A.M. Overtime will be paid at the rate of time and one-half for all time worked in excess of eight (8) hours within a spread of twelve (12) hours.

(e) Pay for Working Meal Period

Employees required to work during or any part of the lunch period, shall receive pay for the length of the lunch period regularly taken at point employed at straight time and will be allowed necessary time to procure lunch (not to exceed thirty (30) minutes) without loss of time.

This does not apply where employees are allowed the twenty (20) minutes for lunch without deduction therefor.

Rule 4. OVERTIME PAY - REST DAY SERVICE

(a) Service performed by a regularly assigned hourly or daily rated employee on a rest day of his assignment shall be paid in accordance with the provisions of Rule 7, except as provided in paragraph (b) of this rule.

(b) Service performed by a regularly assigned hourly or daily rated employee on the second rest day of his assignment shall be paid at double the basic straight time rate provided he has worked all the hours of his assignment in that work week and has worked on the first rest day of his work week, except that emergency work paid for under the call rules will not be counted as qualifying service under this rule, nor will it be paid for under the provisions hereof.

Rule 5. OVERTIME PAY - HOLIDAY SERVICE

Work performed by an employee whose shift starts on the following legal holidays - viz., New Year's Day, Presidents' Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, day after Thanksgiving Day, Christmas Eve (the day before the observance of Christmas Day), Christmas Day and New Year's Eve (the day before the observance of New Year's Day), (provided when any of the above holidays fall on Sunday, the day observed by the State, Nation or proclamation shall be considered the holiday), shall be paid for at the rate of time and one-half. Designated holidays shall be considered days of rest, but the Company may direct to work on those days such numbers of men as are needed to fully maintain the service. This rule does not apply to employees paid under the provisions of Rule 11. It is understood that provisions of Rules 7 and 8 apply to such holiday service.

In the Dominion of Canada, the following holidays will be observed in lieu of those above enumerated: New Year's Day, Good Friday, Victoria Day, Canada Day, British Columbia Day, Labor Day, Thanksgiving Day, Remembrance Day, Christmas Eve Day (the day before the observance of Christmas Day), Christmas Day, and Boxing Day.

Rule 6. OVERTIME PAY LIMITS - REST DAY AND HOLIDAY SERVICE

(a) In the application of Rules 4 and 5 it is understood that under no circumstances will an employee be allowed, in addition to his holiday pay, more than one time and one-half or one double time payment for service performed by him on a holiday which is also a work day, a rest day, and/or a vacation day.

(b) An employee notified to work a full shift on his rest days or on holidays, or an employee called to take the place of such employee, will be allowed to complete the shift unless relieved at his own request.

Rule 7. OVERTIME PAY - CONTINUOUS WITH BULLETINED HOURS AND FOR CALL

(a) For continuous service, after regular working hours, employees will be paid time and one-half on the actual minute basis, with a minimum of one (1) hour for forty (40) minutes service or less.

(b) Employees shall not, except in an emergency, be required to work more than two (2) hours overtime without being permitted to go to meals, and such service shall be continuous with the closing hours of the regular shift. Time taken for meals will not terminate the

continuous service period and will be paid for up to the thirty (30) minutes at overtime rate.

It is not optional with an employee to discontinue work at the close of the regular shift, take lunch period and then again return, but he must continue to work through for a period not to exceed two (2) hours continuous with the closing hours of the regular shift without being permitted to go to meals. The exception for working employees in excess of two (2) hours overtime without being permitted to go to meals should be limited to genuine emergencies. Care should also be exercised to see that employees doubled over in the place of another are given the opportunity to obtain something to eat before or at the expiration of two (2) hours after the close of the regular shift. This does not mean that the employee must be permitted to go home if it is impossible to so relieve him, but some means should be provided to give the employee an opportunity to obtain something to eat while on duty without waiting for the regular lunch period of the shift on which he is doubling.

(c) Employees called or required to report for work and reporting, but not used, will be paid a minimum of four (4) hours at straight time rates, except when prevented from working by reasons set out in Rule 29.

(d) Employees called or required to report for work and reporting will be allowed a minimum of four (4) hours for two (2) hours and forty (40) minutes or less, and will be required to do only such work as called for or other emergency work which may have developed after they were called and which cannot be performed by the regular force in time to avoid delays to train movement.

(e) Employees shall be allowed time and one-half on minute basis for services of any class performed continuously in advance of the regular working period with a minimum of one (1) hour for forty (40) minutes service or less - the advance period to be not more than one (1) hour. Otherwise, the advance service to be paid for under paragraph (d) of this rule.

(f) Except as provided for in Rule 9, all time worked beyond sixteen (16) hours of service computed from the starting time of the employees' regular shift shall be paid for at rate of double time until relieved. When employees have been relieved and they desire to work their regular work period such period if worked will be paid for at straight time rates.

(g) Provisions in existing rules which relate to the payment of daily overtime shall remain unchanged. Work in excess of forty (40) straight-time hours in any work week shall be paid for at one and one-half (1½) times the basic straight-time rate except where such work is performed by an employee due to moving from one assignment to another, or to or from a furloughed list, or where days off are being accumulated under paragraph (j) of Rule 1.

(h) Employees worked more than five days in a work week shall be paid under the provisions of Rule 6, except where such work is performed by an employee due to moving from one assignment to another, or to or from a furloughed list, or where days off are being accumulated under paragraph (j) of Rule 1.

(i) The inclusion in paragraphs (g) and (h) of this rule of the words "or to or from a

furloughed list" shall be without prejudice to the determination of whether or not furloughed employees may be utilized under existing agreements and practices.

(j) There shall be no overtime on overtime; neither shall overtime hours paid for, other than hours not in excess of eight paid for at overtime rates on holidays or for changing shifts, be utilized in computing the 40 hours per week, nor shall time paid for in the nature of arbitraries or special allowances such as attending court, deadheading, travel time, etc., be utilized for this purpose, except when such payments apply during assigned working hours in lieu of pay for such hours, or where such time is now included under existing rules in computations leading to overtime.

(k) Service rendered by an employee on his assigned rest day or days will be paid for under paragraph (d) hereof, except that service rendered by an employee on his assigned rest day or days in filling an assignment which is required to be worked or paid eight hours on such day will be paid for at the overtime rate with a minimum of eight hours, this minimum not to apply where vacancies are not known sufficiently in advance to permit employees to report at the beginning of the shift, in which event they will finish out the hours of the assignment and be paid for the balance of the day at such rate, but not less than is provided under paragraph (d) hereof. Employees will be notified as soon as possible of such vacancies.

(l) This rule does not apply to wrecking service.

RULE 8. DISTRIBUTION OF OVERTIME

(a) When it becomes necessary for employees to work overtime, they shall not be laid off during regular working hours to equalize the time.

NOTE: In the application of Rule 7(f) and Rule 8(a), when an employee is prevented from working his regular shift because of the application of Company policy, the employee will be paid for any portion of his regular assigned shift that the employee is not allowed to work.

(b) Overtime will be distributed to employees on each shift by establishment of an overtime call list on each shift in accordance with their qualifications, and employees thereon will be used for overtime work in such rotation as to equally distribute it among them. Record of overtime worked will be kept and made available to Chairman of the Shop Committee upon request for adjustment of inequalities of distribution.

(c) With respect to rest days immediately preceding or succeeding vacations, the employee must specify in writing prior to such days whether he desires to avail himself of any overtime calls which might arise on either the two days immediately preceding his vacation or the two days succeeding the end of his vacation period, and that such written notification in all cases must be in at least one day prior to the Saturday and Sunday, or other rest days, as the case may be, before the beginning of the vacation period.

(d) When the same number of employees are worked on holidays as are assigned to work that same day of each week, the regularly assigned employees will work the holidays

(observed by State, Nation or by proclamation) falling on that day of the week. In all cases of reduced holiday forces, employees will be called on the basis of being first out on the established call list of the shift involved.

(e) Employees for overtime service will be obtained first by calling the employees on the overtime call list who are on rest days on the shift involved. Additional employees, if needed, will be called first from the overtime list of the preceding shift; and if still more employees are needed, they will be called from the overtime list of the following shift.

(f) The handling of overtime call lists will be the duty of the committees at the various points. At points where committees agree in writing to accept the responsibility of calling employees for overtime service, this will be permitted. When the foreman is designated to call such employees, the committees will be used to verify the fact that an employee called for overtime service cannot be contacted.

(g) If an employee is held over beyond the close of his regular shift to complete the unfinished job at hand, and he is worked two hours and forty minutes or more, the first employee out for overtime on the shift on which the overtime occurs will be paid a like amount of time at the penalty rate. The provisions of this paragraph shall not be used consistently to defeat the intent of equitable distribution of overtime. The two hour and forty minute limitation does not apply to road trips, but overtime so worked will be charged against the employees making such trip.

(h) When it becomes necessary to call a regularly assigned machinist or machinist helper from the overtime call list on the shift involved on his second rest day and such employee is standing first out and would be entitled to payment at double the straight time rate if used for such service, the first out employee on such list who would be entitled to payment at the time and one-half rate for service performed will then be called instead. In the event there is no employee on such list available at the time and one-half rate, the first out employee on such list on his second rest day will then be called for that shift. Should the overtime call list involved become exhausted, the same principle will apply in calling employees from another shift.

Rule 9. EMERGENCY ROAD SERVICE

(a) An employee regularly assigned to work at a shop, engine house, repair track, or inspection point, when called for emergency road work away from such shop, engine house, repair track or inspection point, will be paid from the time ordered to leave home station until his return for all time worked in accordance with the practice at home station, and straight-time rate for all time waiting or traveling, except on his assigned rest days and designated holidays time and one-half will be paid.

(b) If during the time on the road an employee is relieved from duty and permitted to go to bed for five (5) hours or more, regardless of whether within his assigned hours or not, (after starting work at the point to which sent and prior to completion of work), such relief time will not be paid for, provided that in no case shall he be paid for a total of less than eight (8) hours each calendar day, when such irregular service prevents the employee from making his regular

daily hours at home station. Where meals and lodging are not provided by the Company, actual necessary expenses will be allowed.

(c) Employees will be called as nearly as possible one (1) hour before leaving time, and on their return will deliver tools at point designated.

When men return from emergency service on line without tools or leave their tools at station, pay stops at time of train arrival; if required to deliver them to shop, will be paid continuously until that is done.

(d) If required to leave home station during overtime hours, they will be allowed one (1) hour preparatory time at straight-time rate.

(e) Wrecking service will be paid for under this rule except that all time paid for working, waiting or traveling on their assigned rest days and designated holidays, and on other days after the recognized straight-time hours at home station, will be paid for at rate of time and one-half.

The above shall not apply to wrecks or derailments in yard limits. Such service shall be paid for on the basis of straight time rate for straight time hours and overtime rate for overtime hours as provided in Rule 7.

(f) Double time payments as per Rule 7(f) will be paid only for actual work performed. Waiting and traveling in connection with road work will be considered as service for the purpose of determining the beginning point for double time allowance.

(g) Machinists on the former ATSF may be used to perform emergency service on former BN territory provided the work performed is limited to the repair needed or that which is required to move the locomotive to a repair facility, and the location of the locomotive is not closer to a shop employing machinists on the former BN having the time, skills and manpower available to perform the necessary work. Conversely, this same rule applies to machinists on the former BN performing such work on the former ATSF territory. In either case, when such service is performed, Rule 9 will apply.

When an employee is used under Rule 9, the machinist(s) used to perform such emergency work will be paid a twenty-five (25) cent per hour differential in addition to any other skill differential to which the employee may be entitled. This differential will not be included in the rate of pay and will not be subject to general wage increases nor will it be subject to overtime rates.

Rule 10. EMPLOYEES REGULARLY ASSIGNED TO ROAD WORK - PAID ON HOURLY BASIS

(a) Hourly rated employees regularly assigned to road work whose tour of duty is regular and who leave and return to a home station daily (a boarding car, hotel or motel to be considered a home station), shall be paid for continuous time from the time of leaving the home

station to the time they return whether working, waiting or traveling, exclusive of meal period, as follows:

(b) Straight time for all hours traveling or waiting, straight time for work performed during regular hours, and overtime rates for work performed during overtime hours. If for any reason they are unable to return to home station on same day, and can be relieved and permitted to go to bed for five (5) hours or more, such relief time will not be paid for. Under these circumstances, employees will be allowed a day's pay for each day so delayed and allowed actual necessary expenses for meals and lodging if not furnished by the Company.

(c) The starting time is to be not earlier than 6:00 A.M. nor later than 8:00 A.M. Other starting times may be assigned by mutual agreement between the head of the department affected and the General Chairman of the crafts involved.

Rule 11. REGULARLY ASSIGNED ROAD WORK – MONTHLY BASIS

(a) Except as otherwise provided in these rules, employees regularly assigned to perform road work and paid on monthly basis, shall be paid not less than the minimum hourly rate established for the corresponding class of work under the provisions of this agreement, on the basis of three hundred and sixteen and one-half (316½) eight-hour days per calendar year. The monthly wage is arrived at by dividing the total earnings of 2532 hours by twelve; the straight time hourly rate is arrived at by dividing the monthly rate by the number of hours comprehended in such rate; no overtime will be allowed for service in excess of eight hours per day; no time will be deducted unless the employee lays off of his own accord.

(b) Such employees shall be assigned one regular rest day per week, Sunday if possible. Service on such assigned rest day shall be paid for under Rule 7.

(c) Ordinary maintenance or construction work not heretofore required on Sunday will not be required on the sixth day of the work week. Work heretofore required on Sunday may be required on the sixth day of the work week.

(d) Employees covered by this rule may perform any work attaching to their assignments in the performance of maintenance and running repairs. When equipment is sent to shops for general repairs, employees covered by this rule may perform any work of their respective crafts.

(e) When meals and lodging are not furnished by the Company, or when the service requirements make the purchase of meals and lodging necessary while away from home point, employees will be allowed actual necessary expenses.

(f) If it is found that this rule does not produce adequate compensation for certain of these positions by reason of the occupant thereof being required to work excessive hours, the compensation of these positions may be taken up for adjustment.

Rule 12. CHANGING SHIFTS - METHOD OF PAY

(a) Employees changed from one shift to another will be paid overtime rates for the first shift of each change. Employees working two shifts or more on a new shift shall be considered transferred. This will not apply when shifts are changed in exercise of seniority or to provide vacation relief; neither will it apply to shift changes included in a regular relief assignment. It is understood that relief assignments consisting of different shifts will be kept to a minimum consistent with creating regular relief jobs and avoiding unnecessary travel for relief men.

(b) An employee will be considered as having changed shifts under this rule, and be allowed time and one-half for time worked on the new shift the first day of the change, when he is ordered by his foreman to work a shift other than his own. If he works the new shift two (2) or more days, he will be paid straight time for straight time hours after the first day. If, after having worked two (2) days on a shift other than his own, he is returned to his old shift or any other shift, he will then be paid time and one-half for the first day on such old or other shift.

Employees working a regular shift and required to work on another shift in addition to their own on the same day will be paid for the second shift under overtime rules. This will not apply when shifts are changed in exercise of seniority or to provide vacation relief. Care should be exercised that the overtime is distributed so as to avoid employees working two (2) consecutive shifts other than and in addition to their own.

Rule 13. BULLETINING VACANCIES AND NEW POSITIONS

(a) A vacancy of thirty (30) calendar days or less duration in an established position (as a result of sickness, injuries, transfers and leave of absences) or a new position of thirty (30) calendar days or less duration or the position of a vacationing employee, not filled by a vacation relief employee, may be filled at the Company's discretion without bulletining by transferring the senior qualified employee assigned in the facility where such vacancy or position develops requesting such vacancy or position; and in the absence of any such requests, by the senior furloughed employee available at the point where such vacancy or position develops. Any position vacant for seven (7) calendar days or less may be filled directly from the furloughed list.

(1) If it is necessary to call furloughed employees other than those making requests under Rule 28 for temporary vacancies, it is understood that inability to accept the proffered employment shall not constitute a forfeiture of seniority rights. However, in the restoration of forces, or increase in forces, the provisions of Rule 21(f) shall govern, and shall not be construed as a "temporary vacancy" irrespective of the length of time additional forces may be required.

(2) The employees filling a temporary vacancy when displaced by the regular incumbent of the position which was vacant must return to the position he was holding when he bid in the temporary vacancy. He cannot displace any other employee unless a vacancy has occurred on which he could have exercised seniority if he had remained on the position to which assigned and had not taken the temporary vacancy.

(3) If the employee who caused a temporary vacancy does not return to work for the company, this position will then be bulletined as a permanent vacancy in accordance with the provisions of paragraph (b) of this rule.

(b) A vacancy of more than thirty (30) calendar days duration in an established position or a new position of more than thirty (30) calendar days duration will be promptly bulletined on the seniority district upon which such vacancy or new position occurs. Such bulletin will be of standard form set out in Appendix 2 showing title of position, principal duties and any special qualifications encompassed by such position, headquarters, rate of pay, hours of service and rest days. New positions or vacancies may be placed on bulletin up to a maximum of thirty (30) days in advance of the effective date.

(c) Bulletins issued pursuant to paragraph (b) hereof will be posted for a period of six (6) calendar days and employees desiring such vacancies or positions will file their written applications with the officer whose name appears on the bulletin during the bulletin period, with copy to the Local Chairman at the point where the vacancy or position exists.

(d) Positions or vacancies bulletined pursuant to paragraph (b) hereof will be awarded to the senior qualified applicant within ten (10) calendar days after the bulletin period expires. A standard bulletin as set out in Appendix 2-B will be posted immediately announcing the name of the successful applicant for a bulletined position or vacancy.

(e) In the event there are no applicants for a position or vacancy bulletined pursuant to paragraph (b), if the Carrier does not choose to abolish the position or vacancy, the position or vacancy will be filled in the following order:

- (1) Junior unassigned employee of the craft at the point.
- (2) Senior furloughed employee on the seniority roster.
- (3) Consideration will be given to accept the senior furloughed employee requesting transfer under Rule 16.
- (4) Consideration will be given to accept the senior qualified employee requesting transfer under Rule 15.
- (5) Hire new employee.

(f) An employee awarded a bulletined position or vacancy pursuant to paragraph (d) hereof will be transferred to such position or vacancy within ten (10) calendar days after being awarded such position or vacancy. In the event an employee is not transferred to such vacancy or position within the ten (10) calendar day period, such an employee will be paid at the rate of the position being filled or the rate of the new assignment, whichever is greater, and in addition, will be paid \$6.00 for each working day (which sum will not become a part of the basic rate), commencing with the 11th calendar day after being awarded the position or vacancy, and

continuing until transferred to the position or vacancy awarded by bulletin.

(g) Employees will be given cooperation by the Carrier in qualifying for positions secured in the exercise of seniority. When new jobs are created or permanent vacancies occur in the respective crafts, the senior employee applying shall be given preference in filling such new jobs and permanent vacancies. In event such employee is not disqualified within thirty (30) days because of incompetency, he shall be considered qualified for such position. Likewise, if it becomes apparent that the individual will be unable to qualify, the matter should be brought to the attention of the Committee without awaiting the end of the thirty (30) day period. If disqualified, the provisions of Rule 14 will be followed.

(h) When an employee is awarded a bulletined position, his former position will be considered vacant and will be bulletined in accordance with this rule. Such employee will not be eligible to bid upon the vacancy thus created by him until the position has been filled once by bulletin, except in cases where the employee is displaced from his newly awarded position during the period when his former position is under bulletin, or unless there are no other applicants for the position.

(i) Rearrangement of forces, on the former BN, within a location, which does not involve an increase or decrease in force, will be confined to that location and will not be subject to bulletin on the seniority district, nor will it give any employee at that location the right to exercise displacement outside his own work location or facility. The term "location" as used in this paragraph is intended to cover any facility or group of facilities that are identified as separate seniority points in the seniority districts described in Rule 30.

**Rule 14. EXERCISING SENIORITY UPON RETURN FROM LEAVE OF ABSENCE,
TEMPORARY VACANCY OR TEMPORARY ASSIGNMENT**

(a) An employee returning after leave of absence, sick leave, military service, disability annuity, vacation, temporary assignment or reinstatement which prevented him from bidding (including vacation or other temporary relief service on official or supervisory position) who has been absent from his former position 180 consecutive calendar days or less may resume his former assignment, provided it has not been abolished or taken by a senior employee in the exercise of seniority rights, or may, upon return or within four (4) calendar days after resuming duty on his former position, exercise seniority on any position bulletined during his absence.

(b) An employee whose permanent assignment has been abolished or taken by a senior employee in the exercise of seniority rights, or who has been absent from his former position in excess of 180 consecutive calendar days may, upon return, exercise seniority over any junior employee. The returning employee may displace on a temporary vacancy and upon release therefrom may exercise his seniority over any junior employee. Employees displaced through exercise of seniority under this rule may exercise seniority over any junior employee.

(c) An employee displaced for any reason from a bulletined temporary vacancy, must return to his permanent position. In the event his permanent position has been abolished or assumed by a senior employee through the exercise of displacement rights, he must, upon

returning to duty, exercise his displacement rights on any position occupied by a junior employee.

(d) Employees exercising seniority rights under this rule will do so without expense to the Company and may be assigned to work at the discretion of the management pending the exercise of seniority.

Rule 15. TRANSFERS - EMPLOYEES IN SERVICE

(a) Employees desiring to transfer from one point or district to another with a view of accepting a permanent transfer will make written application to their supervisor at the point or district employed.

Employees accepting a permanent transfer, will, after 30 days, lose their seniority at the point or district they left and their seniority at the point or district to which transferred will begin on the date of their first service.

Employees will not be compelled to accept a permanent transfer to another point or district.

(b) An apprentice, who elects to transfer from point or district of indenture to another point or district under the provisions of this rule will be placed on the apprentice roster at such point or district with his date on the roster as of the day he first performs service at the new point or district in lieu of his original indenture date.

(c) Upon completion of his apprenticeship, such apprentice will be given a seniority date under the provisions of Section (i) of the Apprentice Training Program Agreement (Appendix No. 5), but not earlier than the date he commenced service at the new point or district.

(d) Transfers under this rule will be subject to Carrier approval and without expense to the Carrier.

Rule 16. TRANSFERS - EMPLOYEES IN FURLOUGHED STATUS

(a) While forces are reduced, furloughed men will be given consideration in seniority order for transfer to other points where men are needed, providing they can qualify after reasonable trial to handle the work of the vacant position. An employee will be privileged to return to home point when recalled under the provisions of Rule 21, except that such employee will not be required to accept recall to an advertised temporary vacancy; however, he must be offered the opportunity to do so. If he declines to accept such recall to an advertised temporary vacancy, such rejection must be in writing.

Such employee, if subsequently furloughed at the point to which transferred, will not be permitted to exercise displacement rights on an advertised temporary position previously declined by him.

(b) An employee laid off in reduction of force desiring to secure employment under this rule must notify his supervisor in writing within 7 days of date of notice of reduction which resulted in his furlough.

An employee who fails to request transfer under this rule within the time limit prescribed above may also be given consideration for transfer under this rule, but not prior to acceptance or rejection of such transfer by all employees who make request in accordance with paragraph (a) hereof.

(c) Employees so transferring shall retain seniority at home point or district and be shown on the roster at the point or district to which transferred as of the date of transfer. If recalled to home point or district for a permanent vacancy or new position he shall forfeit seniority at point or district to which transferred unless he elects to remain at that point or district, in which event he will forfeit his home point or district seniority.

(d) An employee who transfers under this rule and who later resigns, while employed at the point or district to which transferred, will lose his home point or district seniority unless his resignation specifies that such resignation affects only the point or district to which transferred.

(e) Relocation benefits described in paragraph (f), below, will be provided to journeymen who are furloughed and who desire to transfer to another location where there is a need for journeymen under this rule or paragraph (e) of the Apprentice Agreement. To qualify for these benefits the employee must make a bona fide relocation of their principle place of residence at least 100 miles (by the closest highway route) from their old headquarters point or district to a new headquarter point or district.

(f) Journeymen relocating under this Rule are to receive:

- (1) Reimbursement of U-Haul costs for moving household goods,
- (2) mileage at the IRS rate for up to two automobiles,
- (3) up to five days off with pay to relocate, and,
- (4) \$1,000 relocation allowance.

Rule 17. FILLING VACANCIES - RATE OF PAY

An employee, except apprentices, temporarily assigned by proper authority to a position covered by this agreement paying a higher rate than the position to which he is regularly assigned for four (4) hours or more in one day, will be allowed the higher rate for the entire day. An employee temporarily assigned to a position paying a higher rate of pay for less than four (4) hours in one day will be paid the higher rate on the minute basis with a minimum of one (1) hour. Except in reduction of force, the rate of an employee will not be reduced when temporarily assigned by proper authority to a lower rated position.

Rule 18. FILLING TEMPORARY VACANCIES, OR TEMPORARY SERVICE, AT OUTSIDE POINTS

(a) Employees sent out to temporarily fill vacancies at an outlying point or shop, or sent out on a temporary transfer to an outlying point or shop, will be paid continuous time from the time ordered to leave home point to time of reporting at point to which sent and straight-time rate for all time waiting or traveling; except on their assigned rest days and designated holidays time and one-half will be paid. If on arrival at the outlying point there is an opportunity to go to bed for five hours or more before starting work, time will not be allowed for such hours.

(b) While at such outside point they will be paid straight time and overtime in accordance with the bulletin hours at that point, and will be guaranteed not less than eight (8) hours for each working day.

(c) Where meals and lodging are not provided by the Company, actual necessary expenses will be allowed.

(d) Time to be allowed for return trip as provided for in paragraph (a) of this rule up to time of arrival at home point.

(e) Double time payments as per Rule 7 will be paid only for actual work performed. Waiting and traveling in connection with road work will be considered as service for the purpose of determining the beginning point for double time allowance.

(f) This rule does not apply to employees on furlough at their home point and permitted to accept temporary employment elsewhere.

Rule 19. FILLING VACANCIES OF FOREMEN

(a) Mechanics in service will be considered for promotion to positions of foremen; the following qualifications to govern;

- (1) Fitness for position,
- (2) Length of service.

(b) Effective January 1, 1988, all employees promoted subsequent thereto to official, supervisory, or excepted positions from crafts or classes represented by IAM shall be required to maintain their IAM membership or pay an appropriate monthly fee, not to exceed monthly union dues, in order to retain and continue to accumulate seniority. A supervisor whose payments are delinquent shall be given a written notice by the appropriate General Chairman of the amount owed and ninety (90) days from the date of such notice to cure the delinquency in order to avoid seniority forfeiture. Employees promoted prior to January 1, 1988, to official, supervisory, or excepted positions from crafts or classes represented by IAM shall retain their current seniority but shall be required to pay regular monthly dues or an appropriate monthly fee, not to exceed monthly union dues, in order to accumulate additional seniority.

(c) An employee involuntarily relieved from an official, supervisory, or excepted position with the Company or an employee who is relieved, voluntarily or otherwise, from an official position with an organization party to this Agreement may within thirty (30) calendar days thereafter return to his former position provided it has not been abolished or a senior employee has not exercised displacement rights thereon or he may exercise his seniority rights over any junior employee assigned to a bulletined position during his absence, provided he has not in the meantime returned to his former position. In the event such an employee's former position has been abolished or a senior employee has exercised displacement rights thereon, such an employee will have the right to exercise seniority as provided in Rule 21.

An employee displaced as a result of the return of an employee under this rule will have the right to exercise seniority as provided in Rule 21.

(d) An employee taken from any craft for assignment to special service will retain his seniority and be considered on leave of absence while performing such special service.

(e) An employee who voluntarily relieves himself from an official, supervisory, or excepted position with the Carrier will only be permitted under this Agreement to accept a vacancy in the seniority district or point in which he maintains seniority which will not result in the furlough of any employee and will not be permitted to displace any employee on the initial move.

Rule 20. SUPERVISORY – TEMPORARY ASSIGNMENT

An employee assigned temporarily to fill a Foreman's position will assume the hours of service applying to such position and will be paid a differential of 20% above his regular hourly rate of pay for all hours worked as a temporary foreman. The employees shall be considered on assignment to special services as provided by Rule 19 which is controlling when a relief supervisor is released from his assignment.

Rule 21. REDUCING HOURS OR FORCE

(a) When it becomes necessary to reduce expenses, forces will be reduced. When forces are reduced, employees will be laid off in reverse order of their seniority, employees remaining in service to take the rate of the job to which assigned. When one or more holidays occur in the assignment of an employee's work week, the work hours for that assignment will be reduced by eight (8) hours for each holiday except for those employees who are given four (4) calendar days advance notice that they will work.

In the event of force reduction which results in an employee not having sufficient seniority to hold a position at the terminal or point where employed (terminal or point as used herein refers to switching limits), such employee may elect to remain in a furloughed status until such time as a vacancy thereat occurs. Employees electing this option under this rule must so signify in writing to the proper Carrier officer and Local Chairman, and will only be permitted to perform relief work under Rule 29 at the terminal or point from which furloughed. During the period of furlough, such employee will not be permitted to bid for vacancies on positions

bulletined under Rule 13, and if not recalled to service at his terminal or point under paragraph (d) of this rule within one (1) year following the date of electing this option, such employee will be required to accept the first open position bulletined under Rule 13(b) on his seniority district, or his seniority will be terminated.

NOTE: Employees who establish seniority after January 2, 1988, are also subject to Rule 30(d).

(b) Not less than five (5) working days' notice will be given before forces are reduced. (See emergency provisions)

(c) Rules, agreements or practices, however established, that require advance notice to employees before temporarily abolishing positions or making temporary force reductions are hereby modified to eliminate any requirement for such notices under emergency conditions, such as flood, snow storm, hurricane, tornado, earthquake, fire or labor dispute other than as covered by paragraph (d) below, provided that such conditions result in suspension of a carrier's operations in whole or in part. It is understood and agreed that such temporary force reductions will be confined solely to those work locations directly affected by any suspension of operations. It is further understood and agreed that notwithstanding the foregoing, any employee who is affected by an emergency force reduction and reports for work for his position without having been previously notified not to report, shall receive four hours' pay at the applicable rate for his position.

(d) Rules, agreements or practices, however established, that require advance notice before positions are temporarily abolished or forces are temporarily reduced are hereby modified so as not to require advance notice where a suspension of a carrier's operations in whole or in part is due to a labor dispute between said carrier and any of its employees.

(e) In reduction of forces, an employee holding seniority rights in more than one classification may revert to a lower class if no longer able to hold service in a higher class, but will be permitted to displace only the youngest man in such class who is junior to him.

(f) Employees laid off in reduction of force must keep their foreman advised of the address at which they may be called back. In restoration of forces, furloughed employees will be called back in the order of their seniority, and if they return to service within fifteen (15) days, they will retain their seniority and, if possible, be restored to their former position. Furloughed employees failing to return to service within fifteen (15) days of notice given to them at their last address will be considered out of service, unless prevented by sickness or disability, in which case they must request leave of absence as per Rule 22 within fifteen (15) days of such notice.

(g) In reduction or restoration of force, list of employees laid off or called back will be furnished Local Committee.

(h) In reduction of force, the ratio of apprentices will be maintained.

(i) The exercising of seniority to displace junior employees, which practice is usually termed "rolling" or "bumping", will be permitted only when existing assignments are cancelled, in which case the employee affected may, within five (5) calendar days, displace any employee

his junior whose position he is qualified to fill. Employees at former BN locations forced to exercise displacement rights at a point other than the one where he last worked will have up to five workdays from the close of the last shift at his old point to mark up at his new point, during which time he will be assigned work at the direction of the foreman.

(j) Employees exercising displacement rights must notify the proper officer. Employees will not be permitted to displace other employees who have started their tour of duty.

Rule 22. LEAVE OF ABSENCE

(a) Where service requirements will permit, employees will on request be granted a leave of absence for a limited time.

(b) An employee who fails to report for duty at the expiration of leave of absence shall be considered out of service, except when failure to report on time is the result of unavoidable delay, the leave will be extended to include such delay.

(c) Except through agreement between the Management and the General Chairman, before the occurrence takes place, employees who secure outside employment while on leave of absence shall be considered out of service and their seniority shall be terminated.

(d) Employees serving on Committee work will, on sufficient notice, be granted leave of absence and such free transportation as is consistent with the regulations of the railroad.

(e) An employee returning to work shall report during the working hours of his regular shift the day previous to his return.

(f) An employee who obtains permission to transfer to another craft or class, whether or not covered by this Agreement, which requires him to give up his seniority in his present craft, shall be considered on leave of absence for the time necessary to complete the probationary period or training program required to qualify for seniority in that craft or class, after which both the leave of absence and seniority in his former craft under this Agreement shall automatically terminate. The transferring employee may return to and exercise seniority in the craft from which he transferred, only upon his involuntary failure to qualify for seniority status in the craft to which he transferred. This paragraph is not intended to apply to promotions under Rule 19.

Rule 23. ABSENCE FROM WORK

An employee desiring to remain away from work will obtain permission from his supervisor. If sickness or other unavoidable cause prevents him from reporting at his regular post of duty, he shall notify his supervisor as promptly as possible.

Rule 24. FAITHFUL SERVICE

Employees who have given long and faithful service to the Company and who have become unable to satisfactorily handle their normal assignments, shall be given consideration for transfer to other work as may be available within their own craft when practical to do so, in

which event they shall be paid the established rate applying to the position to which transferred. This rule is to be applied in cooperation with the Local Committee of the craft involved.

Rule 25. ATTENDING COURT OR INQUEST

(a) Employees taken away from their regular assigned duties on instructions of the Company to attend court, inquest or to appear as witnesses for the Company shall be allowed compensation equal to what would have been earned had such interruption not taken place. Such an employee who works his assignments for the day or any portion thereof and is required by the Company to devote his time to such service outside his regular assigned hours shall be paid, in addition to payment for his assignment, a minimum of three (3) hours for two (2) hours or less actual time required to be in attendance outside his assigned hours, and if in excess of two (2) hours, time and one-half will be allowed on the minute basis. Employees in active service used under this Rule 25 as witnesses for the Company on either of their assigned rest days shall be paid a minimum of three (3) hours for two (2) hours or less actual time required to be in attendance, and if in excess of two (2) hours, time and one-half will be allowed on the minute basis, unless such employee qualifies for double time payment under the provisions of Rule 4(b), on the second rest day he will be paid a minimum of four (4) hours for two (2) hours or less actual time required to be in attendance, and if in excess of two (2) hours double time will be allowed on the minute basis.

(b) Employees used under the provisions of this Rule 25 on any day while on vacation or leave of absence shall be paid a minimum of three (3) hours for two (2) hours or less actual time required to be in attendance, and if in excess of two (2) hours, time and one-half will be allowed on the minute basis.

(c) The words "in attendance" as used in this Rule 25 shall be interpreted as the period extending from the time required to report at court, inquest or as witness, until released therefrom.

(d) Employees used under the provisions of this Rule 25 who are required to travel on instructions of the Company will be paid for such travel time at pro rata rate. Employees shall be furnished transportation and shall be reimbursed for any necessary actual expenses incurred.

(e) Any fees or mileage otherwise accruing to employees used under this Rule 25 shall be assigned to the Company.

(f) Court attendance paid for under this rule will be considered as compensated service for the purpose of determining qualification for holiday pay and will be included in computing days of compensated service for vacation qualifying purposes.

Rule 26. ATTENDING INVESTIGATIONS

(a) Employees shall not be required to lose time from their regular assignments because of being required to attend investigations or report for physical examinations. So far as is possible, investigations shall be conducted during regular working hours.

(b) This rule shall include the duly authorized representative of the employee being investigated and "necessary" witnesses whose presence have been arranged for with their supervisor.

Rule 27. JURY DUTY PAY

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

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

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

(c) No jury duty pay will be allowed for any day as to which the employee is entitled to vacation or holiday pay.

(d) When an employee is excused from railroad service account of jury duty the Carrier shall have the option of determining whether or not the employee's regular position shall be blanked, notwithstanding the provisions of any other rules.

(e) Except as provided in paragraph (f), an employee will not be required to work on his assignment on days on which jury duty: (1) ends within four hours of the start of his assignment; or (2) is scheduled to begin during the hours of his assignment or within four hours of the beginning or ending of his assignment.

(f) On any day that an employee is released from jury duty and four or more hours of his work assignment remain, he will immediately inform his supervisor and report for work if advised to do so.

(g) In the event jury duty is required immediately preceding or following a holiday, the work day (or day, in the case of an other than regularly assigned employee) immediately preceding or following the jury duty day will be considered for the purpose of determining qualification for holiday pay.

Rule 28. USE OF FURLOUGHED EMPLOYEES

(a) The Carrier shall have the right to use furloughed employees to perform relief work on regular positions during absence of regular occupants, provided such employees have

signified in the manner provided in paragraph (b) hereof their desire to be so used. This provision is not intended to supersede rules or practices which permit employees to place themselves on vacancies on preferred positions in their seniority points or districts, it being understood, under these circumstances, that the furloughed employee will be used, if the vacancy is filled, on the last position that is to be filled. This does not supersede rules that require the filling of temporary vacancies. It is also understood that Management retains the right to use the regular employee, under pertinent rules of the agreement, rather than call a furloughed employee.

(b) Furloughed employees desiring to be considered available to perform such relief work will notify the proper officer of the Carrier in writing, with copy to the local chairman, that they will be available and desire to be used for such work. A furloughed employee may withdraw his written notice of willingness to perform such work at any time before being called for such service by giving written notice to that effect to the proper Carrier officer, with copy to the local chairman. If such employee should again desire to be considered available for such service notice to that effect - as outlined hereinabove - must again be given in writing. Furloughed employees who would not at all times be available for such service will not be considered available for relief work under the provisions of this rule.

(c) Furloughed employees who have indicated their desire to participate in such relief work will be called in seniority order for this service.

(d) Employees who are on approved leave of absence will not be considered furloughed employees for the purposes of this rule.

(e) Furloughed employees occupying temporary vacancies and positions shall in no manner be considered to have waived their rights to be called back to a regular assignment when the opportunity therefore arises. However, a furloughed employee occupying a temporary assignment will not acquire bidding rights.

Rule 29. WORK WHEN SHOPS ARE CLOSED

When a shop or department is closed due to a breakdown of machinery, interruption of train service, flood, fire, snowstorm or other Acts of Providence, necessitating the suspension of shop operation, such employees as are required to work will receive straight time for straight time hours, and overtime for overtime hours.

Rule 30. SENIORITY

I. General

(a) Separate seniority lists shall be prepared from the Company's record as of January 1 of each year, and shall be open to protest for a period of 60 days from the date of posting. When evidence is presented by an employee or his representative to the proper officer proving that an error exists in a seniority date, such error shall be corrected. The Company shall furnish the General Chairman with copies of all seniority rosters of employees covered by this Agreement.

(b) Seniority rosters as now established shall continue in effect until changed by mutual agreement between the General Chairman of the craft involved and the officer authorized to negotiate revision of Agreement.

(c) The seniority of each employee shall start from the time he first performs actual service in the craft or class in which employed with the Company. Employees entering service on the same day will be placed on the seniority roster in birth date order, oldest first.

(d) The seniority of any employee whose seniority under this rule is established after January 2, 1988, and who is furloughed for 365 consecutive days will be terminated if such employee has less than three (3) years of seniority. The "365 consecutive days" shall exclude any period during which a furloughed employee receives compensation pursuant to an I.C.C. employee protection order or an employee protection agreement or arrangement.

II. Former ATSF Locations

(a) Seniority of employees **working at former ATSF locations** shall be confined to the point or district in which employed for each of the following classifications, except as otherwise provided herein:

<i>Craft</i>	<i>Classifications</i>
Machinist	Machinists Machinist Helpers Machinist Apprentice

(b) Employees holding seniority in the craft who have been or may hereafter be selected by the Company and transferred to other positions not covered by any labor agreement or in a special, supervisory or official capacity, will retain home point seniority in accordance with Rule 19 (b).

III. Former BN Locations

(a) Seniority of employees **working at former BN locations** shall be confined to the craft, class and seniority district at which employed, subject to the provisions of paragraph 1 (a) of this rule.

(b) Seniority districts will be as follows (Retention of closed points in the seniority district listings is for the sole purpose of showing the points included in the districts as originally constituted.):

(1) **TWIN CITIES DISTRICT:** Includes all seniority points within the territory embraced by the Twin Cities Operating Division, such as:

Minneapolis, MN	Jackson St., St. Paul, MN
Daytons Bluff, MN	Dale St., St. Paul, MN
Minneapolis Jct., MN	Como Shops, St. Paul, MN

Northtown, MN	3rd St., St. Paul, MN
Willmar, MN	Bridal Veil, MN
Litchfield, MN	Mississippi St., St. Paul, MN
Benson, MN	

(2) LAKE DISTRICT: Includes all seniority points within the territory embraced by the Lake Operating Division, such as:

Duluth, MN	Brainerd, MN
Superior, WI	St. Cloud, MN (Shops)
Allouez, WI	Ironton, MN
St. Cloud, MN	Cloquet, MN (Roundhouse)
Range District, MN	

(3) DAKOTA-FARGO DISTRICT: Includes all seniority points within the territory embraced by the Dakota and Fargo Operating Divisions, such as:

East Grand Forks, MN	Staples, MN
Dilworth, MN	Grand Forks, ND
Fargo, ND	Harwood, ND
Sabin, MN	Breckenridge, MN

(4) MINOT-YELLOWSTONE DISTRICT: Includes all seniority points within the territory embraced by the Minot and Yellowstone Operating Divisions, such as:

Minot, ND	Jamestown, ND
Williston, ND	Glendive, MT
Mandan, ND	Bainville, MT

(5) CHICAGO DISTRICT: Includes all seniority points within the territory embraced by the Chicago Operating Division, such as:

Clyde (Cicero), IL	Rockford, IL
14th St., Chicago, IL	Ottawa, IL
Cicero, IL	North LaCrosse, WI
Aurora, IL	Savanna, IL
Eola, IL	Aurora (IL) Shops
Streator, IL	Eola (IL) Reclamation Plant
Rock Falls, IL	Zearing, IL

(6) OTTUMWA DISTRICT: Includes all seniority points within the territory embraced by the Ottumwa Operating Division, such as:

Galesburg, IL	West Burlington (IA) Shops
Peoria, IL	Rock Island, IL
Ottumwa, IA	Barstow, IL
Des Moines, IA	Lewistown, IL
Creston, IA	Burlington, IA

(7) HANNIBAL DISTRICT: Includes all seniority points within the territory embraced by the Hannibal Operating Division, such as:

St. Joseph, MO	St. Louis, MO (Including North St. Louis
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North Kansas City, MO	and East St. Louis)
Hannibal, MO	Brookfield, MO
Centralia, IL	West Quincy, MO
Herrin Jct., IL	Keokuk, IA
Beardstown, IL	Fort Madison, IA

(8) LINCOLN DISTRICT: Includes all seniority points within the territory embraced by the Lincoln Operating Division, such as:

Sioux City, IA	Hastings, NE
Pacific Jct., IA	Wymore, NE
Council Bluffs, IA	Havelock (NE) Shops
Omaha, NE	Havelock (NE) Stores Dept.
Lincoln, NE	Ferry, NE

(9) ALLIANCE DISTRICT: Includes all seniority points within the territory embraced by the Alliance Operating Division, such as:

Alliance, NE	Denver, CO
Edgemont, SD	Sterling, CO
Guernsey, WY	McCook, NE
Casper, WY	Sheridan, WY

(10) ROCKY MOUNTAIN DISTRICT: Includes all seniority points within the territory embraced by the Rocky Mountain Operating Division, such as:

Greybull, WY	Butte, MT
Livingston, MT	Helena, MT
Laurel, MT	Billings, MT
Missoula, MT	

(11) MONTANA DISTRICT: Includes all seniority points within the territory embraced by the Montana Operating Division, such as:

Great Falls, MT	Havre, MT
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(12) SPOKANE DISTRICT: Includes all seniority points within the territory embraced by the Spokane Operating Division, such as:

Whitefish, MT	Spokane-Parkwater, WA	Hauser, ID
Yardley, MT	Ephrata, WA	
Hillyard, WA	Pasco, WA	
Wenatchee, WA	Yakima, WA	
Spokane, WA	Toppenish, WA	

(13) PACIFIC DISTRICT: Includes all seniority points within the territory embraced by the Pacific Operating Division, such as:

Tacoma, WA	King Street Passenger Station
Auburn, WA	Seattle, WA
Everett, WA	Interbay, WA
Cle Elum, WA	Delta, WA
Sumas, WA	Vancouver, BC
Olympia, WA	Hoquiam, WA

Bellingham, WA

South Tacoma Shops, WA

(14) **PORTLAND DISTRICT:** Includes all seniority points within the territory embraced by the Portland Operating Division, such as:

Portland, OR

Vancouver, WA

Klamath Falls, OR

Wishram, WA

Kelso, WA

Eugene, OR

Sweet Home, OR

Albany, OR

(15) **SPRINGFIELD DISTRICT:** Includes all seniority points within the state of Missouri except those points listed on the Hannibal District and North Kansas City, Missouri.

(16) **TEXAS-OKLAHOMA DISTRICT:** Includes all seniority points southwest of Missouri such as:

Tulsa, OK

Oklahoma City, OK

Enid, OK

Paris, TX

Wichita, KS

Sherman, TX

Hugo, OK

Fort Smith, AR

(17) **ALABAMA-TENNESSEE DISTRICT:** Includes all seniority points southeast of Missouri such as:

Memphis, TN

Amory, MS

Birmingham, AL

Mobile, AL

Pensacola, FL

(c) There shall be seniority rosters for mechanics, helpers and apprentices for each of the seniority districts listed above. There will be no separation of seniority for locomotive and car departments. Prior rights heretofore in existence by specific agreement at particular points on any of the individual carriers will be perpetuated at those points.

Rule 31. PAYROLL / DIRECT DEPOSIT

(a) All employees will be paid by direct deposit to the account designated by the employee.

(b) When there is a shortage of one day's pay or more in the pay of an employee, a time certificate will be issued to cover the shortage if requested.

(c) Employees discharged or leaving the service of the company will be paid as promptly as practicable.

Rule 32. SCALE INSPECTORS

(a) New positions or vacancies of 30 calendar days or more, if such vacancy is to be filled, will be filled by selecting, without regard to seniority or territory to which assigned, a machinist capable and qualified to handle the work. Preference shall be given to machinists assigned as Scale Shop Mechanics who have a request on file for such consideration. Employees so selected shall retain rights to return to point from which promoted and exercise craft seniority if relieved due to force reduction or action by the Company.

(b) When a vacancy occurs in a position of Scale Inspector employees then working as Scale Inspectors will be given consideration in filling the vacancy, provided they have on file with the Chief Scale Inspector at Topeka an application indicating that they desire to be considered in filling the vacancy. Such application must be on file when the vacancy occurs and it should show the point at which the applicant desires transfer to when such vacancy occurs. If an application is on file from more than one employee at the time the vacancy occurs, the Carrier will determine which applicant shall be selected.

Rule 33. (Reserved for Future Use)

Rule 34. ASSIGNMENT OF WORK, USE OF SUPERVISORS, AND OUTLYING POINTS

(a) None but mechanics or apprentices regularly employed as such shall do mechanics' work as per the special rules of each craft except foremen at points where no mechanics are employed. However, craft work performed by foremen or other supervisory employees employed on a shift shall not in the aggregate exceed 20 hours a week for one shift, 40 hours a week for two shifts, or 60 hours for all shifts.

If any question arises as to the amount of craft work being performed by supervisory employees, a joint check shall be made at the request of the General Chairmen of the organizations affected. Any disputes over the application of this rule shall be handled as provided hereinafter.

An incumbent supervisor who assumed his present position prior to October 15, 1962, at a point where no mechanic is employed, may be retained in his present position. However, his replacements shall be subject to the preceding paragraphs of this rule.

(b) This rule does not prohibit Foremen in the exercise of their duties to perform work.

(c) This rule does not prohibit stationary engineers or stationary firemen from making minor repairs incidental to the continuous operation or maintenance of stationary power plants.

(d) Helpers assisting mechanics and apprentices will perform such helpers' work as may be assigned to them to the end that they may be fully occupied. Helpers shall in all cases, except as otherwise provided, work under the orders of the mechanic or apprentice, and both

under the direction of the lead man or Foreman.

(e) When the service requirements do not justify the employment of a mechanic in each craft, the mechanic or mechanics on duty will, so far as they are capable, perform the work of any other craft that may be necessary. In the event a question arises as to the practical application of this rule, a joint check shall be made when so requested by the General Chairman.

(f) If and when roadway equipment is sent to mechanical shops for repairs, operators of such machines shall be permitted to direct the making of such repairs.

(g) At points where there is not sufficient work to justify employing a mechanic of each craft, the mechanic or mechanics employed at such points will so far as they are capable of doing so, perform the work of any craft not having a mechanic employed at that point. Any dispute as to whether or not there is sufficient work to justify employing a mechanic of each craft, and any dispute over the designation of the craft to perform the available work shall be handled as follows: At the request of the General Chairman of any craft the parties will undertake a joint check of the work done at the point. If the dispute is not resolved by agreement it shall be handled as hereinafter provided and pending the disposition of the dispute the Carrier may proceed with or continue its designation.

(h) At points where mechanics are employed a foreman may give instructions in the normal performance of his duties.

Rule 35. (Reserved for Future Use)

Rule 36. LEAD WORKMEN

In gangs, not exceeding 12 men, a lead workman may be assigned, who in addition to performing regular work of his class will take the lead and assign and direct the work of other members of the gang. For such service a differential rate of fifty (50) cents will be paid in addition to the established rate for his class.

Rule 37. WELDING

(a) Autogenous or electric welders shall receive twenty-five (25) cents per hour above minimum rate paid mechanics of their respective crafts at point employed.

(b) 1. Except as provided in rules of this Agreement none but mechanics or apprentices in their respective crafts shall perform oxyacetylene or electric welding. Where oxyacetylene or other welding processes are used, each craft shall perform the work which is generally recognized as work belonging to that craft prior to the introduction of such processes, except the use of cutting torch when engaged in wrecking service or the scrapping of equipment or in cutting up scrap.

2. This rule does not preclude mechanics of the respective crafts from using the cutting torch in the performance of regular duties. Work of preparing for welding will be done by a regularly assigned welder.

(c) Employees not regularly assigned to perform welding work but performing such work for four (4) hours or less on any one day will be paid the welder's rate of pay on the hourly basis with a minimum of one (1) hour; for more than four (4) hours in any one day, welder's rate will apply for that day.

(d) The operation of oxygraph machines is recognized as mechanics' work and must be paid for at the full rate of mechanics of the respective crafts in which the process is used.

(e) Flame hardening is to be performed by a mechanic of the craft.

(f) Metal spray process is considered welding under the application of this rule.

(g) There shall be no compounding or pyramiding of the differentials. Any existing differentials for the above listed work that exceed the amounts specified shall be preserved.

Rule 38. GRIEVANCES

(a) All claims or grievances must be presented in writing by or on behalf of the employee involved, to the officer of the Carrier authorized to receive same, within 60 days from the date of the occurrence on which the claim or grievance is based. Should any such claim or grievance be disallowed, the Carrier shall, within 60 days from the date same is filed, notify whoever filed the claim or grievance (the employee or his representative) in writing of the reasons for such disallowance. If not so notified, the claim or grievance shall be allowed as presented, but this shall not be considered as a precedent or waiver of the contentions of the Carrier as to other similar claims or grievances. Only the employee or the duly authorized representative of his craft may handle a grievance.

(b) If a disallowed claim or grievance is to be appealed, such appeal must be in writing and must be taken within 60 days from receipt of notice of disallowance, and the representative of the Carrier shall be notified in writing within that time of the rejection of his decision. Failing to comply with this provision, the matter shall be considered closed, but this shall not be considered as a precedent or waiver of the contentions of the employees as to other similar claims or grievances. It is understood, however, that the parties may, by agreement, at any stage of the handling of a claim or grievance on the property, extend the 60-day period for either a decision or appeal, up to and including the highest officer of the Carrier designated for that purpose.

(c) The requirements outlined in paragraphs (a) and (b), pertaining to appeal by the employee and decision by the Carrier, shall govern in appeals taken to each succeeding officer, except in cases of appeal from the decision of the highest officer designated by the Carrier to handle such disputes. All claims or grievances involved in a decision by the highest designated officer shall be barred unless within 9 months from the date of said officer's decision proceedings are instituted by the employee or his duly authorized representative before the appropriate division of the National Railroad Adjustment Board or a system, group or regional board of adjustment that has been agreed to by the parties hereto as provided in Section 3 Second of the

Railway Labor Act. It is understood, however, that the parties may by agreement in any particular case extend the 9 months' period herein referred to.

(d) A claim may be filed at any time for an alleged continuing violation of any agreement and all rights of the claimant or claimants involved thereby shall, under this rule, be fully protected by the filing of one claim or grievance based thereon as long as such alleged violation, if found to be such, continues. However, no monetary claim shall be allowed retroactively for more than 60 days prior to the filing thereof. With respect to claims and grievances 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.

(e) This rule recognizes the right of representatives of the Organizations, parties hereto, to file and prosecute claims and grievances for and on behalf of the employees they represent.

(f) This Agreement is not intended to deny the right of the employees to use any other lawful action for the settlement of claims or grievances provided such action is instituted within 9 months of the date of the decision of the highest designated officer of the Carrier.

(g) This rule shall not apply to requests for leniency.

(h) All conferences between local officials and Local Committees to be held during regular working hours without loss of time to Committeemen.

(i) Prior to the assertion of grievances as herein provided, and while questions of grievances are pending, there will neither be a shutdown by the employer nor a suspension of work by the employees.

Rule 39. INVESTIGATIONS

(a) An employee in service more than sixty (60) days will not be disciplined or dismissed until after a fair and impartial investigation has been held. Such investigation shall be set promptly to be held not later than thirty (30) days from the date of the occurrence, except that personal conduct cases will be subject to the thirty (30) day limit from the date information is obtained by an officer of the Carrier and except as provided in (b) hereof. (Personal conduct cases have reference to violation of rules involving an individual's conduct such as dishonesty, immorality or vicious actions.)

(b) In the case of an employee who may be held out of service in cases involving serious infraction of rules pending investigation, the investigation shall be held within ten (10) days after date withheld from service. He will be notified at time held out of service of the reason therefor.

(c) The employee(s) alleged to be at fault and his local chairman shall be apprised of the precise charge sufficiently in advance of the time set for the investigation to allow reasonable opportunity to secure the presence of necessary witness(es). Unless conditions or circumstances

warrant other arrangements, efforts will be made to hold the investigation at the city where the employee is headquartered.

(d) A decision shall be rendered within thirty (30) days following the investigation, and written notice of discipline will be given the employee, with copy to local organization's representative.

(e) The employee and the duly authorized representative shall be furnished a copy of the transcript of investigation within thirty (30) days. Employee or his representative will not be denied the right to take a stenographic or tape recording of the investigation.

(f) The investigation provided for herein may be waived by the employee in writing, in the presence of a duly authorized representative.

(g) If it is found that an employee has been unjustly disciplined or dismissed, such discipline shall be set aside and removed from the record. He shall be reinstated with his seniority rights unimpaired, and be compensated for wage loss, if any, suffered by him, resulting from such discipline or suspension, less any amount earned during such period the disciplinary action was in effect.

(h) The provisions of Rule 38 shall be applicable to the filing of claims and to appeals in discipline cases.

(i) The date for holding an investigation may be postponed if mutually agreed to by the Carrier and the employee or his duly authorized representative or upon reasonable notice for good and sufficient cause shown by either the Carrier or the employee.

(j) If investigation is not held or decision rendered within the time limits herein specified, or as extended by agreed to postponement, the charges against the employee shall be considered as having been dismissed.

(k) When an employee is absent from duty without authority for ten (10) days or more, the Company shall address such employee in writing at his last known address, by registered or certified mail, return receipt requested, with copy to the local chairman of the employee's craft involved, notifying him that his seniority and employment have been terminated due to his being absent without proper authority and that he may, within twenty (20) days of the date of such notice, if he so desires, request that he be given an investigation under the provisions of this rule.

If extenuating circumstances occur, such as involved in an accident, hospitalized and unable to recover, coma, or other unavoidable reason, the employee shall have the opportunity to request an investigation after the aforementioned twenty (20) days.

Rule 40. REPRESENTATIVES OF EMPLOYEES

(a) The Carrier recognizes the right of the duly accredited employee representatives, after notifying local management and making arrangements, to come onto Carrier property for a reasonable period of time to investigate complaints or grievances or to confer with Local Chairmen provided that in doing so they will not interfere with the performance of other employees' work.

(b) Committeemen will be granted leave of absence as is consistent with the requirements of the Carrier when delegated to represent other employees.

Rule 41. APPLICANTS FOR EMPLOYMENT

(a) Applicants for employment (individuals not having an employment relationship with the Company) shall be required to furnish information as may be desired to fully satisfy the Company's representatives as to their fitness and competency for employment. Their employment may be terminated without formal investigation by disapproval of application within sixty (60) calendar days after the applicant begins work.

(b) After an employee has been in service for more than sixty (60) calendar days and an investigation develops that he has falsified his application for employment he may be relieved from service by invoking the provisions of Rule 39.

(c) Applicants for employment will be required to pass physical examination by a Company physician.

(d) During the sixty (60) day probationary period the Company shall have the discretion to move the employee to different assignments and/or different shifts for training, qualification, safety, and/or orientation purposes. If the Carrier uses this discretion, the employee will not be considered as working off his assignment.

Rule 42. PHYSICAL EXAMINATIONS

(a) Employees laid off in reduction of force and recalled within six (6) months thereafter will not be required to submit to physical examination upon reentering the service.

(b) Employees promoted to or engaged for positions that require them to distinguish signals or do flagging will be required to pass visual acuity and hearing acuity tests before being assigned to such service.

(c) An employee regularly assigned who is required to take routine periodical physical and/or visual examinations during other than regularly assigned hours or as provided for in Rule 26 will be allowed payment for time consumed in taking such examination at his basic pro rata rate but not to exceed four hours at such rate.

(d) If an employee is withheld from service because of a medical condition as a result of examination by the Carrier's physician, the Organization, upon presentation of a dissenting

opinion and medical documentation to support the dissenting opinion as to the employee's condition by a competent, licensed physician of the employee's choosing, may make written request of his employing officer within fifteen (15) days of the date withheld for a neutral physician to review the withheld employee's case.

(1) In case the employee is unable to obtain a dissenting opinion due to causes beyond his control, such as but not limited to absence of his personal physician, it may be submitted within 30 days provided he submits his written request within the 15-day period prescribed above and indicates the reasons for his inability to concurrently present the dissenting opinion.

(2) The Carrier physician and the employee's physician will select a mutually agreed-upon third evaluator (third physician), who shall be a licensed and board-certified physician specializing in the medical condition that resulted in the employee being withheld or shall be a board-certified occupational medicine physician.

(3) The third physician will review the employee's case from medical records furnished by the parties, and, if considered necessary, will perform an examination of the employee.

(4) The employee will be required to sign an authorization to release information document at the third physician's office such that copies of the examination, tests results, report, and recommendations can be released to both the Carrier and the Organization.

(5) The third physician, after the evaluation, will provide a complete report of his/her findings and recommendations to both the Carrier and the Organization in a reasonable time frame setting forth the employee's condition and the third doctor's opinion as to the employee's fitness to continue service in regular employment.

(6) If the third physician's evaluation concludes that the disqualification was appropriate, the third physician's findings will be considered final and not subject to appeal, except as provided in (9) below.

(7) If the third doctor's evaluation concludes that the employee is fit to return/continue in service, the employee will be returned to service.

(8) The Carrier and the employee will each pay one-half of the fee and expenses of the third physician's evaluation, as well as an ancillary testing performed (x-rays, laboratory tests, etc.).

(9) If the third physician's evaluation concludes that the employee is not fit to return to service and if the employee's condition has subsequently improved, the Organization may request an evaluation by the Carrier's physician after presenting to the Carrier's physician an opinion and medical evidence to support the opinion from a licensed physician specializing in the medical condition that resulted in the employee's being withheld or from a board-certified occupational medicine physician noting that the

employee's condition has improved to the point that the employee is capable returning to service. Such a request will not be made for the first 90 days from the initial disqualification nor more often than once in any 90 day period.

(10) In the event the neutral medical authority concludes that the employee is fit to continue in service in his regular employment, such neutral medical authority shall also render a further opinion as to whether or not such fitness existed at the time the employee was withheld from service. If such further conclusion states that the employee possessed such fitness at the time withheld from service, the employee will be compensated for actual loss of earnings during the period so withheld.

(e) The provisions in Section (d) above are not applicable to new employees with less than sixty (60) days of compensated service, applicants for employment or probationary employees.

Rule 43. CONDITION OF SHOPS

(a) Good drinking water shall be furnished. Sanitary drinking fountains shall be provided where practicable.

(b) Shop floors, lockers, toilets and washrooms available to the employees, shall be kept in good repair and in a clean, dry and sanitary condition, and employees will cooperate to that end.

(c) Shops, locker rooms and washrooms available to the employees, shall be lighted and heated in the best manner possible, consistent with the source of heat and light available at the point.

(d) Diesel locomotive engines started in diesel shops and enclosed areas will be provided with proper ventilation, where practicable.

Rule 44. PROTECTION FOR EMPLOYEES

(a) When it is necessary to make repairs to engines, boilers, tanks and tank cars, such parts insofar as necessary, shall be cleaned before mechanics are required to work on same.

(b) Employees subjected to excessive heat by reason of working in or about hot fire boxes or at furnaces or flange fires, and operators of oxyacetylene welding or cutting torch, and electric welding operators, will be given ample time to dry off before being sent outside in cold weather.

(c) Men engaged in handling storage batteries and mixing acids will be provided with acid-proof rubber gloves, hip boots and aprons.

(d) Crayons, soapstone, tool handles (including claw hammer handles) saw files, motor bits, brace bits, cold chisels, bars, steel wrenches, pipe wrenches 18 inches and over, steel

sledges, hammers (not claw hammers), reamers, drills, dies, lettering and striping pencils, brushes, paint masks and protection rouge will be furnished by the Company.

(e) Work around locomotives and cars where there is a likelihood of the equipment being move, will be properly protected in conformity with safety rules established by the Carrier. The Carrier recognizes the right of the employee to protect himself in all circumstances in conformity with the safety rules.

(f) Except in emergencies, no changes or repairs will be made in electric fixtures in shops and roundhouses other than by employees who are qualified for service of that character. Does not apply to locomotives and other rolling equipment.

(g) All acetylene or electric welding or cutting will be protected by a suitable screen when its use is required.

(h) Employees will not be assigned to jobs where they will be exposed to sandblast and paint sprayers while in operation.

Rule 45. PERSONAL INJURIES

Employees injured while at work will be required to make a written report of the circumstances of the accident just as soon as they are able to do so after receiving medical attention. A copy of such report will be retained by the employee. Proper medical attention shall be given at the earliest possible moment and employees shall be permitted to return to work just as soon as they are able to do so without signing a release, pending final settlement of the case. All claims for personal injuries must be handled with the Personal Injury Claim Department.

Rule 46. POSTING NOTICES

A place will be provided inside all shops and roundhouses where proper notices of interest to employees may be posted by the duly authorized committee, upon approval by the Company.

Rule 47. FURNISHING NECESSARY HELP

Mechanics and apprentices will be furnished sufficient competent help when required.

Rule 48. SCRAPPING OF EQUIPMENT

(a) When stripping or dismantling of locomotives, boilers, tenders, tanks, cars or other machinery for scrapping, such parts as are to be salvaged may be removed by helpers.

(b) This rule does not prohibit dismantling the above mentioned equipment for scrapping by laborers in Mechanical Department, or any class of employees in other departments, or by outside concerns.

(c) This rule does not contemplate payment of differential to the Mechanic under whose direction employees are used for dismantling locomotives and other equipment for the purpose of scrapping when such parts are to be salvaged.

(d) When equipment is dismantled for scrapping by outside concerns, such equipment must be removed from shops or repair tracks and placed on outside tracks away from mechanical facilities.

Rule 49. WORK INCIDENTAL TO ON-LINE RUNNING REPAIRS

(a) On running repairs, mechanics or apprentices of any craft may, in emergency, perform such operations as disconnecting or connecting wiring, coupling or pipe connections when done in connection with the performance of their own work.

(b) Nothing in this Agreement shall be construed to prevent stationary engineers and firemen or engineers, firemen and operators of roadway equipment and machines or pumpers from making minor repairs to equipment they operate incidental to the continuous operation of stationary power plants, roadway equipment and pumping equipment.

(c) The word "emergency" as used in this rule is not to be construed to cover such work as is performed in shops or engine houses or on repair tracks, but refers to "emergencies" that exist at wrecks or intermediate points where engines or cars are passing through, or on outgoing tracks or at terminals to avoid delay.

Rule 50. CHECKING IN AND OUT AND TIME CORRECTIONS

(a) Employees who are required to check in and away from work on their own time will be allowed one minute for each hour of time actually worked.

(b) When time claimed by an employee is not allowed, he will be promptly notified in writing as to correction and reason therefore.

Rule 51. QUALIFICATIONS

Any man who has served an apprenticeship or has had four (4) years' experience at the machinists' trade and who, by his skill and experience, is qualified and capable of laying out and fitting together the metal parts of any machine or locomotive, with or without drawings, and competent to do either sizing, shaping, turning, boring, planing, grinding, finishing or adjusting the metal parts of any machine or locomotive, shall constitute a machinist.

Rule 52. CLASSIFICATION OF WORK

I. Former BN locations – At former BN locations, Machinists' work shall consist of:

(1) Operating machinery, equipment and tools used in turning, boring, drilling (including plain, ratchet, radial and other skilled drilling), reaming, tapping, shaping, polishing, milling, slotting, grinding and laying out of all metals or other materials, including synthetics, of

mechanical equipment or components thereof; fitting, inspecting, adjusting, repairing, building, assembling, aligning, dismantling and maintaining (including removing, repairing, and applying) mechanical equipment or mechanical components of:

- (a) Steam, electric, diesel-electric, gas and diesel hydraulic locomotives; self-propelled wrecker cranes;
 - (b) Roadway machinery and equipment used in the Maintenance of Way Department including removing, repairing, fabricating and applying all components, except when components are made at or sent to other shops and except where performed by Maintenance of Way employees in accordance with Rule 65(c);
 - (c) Generator plants and power houses, shop cranes, internal combustion engines, external combustion engines, air compressors, turbines, mechanical drive mechanisms, blowers, super chargers, turbo-chargers, steam generators, traction motors, pumps, jacks, hoists, elevators, cranes, car retarder mechanisms when sent to mechanical shops, locomotive air brake systems and hydraulic brake systems, fuel injector systems, lubricator systems, automatic train control systems on locomotives, air motors, steam engines, rubber-tired platform equipment, pneumatic tools, mechanical tools, hydraulic tools, electrically operated tools, internal drive systems, turbines used to drive electric generating units or to provide power or propulsion for any purpose; refrigeration compressors, air conditioning compressors and blowers; turntables, transfer tables, drop tables and other machinery;
 - (d) Equipment, components and appurtenances such as, but not limited to, pinions, belt sheaves, mechanical couplings, shafting, governors, speed indicators and recorders, fuel pumps and motors, bells, horns, fans, fan drives, windshield wipers and motors, traction motors, main generators, auxiliary generators, axle-driven alternators and generators, locomotive draft gears and couplers.
- (2) Tool and die making, machine and tool grinding, jig making and metal pattern making for castings.
- (3) Machining by any process, pressing and repairing wheels, axles and bearings; removing and applying wheel sets from locomotives and from power trucks on self-propelled equipment.
- (4) Applying and removing locomotive equipment, components and appurtenances such as main generators, alternators, starter motors, auxiliary generators, traction motors, journal boxes, roller bearing adapter boxes, end caps and adapters for axle driven equipment, blower motors, shop electric motors on shop machinery, cooling fan motors, grab irons, railings, pilot beams, guards, exhaust systems and manifolds.
- (5) Fastening metals together by any method such as, but not limited to, welding, fusing, brazing, metalizing, banding and cutting of metals with such processes as oxyacetylene, electric, thermit, heli-arc, tig, or any other process, on work that is Machinists' work.

(6) Machinists will perform repairs to roadway equipment when such repairs are performed along the line of road, except where performed by Maintenance of Way employees in accordance with Rule 65(c).

(7) Repairing and maintaining automotive equipment when sent to shops and roundhouses where Machinists are employed, except where sent off the property or where performed by Maintenance of Way employees in accordance with Rule 65(c).

(8) Removing, replacing, grinding, bolting and breaking of joints on super heaters.

(9) Repairing hydraulic locks and door checks when removed from cars and sent to shops.

(10) Machinists' work on self-propelled cars, univans, cabooses, passenger cars, business cars and outfit cars when in shops.

(11) Operating all tools and machines used in Magna Fluxing, bearing inspecting, sand blasting, governor testing and load testing in the performance of Machinists' work. It is recognized that Machinist Helpers may operate sand blasting equipment in accordance with Rule 53.

(12) Machinists' work on rail plant, tie plant and reclamation shop equipment.

(13) All other work generally recognized as Machinists' work.

EFFECT OF THIS RULE

It is the intent and purpose of this Rule 52 to identify and preserve work performed by Machinists which has been acquired by agreement or practice, and it will not expand or extend jurisdiction where the work is performed by employees of another craft as of February 1, 1983.

Work generally recognized as Machinists' work omitted from this Rule 52, does not remove it from the jurisdiction of the Machinists' Craft.

II. Former ATSF locations:

At former ATSF locations, Machinists' work shall consist of laying out, fitting, adjusting, shaping, boring, slotting, milling and grinding of metals used in building, assembling, maintaining, dismantling and installing locomotives and engines (operated by steam or other power), pumps, cranes, hoists, elevators, pneumatic and hydraulic tools and machinery, scale building, shafting and other shop machinery, ratchet and other skilled drilling and reaming; tool and die making, tool grinding and machine grinding, axle truing, axle, wheel and tire turning and boring, engine inspecting, air equipment, lubricator and injector work; removing, replacing, grinding, bolting and breaking of all joints on superheaters; oxyacetylene, thermit and electric welding on work generally recognized as machinists' work; the operation of all machines used in such work, including drill presses and bolt threaders using a facing, boring or turning head or

milling apparatus; and all other work generally recognized as machinists' work.

Rule 53. MACHINIST HELPERS

Helpers' work shall consist of helping machinists and apprentices and others of the craft receiving differential rates, operating drill presses, (plain drilling), and bolt threaders not using facing, boring or turning head or milling apparatus, wheel presses on car, engine truck and tender truck wheels, nut tappers and facers, bolt pointing and centering machines, car brass boring machines, twist drill grinders, attending tool room, machinery oiling, locomotive oiling, box packing, applying and removing trailer and engine-truck brasses, assisting in dismantling locomotives and engines for repairs; applying all couplings between engines and tenders; locomotive tender and draft-rigging work except when performed by Carmen; and all other work generally recognized as helpers' work.

Rule 54. MACHINIST - WORK AT WRECKS

(a) In case of wrecks where engines are disabled, machinist and helper, if necessary, shall be furnished transportation to the wreck site. They will work under the direction of the Wreck Foreman.

(b) When locomotives are derailed or damaged, and it is only necessary to remove certain parts to rerail the locomotive or to move it to terminal, such work may be performed by wrecking crews.

Rule 55. INCIDENTAL WORK RULE

(a) The coverage of the Incidental Work Rule is expanded to include all shopcraft employees represented by the IAM and shall read as follows:

Where a shopcraft employee or employees are performing a work assignment, the completion of which calls for the performance of "incidental work" (as hereinafter defined) covered by the classification of work or scope rules of another craft or crafts, such shopcraft employee or employees may be required, so far as they are capable, to perform such incidental work provided it does not comprise a preponderant part of the total amount of work involved in the assignment. Work shall be regarded as "incidental" when it involves the removal and replacing or the disconnecting and connecting of parts and appliances such as wires, piping, covers, shielding and other appurtenances from or near the main work assignment in order to accomplish that assignment, and shall include simple tasks that require neither special training nor special tools. Incidental work shall be considered to comprise a preponderant part of the assignment when the time normally required to accomplish it exceeds the time normally required to accomplish the main work assignment.

In addition to the above, simple tasks may be assigned to any craft employee capable of performing them for a maximum of two hours per shift. Such hours are not to be considered when determining what constitutes a "preponderant part of the assignment."

If there is a dispute as to whether or not work comprises a "preponderant part" of a work

assignment the carrier may nevertheless assign the work as it feels it should be assigned and proceed or continue with the work and assignment in question; however, the Shop Committee may request that the assignment be timed by the parties to determine whether or not the time required to perform the incidental work exceeds the time required to perform the main work assignment. If it does, a claim will be honored by the carrier for the actual time at pro rata rates required to perform the incidental work.

- (b) Nothing in this Rule is intended to restrict any of the existing rights of a carrier.

Rule 56. DIFFERENTIALS FOR MACHINISTS AND HELPERS

(a) At points and on shifts where there are ordinarily fifteen (15) or more engines tested and inspected each month, and machinists are required to swear to Federal reports covering such inspection of machinists' work, a machinist will be assigned to handle this work in connection with other machinists' work and will be allowed a twenty-five (25) cents per hour differential above the minimum rate paid to journeymen machinists at the point employed for each hour actually spent performing the federal inspector work set forth herein.

(b) At points or on shifts where no inspector is assigned and machinists are required to inspect engines and swear to Federal reports covering such inspection of machinists' work, they will be paid a twenty-five (25) cents per hour differential above the minimum rate paid to journeymen machinists at the point employed for each hour actually spent performing the federal inspector work set forth herein.

(c) Existing differentials paid to journeyman machinists for performing welding work shall be increased to twenty-five (25) cents per hour.

(d) Journeymen machinists who perform the work listed below shall receive fifty (50) cents per hour differential above the minimum rate paid to journeymen machinists at the point employed for each hour actually spent performing the work listed.

Classroom Instructor - A machinist designated by carrier to provide classroom instruction;

EMD Turbocharger Room Work - Rebuilding of EMD turbochargers in the designated rebuilding area for turbochargers;

Precision Machine Operators - Operators on precision machines such as the following: wheel truing machines, treadmills, axle lathes, wheel boring mills, engine line boring, traction motor line boring, wheel mounting press, engine lathe. This category does not include machines such as grinders, drill presses, punches, shears, threaders, saws, honing, and the like, hand-held tools or portable machines;

Governor Room Work - Assemble and test mechanical engine governor in the governor room;

Air Room Work - Assemble and test air brake valves in the air room;

Engine Rebuild - Build-up of locomotive diesel engine (out of locomotive car body);

Alignment of the following - Main generators/alternators, Air Compressors (mechanical drive), Auxiliary generators, Fan Drives/Equipment Blowers (mechanical drive);

Gear Trains - Build-up locomotive gear trains.

(e) When performing the above work for four (4) hours or less in any one day, employees will be paid the differential on an hourly basis with a minimum of one (1) hour; for more than four (4) hours in any one day, the differential will apply for that day.

(f) There shall be no compounding or pyramiding of the differentials. Any existing differentials for the above listed work that exceed the amounts specified shall be preserved.

(g) The parties recognize and agree that this Rule and its definitions is limited solely to the matter of skill differentials and this Rule and any actions pursuant to it will not be used by either party in any manner with respect to the interpretation or application of any rule or practice.

(h) Skill Differentials under this rule and their implementation are not intended to disrupt Carrier operations or unnecessarily increase costs. Therefore, the following shall apply:

(1) Implementation of this Rule will not require rebulletining of any existing position.

(2) Application of differentials under this Rule to non-full time assignments in which a differential is paid will not, in and of itself, require the establishment or advertisement of any position.

(3) Employees seeking to qualify and train for work subject to a differential under this Rule will qualify and train on own time for such work. Employees will be given reasonable cooperation from their supervisors to do so.

(4) An employee bidding on an assignment subject to a differential under this Rule must be qualified, or demonstrate qualifications to Carrier on own time, for such assignment before expiration of bid period.

(5) Prior to displacing onto a position subject to a differential under this Rule, an employee must be qualified, or demonstrate qualifications to Carrier on own time. This includes an employee returning from leave of absence, vacation, illness, etc. and seeking to displace onto a position that was bulletined during the employee's absence.

(i) If at any time a local IAM representative believes that there should be adjustments in the application of the differentials, he may contact the appropriate carrier officer and advise him of this matter and any information that supports his position. A Carrier designee will schedule the matter for conference with the IAM representative. The parties will be free to make any adjustments that they jointly deem appropriate.

If the local question concerning the applicability of a skill differential to a position is not resolved between the local IAM representative and appropriate carrier officer the question will be referred to the General Chairman and chief mechanical officer or their respective designees for resolution.

(j) This will confirm our understanding that any of the differentials referenced above that by its terms is payable to a covered employee for each hour actually spent performing the work for which the differential is granted is not payable for any non-working time for which the employee receives remuneration, except as specifically provided herein. Such differential shall be included in vacation pay to any covered employee who is regularly assigned to a position for which that differential is paid for the entire day.

(k) Helpers operating wheel presses on car, engine truck and tender truck wheels, helpers oiling and packing engine truck cellers, trailer boxes and driving boxes, as well as helpers assisting roundhouse engine inspectors, shall be paid six (6) cents per hour above the minimum rate paid helpers at point employed.

Rule 57. BEREAVEMENT LEAVE

In the event of death of a spouse, child, stepchild, parent, stepparent, parent-in-law, grandparent, brother or sister of an employee who has been in service one (1) year or more, such employee will be allowed, not to exceed three (3) working days paid leave to attend the funeral and handle personal matters in connection therewith.

Rule 58. PERSONAL LEAVE

(a) A maximum of two days of personal leave will be provided on the following basis:

Employees who have met the qualifying vacation requirements during eight calendar years under vacation rules in effect on January 1, 1982 shall be entitled to one day of personal leave in subsequent calendar years;

Employees who have met the qualifying vacation requirements during seventeen calendar years under vacation rules in effect on January 1, 1982 shall be entitled to two days of personal leave in subsequent calendar years.

(b) (1) Personal leave days provided in Section (a) may be taken upon 48 hours' advance notice from the employee to the proper carrier officer provided, however, such days may be taken only when consistent with the requirements of the carrier's service. It is not intended that this condition prevent an eligible employee from receiving personal leave days except where the request for leave is so late in a calendar year that service requirements prevent the employee's utilization of any personal leave days before the end of that year.

(2) Personal leave days will be paid for at the regular rate of the employee's position or

the protected rate, whichever is higher.

(3) The personal leave days provided in Section (a) shall be forfeited if not taken during each calendar year. The carrier shall have the option to fill or not fill the position of an employee who is absent on a personal leave day. If the vacant position is filled, the rules of the agreement applicable thereto will apply. The carrier will have the right to distribute work on a position vacated among other employees covered by the agreement with the organization signatory hereto.

Rule 59. UPGRADING

(a) The upgrading or advancement of regular apprentices or helpers to positions of mechanics in their respective crafts as hereinafter provided may be made only when all mechanics in such craft at the point involved are assigned to work not less than forty (40) hours per week (except in a week in which a holiday occurs) and there are no additional qualified mechanics available with which to increase the force.

(b) The upgrading or advancement of regular apprentices and helpers to service as mechanics will be made in the following order:

1. Regular Apprentices in their 5th or 6th period;
2. Helpers with 30 months or more service as helper in the craft in which upgraded;
3. Apprentices in categories (1) above from other points who signify in writing their desire to transfer;
4. Helpers from other points who have 30 months or more helper's seniority and who signify in writing their desire to transfer;
5. Should the above procedure fail to provide a sufficient force to meet the Carrier's service requirements, exceptions to the experience limitations listed above may be made in individual cases by written agreement between the general chairman of the craft involved and the highest designated appeal officer of the Carrier.

Note: The Carrier shall require helpers who have signified a desire to be upgraded to pass a written test developed jointly by the Carrier and the General Committee to determine minimum qualifications. Test results will be available for inspection by the general chairman of the craft involved on reasonable notice and during the day shift.

(c) Initial advancement of regular apprentices and helpers to service as mechanics will be made in seniority order according to their respective classifications as shown on the applicable seniority roster unless the employee is unqualified to perform service in an advanced capacity. The local supervisor and local committee will agree as to unqualified employees, subject to approval of the shop superintendent or master mechanic and general chairman.

(d) Regular apprentices upgraded or advanced under this agreement shall continue to accumulate seniority as apprentices and all time worked as a mechanic will be credited to their apprenticeship time. Upon completion of the apprenticeship time specified in the apprenticeship agreement then in existence, the apprentices advanced in accordance with this agreement will be placed and included on the seniority roster for mechanics in their respective classification either

at the point then employed or at such other point where they are offered and accept employment as a mechanic.

(e) Before being advanced or upgraded to the position of mechanic, the helper must signify in writing his desire to become upgraded and that he will continue to work in an upgraded capacity whenever such work is available to him in accordance with his seniority and this agreement and will accept a seniority date on the mechanics' roster in accordance with applicable seniority rules when he has accumulated 976 days worked in an upgraded capacity. He must further signify in writing that he also understands that should an advanced helper voluntarily relinquish his position after performing 120 days of compensated service in an advanced or upgraded capacity, he shall be considered to have forfeited his helper's seniority rights.

(f) A roster will be established and maintained for helpers and apprentices advanced to service as mechanics denoting the date of initial advancement. This roster shall be used for the downgrading and upgrading of these employees, the assignment of vacations, force reductions, bidding for positions, and for any moves involving service in an advanced capacity. Copy of such roster will be furnished to the local chairman.

(g) If qualified mechanics desiring employment become available at locations where apprentices and helpers are advanced, such qualified mechanics will be employed in preference to advanced helpers and apprentices, subject to the provisions of employment and probationary rules.

(h) Helpers and apprentices advanced under this agreement shall not be advanced for periods of less than thirty (30) days at a time.

(i) Apprentices returning from military service will be permitted to displace junior employees as per the advancement procedures outlined in paragraph (b).

(j) Apprentices transferred from one point to another for additional training will be permitted to displace junior employees as per the advancement procedures outlined in paragraph (b) of this Rule.

(k) In the event a controversy arises with respect to the apprentices outlined in paragraphs (i) and (j) apprentices returning from military service at the home point involved will hold preference over apprentices transferred from another point.

(l) Following satisfactory completion of nine hundred seventy six (976) days worked in an upgraded status an upgraded helper will establish a retroactive journeyman seniority date as a journeyman at the location employed. The retroactive journeyman seniority date will be determined in the same manner as apprentices by adding the days of service the upgraded helper is absent from his regular assignment to the date service commenced as an upgraded helper. The upgraded helper will not be penalized for the purposes of calculating the retroactive days for which he is compensated under the Collective Bargaining Agreement but does not perform mechanic's duties; such as, personal leave day, vacation, holidays, bereavement, jury duty, etc. For example, the helper is first upgraded on May 1, 2000, and upon completion of 976 working days, it is determined that seven (7) actual work days were lost due to the employee's own volition. The retroactive seniority date would be May 10, 2000. In no event will this result in establishment of a journeyman seniority date for the upgraded helper prior to the date

commencing service as an upgraded helper with the Company.

Employees who enter military service or lose time due to National Guard or military reserve training will be granted a retroactive journeyman's seniority date in accordance with legal requirements of applicable veterans' laws.

Notification of the completion of 976 days will be furnished to the mechanic and the Local Chairman establishing the mechanic's journeyman seniority date. The mechanic will have a period of not to exceed thirty (30) calendar days from the date of notification in which to submit a written protest of the determination of the journeyman's seniority date.

Rule 60. JURISDICTIONAL DISPUTES

(a) Any controversies as to craft jurisdiction arising between two or more of the following Organizations: International Association of Machinists and Aerospace Workers; International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers; Sheet Metal Workers International Association; International Brotherhood of Electrical Workers and Brotherhood Railway Carmen of United States and Canada shall first be settled by the contesting Organizations, and existing practices shall be continued without penalty until and when the Carrier has been properly notified and has had reasonable opportunity to reach an understanding with the Organizations involved.

(b) When new methods or new processes are introduced in the performance of work covered by this Agreement and not specifically covered in the special rules of a craft, conference will be held between the General Officers and the General Committee with a view to determine the proper assignment of such work. In the event agreement is not reached management will be permitted to assign employees to perform the work, it being understood that such assignment would in no way establish a precedent or jeopardize the claims of any craft, it being further understood that should agreement later be reached changing the assignment of such work it will not result in any claims against the Carrier.

Rule 61. SERVICE LETTERS

Employees whose applications have been approved and who have been in the service sixty (60) days or longer will upon request, if they leave the service of the Company, be furnished with a service letter showing length of service, and capacity in which employed.

Rule 62. RATES OF PAY

The rates of pay shall be those set out in the current rate sheets in Appendix "1". The rates in Appendix "1" and the differentials provided for in various rules of this Agreement, shall be effective on the date this Agreement is signed wherever they are higher than rates or differentials under existing Schedule Agreements.

Rule 63. PRINTING SCHEDULE AGREEMENT

The Railroad Company will have printed, in book form, copies of this agreement and furnish a copy to each employee affected.

Rule 64. CAPTIONS

It is understood that the captions of rules in this Agreement are for the purpose of identification only and are not to be considered a part of the rules.

Rule 65. EFFECTIVE DATE AND CHANGES

(a) This Agreement shall be effective September 1, 2013, and shall remain in full force and effect until changed or modified as provided herein, or under the provisions of the Railway Labor Act, as amended.

(b) This Agreement supersedes all previous and existing agreements, understandings and interpretations which are in conflict with this Agreement covering employees of the former Great Northern Railway Company; the former Northern Pacific Railway Company; the former Chicago, Burlington & Quincy Railroad Company; the former Pacific Coast Railroad Company; and the former Spokane, Portland & Seattle Railway Company of the craft or class now represented by the organization party to this Agreement. (This paragraph refers to agreements, understandings and interpretations which were in effect prior to April 1, 1970.)

This Agreement supersedes all previous and existing agreements, understandings and interpretations which are in conflict with this Agreement covering employees of the ATSF; Burlington Northern Railroad; the former Colorado and Southern Railway Company; the former Fort Worth and Denver Railway Company; the former Joint Texas Division; and the former Saint Louis-San Francisco Railway Company of the craft or class now represented by the organization party to this Agreement. (This paragraph refers to agreements, understandings and interpretations which were in effect prior to the effective date of this agreement.)

(c) It is the intent of this Agreement to preserve pre-existing rights accruing to employees covered by the Agreement as they existed under similar rules in effect on the ATSF, CB&Q, NP, GN, SP&S, BN, SL&SF, C&S, JTD and FW&D Railroads prior to the date of merger; and shall not operate to extend jurisdiction or Scope Rule coverage to agreements between another organization and one or more of the merging Carriers which were in effect prior to the date of merger.

(d) Nothing in this Agreement is intended to supersede the benefits, rights and obligations of the parties under the September 25, 1964 National Agreement, the Merger Protective Agreement of December 29, 1967, and Merger Implementing Agreement No. 1 dated May 18, 1970, and the Merger Protective Agreement and Implementing Agreement No. 1 dated December 5, 1979.

(e) In printing this Agreement to include applicable parts of the several nationally negotiated agreements and other Memoranda, it is not the intention of the parties signatory hereto to change, or modify, the application and/or interpretation thereto. Should a dispute arise through the omission of, or slight change in, language used in the National Agreement or original memorandum, the original language shall be controlling.

APPENDIX

Excerpts from National Agreements and Memorandums of Agreements have been printed in this Appendix to the General Agreement as a matter of convenience, and it is not the intent of the parties signatory hereto to change or modify the application and/or interpretation thereto. Should a dispute arise through the omission of, or slight change in, language used in the National Agreement or original Memorandum, the original language shall be controlling.

It is understood that in the revision and printing of this Agreement any existing Agreements or Understandings which are not hereafter recorded in this Appendix and have not been superseded, cancelled or modified by the rules of the Agreement effective July 1, 2013, are to continue in effect in the application of the affected Agreement rule or rules, the Article and Section identification of which may differ from the identification used in the Agreement.

SIGNED AT FORT WORTH, TEXAS, September 1, 2013.

ACCEPTED FOR

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS:



Jeff Doerr
President and Directing General Chairman



Dell Babcock
Assistant President and Directing General Chairman



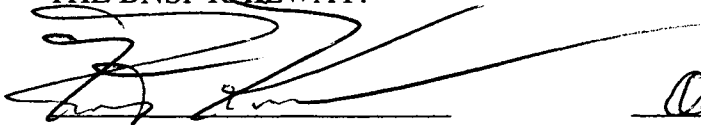
Lisa Carter
General Chairman



Bruce A. Prochniak
General Chairman

FOR:

THE BNSF RAILWAY:



Robert Karov
Assistant Vice President Labor Relations



Ollie Wick
General Director Labor Relations

APPENDIX No. 1

RATE SHEET

**Rates of Pay for Employees Covered by the
Agreement dated January 1, 2013**

(This rate sheet does not include differentials which are based on a set amount per hour above the basic rate.)

Effective
July 1, 2012

Machinists \$27.40

Helper 24.40

Regular Apprentices

1st period of 122 days	23.01	(84% of \$27.40)
2nd period of 122 days	24.11	(88% of \$27.40)
3rd period of 122 days	25.20	(92% of \$27.40)
4th period of 122 days	26.30	(96% of \$27.40)
Thereafter	27.40	(100%)

NOTE: Add 3.6 cents to above rates for all these classes employed at Barstow to Gallup, inclusive.

Traveling Mechanic	5819.44.29
Pro Rata Rate	27.40

Traveling Mechanic	
Pro Rata Rate	7188.8429
See Supplement No. 1,	33.85
Appendices 5, 13, 14 and 16	

Effective January 1, 2000, the Rate Progression Agreement, Article III of the December 18, 1987 National Agreement, will not be applied to employees of BNSF represented by IAM&AW.

Appendix No. 2

PLACE _____
DATE _____
BULLETIN NO. _____

ALL CONCERNED _____ SENIORITY DISTRICT/POINT:

Applications will be received until (time) _____ (date) _____
for the following position:

Title of position: _____

Principal duties/Qualifications: _____

Headquarters _____

Rate of pay _____

Hours of service: _____

Rest days: _____

Please send your written application to _____

and furnish a copy to your Local Chairman at the above indicated point.

SIGNED: _____

TITLE: _____

ADDRESS: _____

APPENDIX 2-B

PLACE _____

DATE _____

BULLETIN NO. _____

ALL CONCERNED:

The following position _____
as advertised by Bulletin No. _____ dated _____ is awarded
to _____.

SIGNED: _____

TITLE: _____

APPENDIX No. 3 (Applies to Former ATSF Employees Only)

(a) Mechanics of the various crafts working in other classifications, for example, a machinist working as a mechanic or a helper of some other craft or in a position covered by the Firemen and Oilers' Agreement, who transferred under the provisions of Section (b) and/or (c) of Memorandum of Agreement No. 4 dated December 18, 1950, on request of the Company from one seniority point or district to another or from one craft to another prior to September 1, 1974, will continue to retain and accumulate previously acquired seniority, subject to the terms of that Memorandum of Agreement.

(b) Employees who on September 1, 1974, remain assigned as Wheel Shop Machinists at Topeka, Kansas, under the provisions of Memorandum of Agreement No. 1, dated January 22, 1946, will continue to be subject to the terms of that Memorandum.

(c) The classification of work rules of the General Agreement shall not change existing practices of handling certain classes of work by Water Service Department Employees, Shop Extension Forces or Shop Forces, it being understood that such work may be continued to be performed by employees of the different classes of either group until and when survey has been made and a definite line of demarcation can be agreed to with the organization involved.

APPENDIX No. 4
Union Shop Agreement

IT IS AGREED:

Section 1. In accordance with and subject to the terms and conditions hereinafter set forth, all employees of the carrier now or hereafter subject to the rules and working conditions agreements between the parties hereto, except as hereinafter provided, shall, as a condition of their continued employment subject to such agreements, become members of the organization party to this agreement representing their craft or class within sixty calendar days of the date they first perform compensated service as such employees after the effective date of this agreement, and thereafter shall maintain membership in such organization; except that such membership shall not be required of any individual until he has performed compensated service on thirty days within a period of twelve consecutive calendar months. Nothing in this agreement shall alter, enlarge or otherwise change the coverage of the present or future rules and working conditions agreements.

Section 2. This agreement shall not apply to employees while occupying positions which are excepted from the bulletining and displacement rules of the individual agreements, but this provision shall not include employees who are subordinate to and report to other employees who are covered by this agreement. However, such excepted employees are free to be members of the organization at their option.

Section 3.(a) Employees who retain seniority under the Rules and Working Conditions Agreements governing their class or craft and who are regularly assigned or transferred to full time employment not covered by such agreements, or who, for a period of thirty days or more, are (1) furloughed on account of force reduction, or (2) on leave of absence, or (3) absent on account of sickness or disability, will not be required to maintain membership as provided in Section 1 of this agreement so long as they remain in such other employment, or furloughed or absent as herein provided, but they may do so at their option. Should such employees return to any service covered by the said Rules and Working Conditions Agreements and continue therein thirty calendar days or more, irrespective of the number of days actually worked during that period they shall, as a condition of their continued employment subject to such agreements, be required to become and remain members of the organization representing their class or craft within thirty-five calendar days from date of their return to such service.

(b) The seniority status and rights of employees furloughed to serve in the Armed Forces or granted leaves of absence to engage in studies under an educational aid program sponsored by the federal government or a state government for the benefit of ex-servicemen shall not be terminated by reason of any of the provisions of this agreement but such employees shall, upon resumption of employment be considered as new employees for the purposes of applying this agreement.

(c) Employees who retain seniority under the rules and working conditions agreements governing their class or craft and who, for reasons other than those specified in subsections (a) and (b) of this section, are not in service covered by such agreements, or leave

such service, will not be required to maintain membership as provided in Section 1 of this agreement so long as they are not in service covered by such agreements, but they may do so at their option. Should such employees return to any service covered by the said rules and working conditions agreements they shall, as a condition of their continued employment, be required, from the date of return to such service, to become and remain members in the organization representing their class or craft.

(d) Employees who retain seniority under the rules and working conditions agreements of their class or craft, who are members of an organization signatory hereto representing that class or craft and who in accordance with the rules and working conditions agreement of that class or craft temporarily perform work in another class of service shall not be required to be members of another organization party hereto whose agreement covers the other class of service until the date the employees hold regularly assigned positions within the scope of the agreement covering such other class of service.

Section 4. Nothing in this agreement shall require an employee to become or to remain a member of the organization if such membership is not available to such employee upon the same terms and conditions as are generally applicable to any other member, or if the membership of such employee is denied or terminated for any reason other than the failure of the employee to tender the periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership. For purposes of this agreement, dues, fees, and assessments, shall be deemed to be "uniformly required" if they are required of all employees in the same status at the same time in the same organizational unit.

Section 5.(a) Each employee covered by the provisions of this agreement shall be considered by the carrier to have met the requirements of the agreement unless and until the carrier is advised to the contrary in writing by the organization. The organization will notify the carrier in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt, of any employee who it is alleged has failed to comply with the terms of this agreement and who the organization therefore claims is not entitled to continue in employment subject to the Rules and Working Conditions Agreement. The form of notice to be used shall be agreed upon by the carrier and the organizations involved and the form shall make provision for specifying the reasons for the allegation of non-compliance. Upon receipt of such notice, the carrier will, within ten calendar days of such receipt, so notify the employee concerned in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt. Copy of such notice to the employee shall be given the organization. An employee so notified who disputes the fact that he has failed to comply with the terms of this agreement, shall within a period of ten calendar days from the date of receipt of such notice, request the carrier in writing by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt, to accord him a hearing. Upon receipt of such request the carrier shall set a date for hearing which shall be held within ten calendar days of the date of receipt of request therefore. Notice of the date set for hearing shall be promptly given the employee in writing with copy to the organization, by Registered Mail, Return Receipt Requested, or by personal delivery evidenced by receipt. A representative of the organization shall attend and participate in the hearing. The receipt by the carrier of a request for a hearing shall operate to stay action on the termination of employment until the hearing is held and the decision of the

carrier is rendered.

In the event the employee concerned does not request a hearing as provided herein, the carrier shall proceed to terminate his seniority and employment under the Rules and Working Conditions Agreement not later than thirty calendar days from receipt of the above described notice from the organization, unless the carrier and the organization agree otherwise in writing.

(b) The carrier shall determine on the basis of the evidence produced at the hearing whether or not the employee has complied with the terms of this agreement and shall render a decision within twenty calendar days from the date that the hearing is closed, and the employee and the organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested.

If the decision is that the employee has not complied with the terms of this agreement, his seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty calendar days of the date of said decision except as hereinafter provided or unless the carrier and the organization agree otherwise in writing.

If the decision is not satisfactory to the employee or to the organization it may be appealed in writing, by Registered Mail, Return Receipt Requested, directly to the highest officer of the carrier designated to handle appeals under this agreement. Such appeals must be received by such officer within ten calendar days of the date of the decision appealed from and shall operate to stay action on the termination of seniority and employment, until the decision on appeal is rendered. The carrier shall promptly notify the other party in writing of any such appeal, by Registered Mail, Return Receipt Requested. The decision on such appeal shall be rendered within twenty calendar days of the date the notice of appeal is received, and the employee and the organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested.

If the decision on such appeal is that the employee has not complied with the terms of this agreement, his seniority and employment under the Rules and Working Conditions Agreement shall be terminated within twenty calendar days of the date of said decision unless selection of a neutral is requested as provided below, or unless the carrier and the organization agree otherwise in writing. The decision on appeal shall be final and binding unless within ten calendar days from the date of the decision the organization or the employee involved requests the selection of a neutral person to decide the dispute as provided in Section 5(c) below. Any request for selection of a neutral person as provided in Section 5(c) below shall operate to stay action on the termination of seniority and employment until not more than ten calendar days from the date decision is rendered by the neutral person.

(c) If within ten calendar days after the date of a decision on appeal by the highest officer of the carrier designated to handle appeals under this agreement the organization or the employee involved requests such highest officer in writing by Registered Mail, Return Receipt Requested, that a neutral be appointed to decide the dispute, a neutral person to act as sole arbitrator to decide the dispute shall be selected by the highest officer of the carrier designated to handle appeals under this agreement or his designated representative, the Chief Executive of the

organization or his designated representative, and the employee involved or his representative. If they are unable to agree upon the selection of a neutral person any one of them may request the Chairman of the National Mediation Board in writing to appoint such neutral. The carrier, the organization and the employee involved shall have the right to appear and present evidence at a hearing before such neutral arbitrator. Any decision by such neutral arbitrator shall be made within thirty calendar days from the date of receipt of the request for his appointment and shall be final and binding upon the parties. The carrier, the employee, and the organization shall be promptly advised thereof in writing by Registered Mail, Return Receipt Requested. If the position of the employee is sustained, the fees, salary and expenses of the neutral arbitrator shall be borne in equal shares by the carrier and the organization; if the employee's position is not sustained, such fees, salary and expenses shall be borne in equal shares by the carrier, the organization and the employee.

(d) The time periods specified in this section may be extended in individual cases by written agreement between the carrier and the organization.

(e) Provisions of investigation and discipline rules contained in the Rules and Working Conditions Agreement between the carrier and the organization will not apply to cases arising under this agreement.

(f) The General Chairman of the organization shall notify the carrier in writing of the title(s) and address(es) of its representatives who are authorized to serve and receive the notices described in this agreement. The carrier shall notify the General Chairman of the organization in writing of the title(s) and address(es) of its representatives who are authorized to receive and serve the notices described in this agreement.

(g) In computing the time periods specified in this agreement, the date on which a notice is received or decision rendered shall not be counted.

Section 6. Other provisions of this agreement to the contrary notwithstanding, the carrier shall not be required to terminate the employment of an employee until such time as a qualified replacement is available. The carrier may not, however, retain such employee in service under the provisions of this section for a period in excess of sixty calendar days from the date of the last decision rendered under the provisions of Section 5, or ninety calendar days from the date of receipt of notice from the organization in cases where the employee does not request a hearing. The employee whose employment is extended under the provisions of this section shall not, during such extension, retain or acquire any seniority rights.

The position will be advertised as vacant under the bulletining rules of the respective agreements but the employee may remain on the position he held at the time of the last decision, or at the date of receipt of notice where no hearing is requested pending the assignment of the successful applicant, unless displaced or unless the position is abolished. The above periods may be extended by agreement between the carrier and the organization involved.

Section 7. An employee whose seniority and employment under the Rules and Working Conditions Agreement is terminated pursuant to the provisions of this agreement or whose

employment is extended under Section 6 shall have no time or money claims by reason thereof.

If the final determination under Section 5 of this agreement is that an employee's seniority and employment in a craft or class shall be terminated, no liability against the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or non-compliance with any part of this agreement shall arise or accrue during the period up to the expiration of the 60 to 90 day periods specified in Section 6, or while such determination may be stayed by a court, or while a discharged employee may be restored to service pursuant to judicial determination. During such period, no provision of any other agreement between the parties hereto shall be used as the basis for a grievance or time or money claim by or on behalf of any employee against the carrier predicated upon any action taken by the carrier in applying or complying with this agreement or upon an alleged violation, misapplication or non-compliance with any provision of this agreement. If the final determination under Section 5 of this agreement is that an employee's employment and seniority shall not be terminated, his continuance in service shall give rise to no liability against the carrier in favor of the organization or other employees based upon an alleged violation, misapplication or non-compliance with any part of this agreement.

Section 8. In the event that seniority and employment under the Rules and Working Conditions Agreement is terminated by the carrier under the provisions of this agreement, and such termination of seniority and employment is subsequently determined to be improper, unlawful, or unenforceable, the organization shall indemnify and save harmless the carrier against any and all liability arising as the result of such improper, unlawful, or unenforceable termination of seniority and employment; Provided, however, that this section shall not apply to any case in which the carrier involved is the plaintiff or the moving party in the action in which the aforesaid determination is made or in which case the carrier acts in collusion with any employee; Provided further, that the aforementioned liability shall not extend to the expense to the carrier in defending suits by employees whose seniority and employment are terminated by the carrier under the provisions of this agreement.

Section 9. An employee whose employment is terminated as a result of non-compliance with the provisions of this agreement shall be regarded as having terminated his employee relationship for vacation purposes.

Section 10.(a) The carrier party to this agreement shall periodically deduct from the wages of employees subject to this agreement periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required as a condition of acquiring or retaining membership in such organization, and shall pay the amount so deducted to such officer of the organization as the organization shall designate: Provided, however, that the requirements of this subsection (a) shall not be effective with respect to any individual employee until he shall have furnished the carrier with a written assignment to the organization of such membership dues, initiation fees and assessments, which assignment shall be revocable in writing after the expiration of one year or upon the termination of this agreement whichever occurs sooner.

(b) The provisions of subsection (a) of this section shall not become effective unless and until the carrier and the organization shall, as a result of further negotiations pursuant to the

recommendations of Emergency Board No. 98, agree upon the terms and conditions under which such provisions shall be applied; such agreement to include, but not be restricted to, the means of making said deductions, the amounts to be deducted, the form, procurement and filing of authorization certificates, the frequency of deductions, the priority of said deductions with other deductions now or hereafter authorized, the payment and distributions of amounts withheld and any other matters pertinent thereto.

Section 11. This agreement shall remain in effect until modified or changed in accordance with the provisions of the Railway Labor Act, as amended.

APPENDIX No. 5

APPRENTICE AGREEMENT

In order to establish a modern training program to ensure an adequate supply of journeymen mechanics qualified for the future requirements of the company, it is agreed that the following rules shall be effective on the date of this Agreement for the apprentices of the craft represented by The International Association of Machinists and Aerospace Workers. Any interpretation, understanding or practice that is in conflict with the provisions of these rules is hereby superseded.

(a) Types of Apprentices and Training Period - There shall be a single class of apprentice, consisting of regular apprentices who shall serve six training periods totaling 732 days.

Employees who entered the BNSF Apprenticeship Training Program who have their names removed from the roster because they have less than three years seniority and they do not perform compensated service for 365 calendar days as set forth in Article V – Termination of Seniority of the 1986 National Agreement who are rehired as apprentices will be credited with those days already spent in the apprenticeship program.

Days on which any apprentice performs four (4) or more hours of service in the craft shall be counted as creditable days toward the completion of his apprenticeship. Overtime shall not be counted. However, paid holidays falling on days of the apprentice's work week, and vacations with pay shall be credited toward the required days of the training period in the same manner as days of work.

(b) Selection - Management shall select candidates for apprenticeship solely on the basis of the applicants' qualifications and applicable laws.

(c) Probationary Period - All apprentices shall be subject to a probationary period of 122 workdays, during which they may be dropped at any time they are determined by the company to show insufficient aptitude or interest to learn the trade. However, when an apprentice is dropped during the probationary period, 5 calendar days notice will be given to the local chairman. Nothing in this paragraph shall be construed as prohibiting an apprentice from being dismissed or dropped for cause from the apprenticeship program, after the probationary period, through the procedures of the rule governing investigations.

(d) Hours of Work – Apprentices in their first period of 122 days will be assigned to either the first or the second shift unless otherwise agreed on by the General Chairman and BNSF. Thereafter, apprentices may be assigned to the same hours, starting time, and work weeks to which mechanics are assigned at the facility in question. However, apprentices shall not be placed on the overtime call list; and they will be used for overtime work only when all available mechanics on the overtime call list have been called.

(e) Ratio - The ratio of apprentices to journeymen shall not exceed 1:3. In computing the number of apprentices that may be employed on a seniority district or at a seniority point, the

number of journeyman machinists employed on that seniority district or at that seniority point shall govern. In the event that forces are increased, after notice to and consultation with the general chairman, and provided that no journeymen meeting BNSF's hiring standards are available, the ratio may be increased to accommodate the number of new employees needed to meet the increased needs of the service and, if necessary, any anticipated attrition. When the number of journeymen meets the force requirements, the ratio shall revert to 1:3.

Apprentices in excess of the 1:3 ratio will be subject to displacement by furloughed BNSF journeymen from other locations or seniority districts on the Burlington Northern and Santa Fe Railway Company system who desire to transfer to their location. BNSF journeymen who desire to transfer under this provision will be eligible for the transfer benefits provided in the Agreement executed contemporaneously with this Agreement.

In the event of force reduction, apprentices shall be furloughed before any journeymen are furloughed.

No apprentice shall be hired and indentured at points where journeyman mechanics of the craft who retain rights to recall have been furloughed as a result of force reduction.

(f) Training and Instruction - The training of apprentices shall consist of a combination of on-the-job training and formal, technical instruction.

(1) On-The-Job Training – A journeyman of the craft shall be available to apprentices working on a shift for necessary consultation, supervision and instruction. Apprentices will be trained at points that have adequate facilities for training the subjects under instruction.

(2) Technical Instruction - Each apprentice will receive and complete a course of instruction on the technical subjects related to his trade, the cost of which shall be paid by the company. This related instruction may include classroom or computer based training (CBT) provided on company property or at outside vocational or trade schools during other than regular working hours or instruction by a combination of these methods. The total amount of related instruction will be at least 144 hours per year during each of the first two years of apprenticeship. The company will pay for the cost of any drawing instruments and supplies that will become the property of the apprentice upon satisfactory completion of technical training. If the training is terminated for any reason prior to completion, the drawing instruments and unused supplies shall be returned to the company in good condition or the cost may be deducted from the employee's wages due. When the company determines that an apprentice has not maintained satisfactory progress on related technical training he may be dropped from the apprenticeship program, which, after the probationary period specified in paragraph (c) above, shall be handled in accordance with the rule governing investigations. The sole question to be investigated is whether or not the apprentice is failing to maintain satisfactory progress as set forth hereafter.

Progress in connection with classroom attendance may be considered unsatisfactory if the

apprentice fails to attend more than one formal, scheduled class. Progress in connection with CBT shall be considered unsatisfactory if the apprentice becomes delinquent in completing lessons and fails to bring them current within 20 days after being put on written notice that his progress is unsatisfactory. An apprentice dismissed from service solely because of unsatisfactory progress in connection with CBT will be reinstated, with seniority and benefits intact, upon completion of all lessons in arrears within 10 calendar days after his dismissal. If not completed within 10 days the dismissal will stand.

Illness or other causes beyond the control of the apprentice will be taken into consideration.

(3) Training Schedule - Apprentices will receive technical instruction and on-the-job training in the relevant aspects of their trade sufficient to enable them to perform their duties in an efficient and workmanlike manner at the point employed. Insofar as practicable, on-the-job training and technical training will be on the same subject at the same time. It is recognized that because the facilities and work vary from point to point and seniority district to seniority district, the training schedules will vary accordingly in order to properly train the apprentice for the work he is most likely to be required to perform as a mechanic. These training schedules are not intended to change classification of work rules or jurisdictional practices. Classroom or CBT technical instruction, either before or after an employee's scheduled shift or on rest days, will be paid at the straight time rate. The Company will not pay for excessive CBT time.

(4) Apprentices in Service – The pay rate of any apprentice who has started his apprenticeship training before the date of this agreement will be adjusted to conform to this agreement.

(g) Temporary Training Assignments - Apprentices may be assigned to training at any other facilities and locations away from their home point for the purpose of improving their training. The apprentice will retain seniority at his home point or district and will not acquire seniority at the point or district to which the temporary training assignment is made. When a required temporary assignment is to a facility more than 30 miles from the apprentice's present facility, a minimum of fifteen (15) calendar days' advance notice will be given, 60 days if the temporary assignment exceeds two weeks. The following special rules will apply (this does not include permanent transfers voluntarily made by the apprentice or temporary transfers allowed at the request of the apprentice and not required by management):

(1) Transportation for the initial trip to the away-from-home point and for the final return trip for the transfer back to home point will be furnished by the Carrier or at the Carrier's option, the Carrier's authorized rate per mile will be paid for the round trip. In addition, for that round trip, the apprentice shall be allowed the straight time hourly rate of pay while traveling during the regular working hours of his regular work week, but time traveling before or after his regular working hours and on rest days shall be paid in accordance with carrier's policy for mechanical department employees.

(2) The apprentice will be paid meal and lodging expense allowance under the rule

governing temporary service away from home point.

(3) An employee on temporary assignment for training will be allowed to return home at company expense at least once every two weeks.

(h) Apprentice Seniority - Apprentices will hold seniority as such on the seniority district or point where their training commenced, as of the first day worked as apprentice. This seniority will be utilized only for the purposes of vacation selection, reductions in force and choice of working hours and rest days when more than one apprentice is in training at the same point and a seniority preference can be honored without interfering with training in the various aspects of work.

(i) Completion of Apprenticeship - Upon completion of the apprenticeship training program under this agreement, the apprentice will be placed on the journeyman mechanics' roster on the date following completion of training on the seniority district or at the point where he completed his training. The apprentice will establish a retroactive journeyman seniority date that will be determined by adding the days of service the apprentice was absent from his regular assignment to the date service commenced as an apprentice. For the purposes of calculating the retroactive date, the apprentice will not be penalized for days lost due to on-the-job injury or furlough or days for which he is compensated under the Collective Bargaining Agreement but does not perform mechanic's service; such as, personal leave day, vacation, holidays, bereavement, jury duty, etc. For example, the apprentice starts his apprenticeship on May 1, 2000, (assuming Saturday/Sunday rest days) and upon completion of 732 working days, it is determined that seven (7) actual work days were lost due to the employee's own volition. The retroactive seniority date would be May 10, 2000.

In no event will this result in establishment of a journeyman seniority date for the apprentice prior to the date commencing service as an apprentice with the Company.

Employees who enter military service or lose time due to National Guard or military reserve training will be granted a retroactive journeyman's seniority date in accordance with legal requirements of applicable veterans' laws.

Notification of the completion of the apprenticeship will be furnished to the mechanic and the Local Chairman establishing the mechanic's journeyman seniority date. The mechanic will have a period of not to exceed thirty (30) calendar days from the date of notification in which to submit a written protest of the determination of the journeyman's seniority date.

This provision is applicable to future and current apprentices. However, with respect to current apprentices, there shall be no retroactivity before the date that would be established under existing agreements.

Upon completion of the apprenticeship an upgraded apprentice will remain on the shift and days off held at that time, otherwise the apprentice will be placed on an open position.

(j) Administration and General Apprenticeship Committee - A general committee on apprenticeship is hereby established composed of the General Chairman or his representative and a designated representative of management. These representatives may be changed at any time and may be designated as limited to handling certain subject matters. This committee shall have no formal organization and shall exist for the sole purpose of expediting the training program contemplated herein. The committee shall meet at mutually convenient times on request of either party and as often as necessary to handle affairs properly within its scope. Any party requesting a meeting of the committee shall submit a written description of the matters he desires to discuss.

The Company shall designate some particular person to supervise the apprenticeship program and the training program as outlined. Adequate records will be maintained as to the work experience, related instruction and progress of each apprentice and will be made available for inspection to the local or General Chairman. These records for any apprentice may be destroyed 60 days after his certificate of completion has been issued.

The apprentice supervisor will submit a detailed program to the General Chairman when requested and the response of the General Chairman will be given consideration with the view of upgrading the training programs.

(k) Safety - All apprentices shall receive instruction on safety practices throughout the term of apprenticeship.

(l) Certificate - The certificate in the form attached to this agreement shall be furnished to all apprentices upon completion of apprenticeship.

(m) Rates of Pay - The following rates of pay will prevail for all apprentices:

(1) <u>Regular apprentice</u>	<u>Percentage of Journeyman's rate</u>
First 122-day period	84%
Second 122-day period	88%
Third 122-day period	92%
Fourth 122-day period	96%
Thereafter	100%

(2) Apprentices will not be subject to entry rates.

Effective January 1, 2000

(Signatures not reproduced)

Certificate of Apprenticeship

This will certify that on _____,

completed the course of apprenticeship prescribed for

and is entitled to the rate of pay and conditions of service of a mechanic in that craft.

Asst. Vice President, Mechanical

APPENDIX No. 6
DUES DEDUCTION AGREEMENT
(From Agreement BN 4-20-70)

(1) In accordance with and subject to the terms and conditions hereinafter set forth, effective September 1, 1970, the Carrier will withhold and deduct from wages due to employee-members, amounts equal to periodic dues, initiation fees, and assessments (not including fines and penalties) uniformly required by and payable to the Organization as a condition of membership in the Organization.

(2) No such deduction shall be made except from the wages of an employee-member who has executed and furnished to the Carrier a written "wage assignment" substantially in the tenor and form of the sample hereto attached and marked Attachment "A". Revocations of said assignments shall be in the tenor and form of "Wage Assignment Revocation" set forth in Attachment "B" hereto attached. The authorization and revocation forms shall be reproduced and furnished to its members by the Organization and the Organization shall assume full responsibility for the procurement of the execution and for delivery to the Carrier of said wage assignments. Said wage assignments shall be delivered to the Carrier (in triplicate) with and in support of the deduction lists provided for in Section 3 of this Agreement.

(3) The Organization will forward to the designated Carrier official an initial certified deduction list (in triplicate) which shall be submitted not less than thirty days in advance of the month in which the first dues deductions will be made under this agreement. It is understood further that such deduction lists shall not be subject to change more often than twice during any calendar year, and then only after not less than thirty days' advance notice.

(4) The initial listing must show the payroll number (to be secured from the Employing Officer), employees' names in alphabetical order, Social Security number, employe number, amount of deduction, Lodge number, Treasurer name and address (street, city, state and zip code number).

Payroll deductions, as so authorized, will be made monthly by the Carrier from wages to be paid employee-members shown on said list for the first full payroll period in each such calendar month. The Carrier reserves the right to change the payroll period in which said deductions will be made, and the tenor, form, detail and number of copies required of the deduction lists, by giving to the Organization thirty days' advance notice thereof.

(5) An individual wage assignment or revocation of a wage assignment to be effective for a particular month must be in the possession of the designated officer of the Carrier not later than the date established for receipt by him of the regular monthly deduction list, provided for in Section 3 hereof, for that particular month. The Carrier shall have the right to refuse to accept or act upon any assignment or revocation of assignment which is illegible, or which is not fully or properly executed, or which fails to identify the signer adequately.

(6) Errors in the deduction list provided for in Section 3 are to be corrected by the Organization by adjustment included in the subsequent regular monthly deduction list furnished by the Organization to the Carrier. If any question arises as to the correctness of the amount to be deducted as shown on the deduction list, the employee-member involved will handle and adjust such matters direct with the Organization.

(7) The Carrier will forward to the secretary-treasurer of the local division of the Organization, on or before the 5th day of the month, a check or voucher for the total amount of said deductions made during the previous month, together with a statement showing the changes, if any, in the list submitted by the Organization for said calendar month.

(8) Payroll deductions will be made by the Carrier on only one payroll per month designated by the Carrier. If earnings of an employee-member on that payroll are insufficient to permit deduction of the full amount specified on the deduction list, giving due effect to any and all deductions having priority as hereinafter provided, no deduction will be made and the Carrier will not be responsible therefor. The following payroll deductions shall have priority over deductions covered by this agreement:

Federal, State and Municipal taxes.

Premiums on any life insurance, hospitalization-surgical insurance, group accident and health insurance, and group annuities.

Other deductions required by law, such as garnishments and attachments. Amounts due for supplies, telephone charges, etc., furnished by the Carrier.

(9) Responsibility of the Carrier under this agreement shall be limited to remitting to the Organization amounts actually deducted from the wages of employee-members pursuant to this agreement, and the Carrier shall not be responsible financially or otherwise for failure to make deductions or for making improper or inaccurate deductions. Insofar as permitted by law, any question arising as to the correctness of the amount deducted shall be handled between the employee-member involved and the Organization, and any complaints against the Carrier in connection therewith shall be handled and adjusted by the Organization on behalf of the employee-member concerned.

(10) No part of this agreement shall be used in any manner whatsoever, either directly or indirectly, as a basis for a grievance or time claim by or in behalf of any employee; and no part of this or any other agreement between the Carrier and the Organization shall be used as a basis for a grievance or time claim by or in behalf of any employee predicated upon any alleged violation of, or misapplication or noncompliance with, any part of this agreement.

(11) Nothing herein contained shall be construed to: (a) obligate or require any employee or employee-member to execute any wage assignment provided for herein, or (b) prohibit or restrict any employee or employee-member from revoking at any time any such wage assignment theretofore executed.

(12) In the event the Organization ceases to represent the craft or class of employees to which employee-members belong, then all obligations of Carrier herein specified with respect to making deductions from the wages of such employee-members shall be and become terminated, void and of no effect whatsoever.

(13) In the event Section 2, Eleventh, of the Railway Labor Act or any of its provisions, for any reason is declared unconstitutional or otherwise invalid, by a court of competent jurisdiction, then, in such event this agreement shall forthwith be and become terminated, void and of no effect whatsoever.

(Signatures not reproduced)

WAGE ASSIGNMENT

TO BURLINGTON NORTHERN INC. (the "Carrier"):

I hereby assign to the _____ that part of my wages necessary to pay my monthly union dues, assessments, and (if owing by me) an initiation fee (but not including fines and penalties), as reported to the Carrier by the secretary-treasurer of my local organization division or other authorized representative of the organization, in monthly deduction lists certified by him, as provided in the "Dues Check-Off Agreement" entered into by the Organization and the Carrier, the terms and provisions of which I am familiar with, acquiesce in and approve, and I hereby authorize the Carrier to deduct from my wages all such sums and pay them to the secretary-treasurer of my local organization division or other authorized representative of the organization in accordance with said Dues Check-Off Agreement.

I hereby reserve the right to revoke this authorization at any time at my discretion by furnishing a properly executed "wage assignment revocation" to the Burlington Northern Inc. not less than thirty days prior to the calendar month in which the revocation is to become effective, as contemplated by the terms of the "Dues Check-Off Agreement".

I understand that this authorization will automatically terminate in the event that any organization other than the _____

_____ is certified by the National Mediation Board as the Representative of any craft or class in which I hold seniority.

I hereby agree to indemnify and save harmless the Burlington Northern Inc. from all liability arising or incurred as a result of this assignment of wages.

ORGANIZATION LOCAL UNION NO. _____

OCCUPATION _____

EMPLOYEE NUMBER _____

OPERATING DIVISION OR DEPARTMENT _____

DATE _____

SIGNATURE _____

STREET _____

CITY _____

WAGE ASSIGNMENT REVOCATION

TO BURLINGTON NORTHERN INC.:

Effective _____, I hereby
revoke the wage assignment now in effect assigning to the _____

_____ that part of my wages necessary to pay my monthly dues, assessments, and initiation fees, now being withheld pursuant to the Dues Check-Off Agreement between the Organization and the Burlington Northern Inc., and I hereby cancel the wage assignment now in effect authorizing the Burlington Northern Inc. to deduct such monthly union dues, assessments and initiation fees from my wages.

ORGANIZATION LOCAL UNION NO. _____
OCCUPATION _____
EMPLOYEE NUMBER _____
OPERATING DIVISION OR DEPARTMENT _____
DATE _____
SIGNATURE _____
STREET _____
CITY _____

ADDENDUM TO DUES DEDUCTION AGREEMENT
Between
BURLINGTON NORTHERN INC.
And
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS

In accordance with the provisions of the Voluntary Payroll Deduction of Political Contributions Agreement signed June 21, 1979, between carriers represented by the National Railway Labor Conference and the employees of said carriers represented by the International Association of Machinists and Aerospace Workers, the parties hereby amend the Dues Deduction Agreement of April 20, 1970, as modified by Letter agreement, dated December 10, 1973, to the extent necessary to provide for the deduction of employees' voluntary political contributions on the following terms and bases:

(1) (a) Subject to the terms and conditions hereinafter set forth, the carrier will deduct from the wages of employees voluntary political contributions upon their written authorization in the form (individual authorization form) agreed upon by the parties hereto, copy of which is attached, designated "Attachment A" and made a part hereof.

(b) Voluntary political contributions will be made monthly from the compensation of employees who have executed a written authorization providing for such deductions. The first such deduction will be made in the month following month in which the authorization is received. Such authorization will remain in effect for a minimum of twelve (12) months and thereafter until cancelled by thirty (30) days advance written notice from the employee to the Brotherhood and the carrier by Registered Mail (Attachment D). Changes in the amount to be deducted will be limited to one change in each 12-month period and any change will coincide with a date on which dues deduction amounts may be changed under the Dues Deduction Agreement.

(2) The General Chairman or his designated representative shall furnish the carrier, with copy to appropriate units of the Association, an initial statement (Attachment B) by lodges, in alphabetical order and certified by him, showing the amounts of deductions to be made from each employee, such statement to be furnished together with individual authorization forms to cover, and payroll deductions of such amounts will commence in the month immediately following. Subsequent monthly deductions will be based on the initial statement plus a monthly statement (Attachment C) showing additions and/or deletions furnished in the same manner as the initial statement required hereinabove.

(3) Monthly voluntary political contribution deductions will be made from wages at the same time that membership dues are deducted from the employee's paycheck. Political contributions will follow dues deductions in priority.

(4) Concurrent with making remittance to the Organization of monthly membership dues, the carrier will make separate remittance of voluntary political contributions to the officer of the organization's Political League designated to receive same, together with a list prepared in

accordance with the requirements of the Dues Deduction Agreement pertaining to the remittance of monthly membership dues, with a copy to the General Chairman.

(5) The requirements of this agreement shall not be effective with respect to any individual employee until the employer has been furnished with a written authorization of assignment of wages of such monthly voluntary political contribution.

Signed at St. Paul, Minnesota, this 31st day of October, 1979.

(Signatures not reproduced)

INDIVIDUAL AUTHORIZATION FORM

Voluntary Payroll Deductions –
(Organization) Political League

To: _____

Space for label showing name, address,
System Board and local lodge number.

_____ Department _____ Work Location

I hereby authorize and direct my employer, _____, to deduct from my pay the sum of \$ _____ for each month in which compensation is due me, and to forward that amount to the _____ Political League. This authorization is voluntarily made on the specific understanding that the signing of this authorization and the making of payments to the organization's Political League are not conditions of membership in the Union or of employment with the Carrier, that the organization's Political League will use the money it receives to make political contributions and expenditures in connection with Federal, State and Local elections.

It is understood that this authorization will remain in effect for a minimum of 12 months; and, thereafter, I may revoke this authorization at any time by giving the Carrier and the Organization 30 days advance written notice of my desire to do so.

Signed at _____ this _____ day of _____, 2____.

(personal signature)

ORGANIZATION _____

ATTACHMENT B

ORGANIZATION DIVISION NO. _____

DEDUCTION LISTING COVERING THE MONTH OF _____, 2_____
FOR VOLUNTARY POLITICAL CONTRIBUTIONS TO _____
POLITICAL LEAGUE.

EMPLOYEE NO.	NAME	OCCUPATION	AMOUNT
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TOTAL AMOUNT – _____

I hereby certify the above-listed individuals are members of the (Organization)
and that the deductions, as above designated, have been authorized by duly executed "wage
assignments" covering voluntary political contributions to the _____
Political League.

TOTAL NUMBER OF DEDUCTIONS LISTED:

ORGANIZATION DIVISION NO.: Secretary – Treasurer

OPERATION DIVISION OR DEPARTMENT: (Street)

(City – State – Zip)

COMPANY: _____

DATE: _____

ORGANIZATION _____

ATTACHMENT C

ORGANIZATION DIVISION NO. _____

ADDITIONS OR DELETIONS

DEDUCTION LISTING COVERING THE MONTH OF _____, 20____

PURSUANT TO THE CHECK-OFF AGREEMENT BETWEEN THE BROTHERHOOD AND THE COMPANY, EFFECTIVE WITH THE LAST PAY PERIOD OF _____, 20____.

THE FOLLOWING ADDITIONS OR DELETIONS ARE TO BE MADE FOR THE EMPLOYEES WHOSE NAMES ARE LISTED BELOW:

VOLUNTARY PAYROLL DEDUCTION AUTHORIZATION FORMS FOR THE EMPLOYEES TO BE ADDED TO THE INITIAL LISTING ARE ENCLOSED.

NAME	LODGE	AMOUNT
------	-------	--------

ADDITIONS:

DELETIONS:

COMPANY:

ORGANIZATION DIVISION NO.:

Secretary – Treasurer

OPERATION DIVISION OR DEPARTMENT:

(Street)

COMPANY:

(City – State – Zip)

DATE: _____

WAGE ASSIGNMENT REVOCATION

TO THE COMPANY:

Effective _____, I hereby revoke the wage assignment now in effect assigning to the (Organization) _____, that part of my wages necessary to pay voluntary political contributions to the _____ Political League now being withheld pursuant to the Dues Check-Off Agreement between the Organization and the Company and I hereby cancel the wage assignment now in effect authorizing the Company to deduct such monthly contributions from my wages.

SIGNATURE:

(Street)

(City – State – Zip)

COMPANY:

OPERATING DIVISION OR DEPARTMENT:

DATE: _____

APPENDIX No. 7

MEDIATION AGREEMENT

Case No. A-7030

This Agreement made this 25th day of September, 1964, by and between the participating carriers listed in Exhibits A, B and C attached hereto and made a part hereof and represented by the National Railway Labor Conference and the Eastern, Western and Southeastern Carriers' Conference Committees, and the employees of such carriers shown thereon and represented by the railway labor organizations signatory hereto, through the Railway Employees' Department, AFL-CIO.

Witnesseth:

IT IS AGREED:

Article I - Employee Protection

Section 1 - The purpose of this rule is to afford protective benefits for employees who are displaced or deprived of employment as a result of changes in the operations of the carrier due to the causes listed in Section 2 hereof, and, subject to the provisions of this Agreement, the carrier has and may exercise the right to introduce technological and operational changes except where such changes are clearly barred by existing rules or agreements.

Any job protection agreement which is now in effect on a particular railroad which is deemed by the authorized employee representatives to be more favorable than this Article with respect to a transaction such as those referred to in Section 2 hereof, may be preserved as to such transaction by the representatives so notifying the carrier within thirty days from the date of receipt of notice of such transaction, and the provisions of this Article will not apply with respect to such transaction.

None of the provisions of this Article shall apply to any transactions subject to approval by the Interstate Commerce Commission, if the approval order of the Commission contains equal or more favorable employee protection provisions, or to any transactions covered by the Washington Job Protection Agreement.

Section 2 - The protective benefits of the Washington Job Protection Agreement of May, 1936, shall be applicable, as more specifically outlined below, with respect to employees who are deprived of employment or placed in a worse position with respect to compensation and rules governing working conditions as a result of any of the following changes in the operations of this individual carrier:

- a. Transfer of work;

- b. Abandonment, discontinuance for 6 months or more, or consolidation of facilities or services or portions thereof;
- c. Contracting out of work;
- d. Lease or purchase of equipment or component parts thereof, the installation, operation, servicing or repairing of which is to be performed by the lessor or seller;
- e. Voluntary or involuntary discontinuance of contracts;
- f. Technological changes; and,
- g. Trade-in or repurchase of equipment or unit exchange.

Section 3 - An employee shall not be regarded as deprived of employment or placed in a worse position with respect to his compensation and rules governing working conditions in case of his resignation, death, retirement, dismissal for cause in accordance with existing agreements, or failure to work due to disability or discipline, or failure to obtain a position available to him in the exercise of his seniority rights in accordance with existing rules or agreements, or reductions in forces due to seasonal requirements, the layoff of temporary employees or a decline in a carrier's business, or for any other reason not covered by Section 2 hereof. In any dispute over whether an employee is deprived of employment or placed in a worse position with respect to his compensation and rules governing working conditions due to causes listed in Section 2 hereof or whether it is due to the causes listed in Section 3 hereof, the burden of proof shall be on the carrier.

Section 4 - The carrier shall give at least sixty (60) days (ninety (90) days in cases that will require a change of employee's residence) written notice of the abolition of jobs as a result of changes in operations for any of the reasons set forth in Section 2 hereof, by posting a notice on bulletin boards convenient to the interested employees and by sending certified mail notice to the General Chairman of such interested employees. Such notice shall contain a full and adequate statement of the proposed changes in operations, including an estimate of the number of employees of each class affected by the intended changes, and a full disclosure of all facts and circumstances bearing on the proposed discontinuance of positions. The date and place of a conference between representatives of the carrier and the General Chairman or his representatives, at his option, to discuss the manner in which and the extent to which employees may be affected by the changes involved, shall be agreed upon within ten (10) days after the receipt of said notice, and conference shall commence within thirty (30) days from the date of such notice.

Section 5 - Any employee who is continued in service, but who is placed, as a result of a change in operations for any of the reasons set forth in Section 2 hereof, in a worse position with respect to compensation and rules governing working conditions, shall be accorded the benefits set forth in Section 6(a), (b) and (c) of the Washington Job Protection Agreement of May, 1936, reading as follows:

"Section 6(a). No employee of any of the carriers involved in a particular coordination who is continued in service shall, for a period not exceeding five years following the effective date of such coordination, be placed, as a result of such coordination, in a worse position with respect to compensation and rules governing working conditions than he occupied at the time of such coordination so long as he is unable in the normal exercise of his seniority rights under existing agreements, rules and practices to obtain a position producing compensation equal to or exceeding the compensation of the position held by him at the time of the particular coordination, except however, that if he fails to exercise his seniority rights to secure another available position, which does not require a change in residence, to which he is entitled under the working agreement and which carries a rate of pay and compensation exceeding those of the position which he elects to retain, he shall thereafter be treated for the purposes of this section as occupying the position which he elects to decline.

(b) The protection afforded by the foregoing paragraph shall be made effective whenever appropriate through what is hereby designated as a 'displacement allowance' which shall be determined in each instance in the manner hereinafter described. Any employee entitled to such an allowance is hereinafter referred to as a 'displaced' employee.

(c) Each displacement allowance shall be a monthly allowance determined by computing the total compensation received by the employee and his total time paid for during the last twelve (12) months in which he performed service immediately preceding the date of his displacement (such twelve (12) months being hereinafter referred to as the 'test period') and by dividing separately the total compensation and the total time paid for by twelve, thereby producing the average monthly compensation and average monthly time paid for, which shall be the minimum amounts used to guarantee the displaced employee, and if his compensation in his current position is less in any month in which he performs work than the aforesaid average compensation he shall be paid the difference, less compensation for any time lost on account of voluntary absences to the extent that he is not available for service equivalent to his average monthly time during the test period, but he shall be compensated in addition thereto at the rate of the position filled for any time worked in excess of the average monthly time paid for during the test period."

Section 6 - Any employee who is deprived of employment as a result of a change in operations for any of the reasons set forth in Section 2 hereof shall be accorded a monthly dismissal allowance in accordance with the terms and conditions set forth in Section 7(a) through (j) of the Washington Job Protection Agreement of May, 1936, reading as follows:

"Section 7(a). Any employee of any of the carriers participating in a particular coordination who is deprived of employment as a result of said coordination shall be accorded an allowance (hereinafter termed a coordination allowance), based on length of service, which (except in the case of an employee with less than one year

of service) shall be a monthly allowance equivalent in each instance to sixty per cent (60%) of the average monthly compensation of the employee in question during the last twelve months of his employment in which he earned compensation prior to the date he is first deprived of employment as a result of the coordination. This coordination allowance will be made to each eligible employee while unemployed by his home road or in the coordinated operation during a period beginning at the date he is first deprived of employment as a result of the coordination and extending in each instance for a length of time determined and limited by the following schedule:

Length of Service	Period of Payment
1 yr. and less than 2 yrs.	6 months
2 yrs. “ “ “ 3 yrs.	12 months
3 yrs. “ “ “ 5 yrs.	18 months
5 yrs. “ “ “ 10 yrs.	36 months
10 yrs. “ “ “ 15 yrs.	48 months
15 yrs. and over	60 months

In the case of an employee with less than one year of service, the total coordination allowance shall be a lump sum payment in an amount equivalent to sixty (60) days pay at the straight time daily rate of the last position held by him at the time he is deprived of employment as a result of the coordination.

(b) For the purposes of this agreement the length of service of the employee shall be determined from the date he last acquired an employment status with the employing carrier and he shall be given credit for one month's service for each month in which he performed any service (in any capacity whatsoever) and twelve such months shall be credited as one year's service. The employment status of an employee shall not be interrupted by furlough in instances where the employee has a right to and does return to service when called. In determining length of service of an employee acting as an officer or other official representative of an employee organization he will be given credit for performing service while so engaged on leave of absence from the service of a carrier.

(c) An employee shall be regarded as deprived of his employment and entitled to a coordination allowance in the following cases:

1. When the position which he holds on his home road is abolished as result of coordination and he is unable to obtain by the exercise of his seniority rights another position on his home road or a position in the coordinated operation, or
2. When the position he holds on his home road is not abolished but he loses that position as a result of the exercise of seniority rights by an employee whose position is abolished as a result of said coordination, or by other employees, brought about as a proximate consequence of the coordination, and if he is unable by the

exercise of his seniority rights to secure another position on his home road or a position in the coordinated operation.

(d) An employee shall not be regarded as deprived of employment in case of his resignation, death, retirement on pension or on account of age or disability in accordance with the current rules and practices applicable to employees generally, dismissal for justifiable cause in accordance with the rules, or furloughed because of reduction in forces due to seasonal requirements of the service; nor shall any employee be regarded as deprived of employment as the result of a particular coordination who is not deprived of his employment within three years from the effective date of said coordination.

(e) Each employee receiving a coordination allowance shall keep the employer informed of his address and the name and address of any other person by whom he may be regularly employed.

(f) The coordination allowance shall be paid to the regularly assigned incumbent of the position abolished. If the position of an employee is abolished while he is absent from service, he will be entitled to the coordination allowance when he is available for service. The employee temporarily filling said position at the time it was abolished will be given a coordination allowance on the basis of said position until the regular employee is available for service and thereafter shall revert to his previous status and will be given a coordination allowance accordingly if any is due.

(g) An employee receiving a coordination allowance shall be subject to call to return to service after being notified in accordance with the working agreement, and such employee may be required to return to the service of the employing carrier for other reasonably comparable employment for which he is physically and mentally qualified and which does not require a change in his place of residence, if his return does not infringe upon the employment rights of other employees under the working agreement.

(h) If an employee who is receiving a coordination allowance returns to service the coordination allowance shall cease while he is so reemployed and the period of time during which he is so reemployed shall be deducted from the total period for which he is entitled to receive a coordination allowance. During the time of such reemployment however he shall be entitled to protection in accordance with the provisions of Section 6.

(i) If an employee who is receiving a coordination allowance obtains railroad employment (other than with his home road or in the coordinated operation) his coordination allowance shall be reduced to the extent that the sum total of his earnings in such employment and his allowance exceeds the amount upon which his coordination allowance is based; provided that this shall not apply to employees with less than one year's service.

(j) A coordination allowance shall cease prior to the expiration of its prescribed period in the event of:

1. Failure without good cause to return to service in accordance with working agreement after being notified of position for which he is eligible and as provided in paragraphs (g) and (h).
2. Resignation.
3. Death.
4. Retirement on pension or on account of age or disability in accordance with the current rules and practices applicable to employees generally.
5. Dismissal for justifiable cause."

Section 7 - Any employee eligible to receive a monthly dismissal allowance under Section 6 hereof may, at his option at the time he becomes eligible, resign and (in lieu of all other benefits and protections provided in this agreement) accept in a lump sum a separation allowance determined in accordance with the provisions of Section 9 of the Washington Job Protection Agreement of May, 1936, reading as follows:

"Section 9. Any employee eligible to receive a coordination allowance under Section 7 hereof may, at his option at the time of coordination, resign and (in lieu of all other benefits and protections provided in this agreement) accept in a lump sum a separation allowance determined in accordance with the following schedule:

Length of Service	Separation Allowance
1 yr. and less than 2 yrs.	3 months' pay
2 yrs. " " " 3 yrs.	6 " "
3 yrs. " " " 5 yrs.	9 " "
5 yrs. " " " 10 yrs.	12 " "
10 yrs. " " " 15 yrs.	12 " "
15 yrs. and over	12 " "

In the case of employees with less than one year's service, five days' pay, at the rate of the position last occupied, for each month in which they performed service will be paid as the lump sum.

- (a) Length of service shall be computed as provided in Section 7.
- (b) One month's pay shall be computed by multiplying by 30 the daily rate of pay received by the employee in the position last occupied prior to time of coordination."

Section 8 - Any employee affected by a change in operations for any of the reasons set forth in Section 2 hereof shall not be deprived of benefits attaching to his previous employment, such as free transportation, pensions, hospitalization, relief, etc., under the same conditions and so long as such benefits continue to be accorded to other employees of the carrier, in active service or on furlough as the case may be, to the extent that such benefits can be so maintained under present authority of law or corporate action or through future authorization which may be obtained.

Section 9 - Any employee who is retained in the service of the carrier, or who is later restored to service after being eligible to receive a monthly dismissal allowance, who is required to change the point of his employment as a result of a change in the carrier's operations for any of the reasons set forth in Section 2 hereof, and is, therefore, required to move his place of residence, shall be accorded the protective benefits set forth in Section 10 of the Washington Job Protection Agreement of May, 1936, reading as follows:

"Section 10 (a) Any employee who is retained in the service of any carrier involved in a particular coordination (or who is later restored to service from the group of employees entitled to receive a coordination allowance) who is required to change the point of his employment as result of such coordination and is therefore required to move his place of residence, shall be reimbursed for all expenses of moving his household and other personal effects and for the traveling expenses of himself and members of his family, including living expenses for himself and his family and his own actual wage loss during the time necessary for such transfer, and for a reasonable time thereafter, (not to exceed two working days), used in securing a place of residence in his new location. The exact extent of the responsibility of the carrier under this provision and the ways and means of transportation shall be agreed upon in advance between the carrier responsible and the organization of the employee affected. No claim for expenses under this Section shall be allowed unless they are incurred within three years from the date of coordination and the claim must be submitted within ninety (90) days after the expenses are incurred.

(b) If any such employee is furloughed within three years after changing his point of employment as a result of coordination and elects to move his place of residence back to his original point of employment, the carrier shall assume the expense of moving his household and other personal effects under the conditions imposed in paragraph (a) of this section.

(c) Except to the extent provided in paragraph (b) changes in place of residence subsequent to the initial changes caused by coordination and which grow out of the normal exercise of seniority in accordance with working agreements are not comprehended within the provisions of this section."

Section 10 - Any employee who is retained in the service of the carrier, or who is later restored to service after being eligible to receive a monthly dismissal allowance, who is required to change the point of his employment as a result of a change in the carrier's operations for any

of the reasons set forth in Section 2 hereof, and is, therefore, required to move his place of residence, shall be accorded the protective benefits set forth in Section 11 of the Washington Job Protection Agreement of May, 1936, reading as follows:

"Section 11 (a). The following provisions shall apply, to the extent they are applicable in each instance, to any employee who is retained in the service of any of the carriers involved in a particular coordination (or who is later restored to such service from the group of employees entitled to receive a coordination allowance) who is required to change the point of his employment as a result of such coordination and is therefore required to move his place of residence:

1. If the employee owns his own home in the locality from which he is required to move, he shall at his option be reimbursed by his employing carrier for any loss suffered in the sale of his home for less than its fair value. In each case the fair value of the home in question shall be determined as of a date sufficiently prior to the coordination to be unaffected thereby. The employing carrier shall in each instance be afforded an opportunity to purchase the home at such fair value before it is sold by the employee to any other party.

2. If the employee is under a contract to purchase his home, the employing carrier shall protect him against loss to the extent of the fair value of any equity he may have in the home and in addition shall relieve him from any further obligations under his contract.

3. If the employee holds an unexpired lease of a dwelling occupied by him as his home, the employing carrier shall protect him from all loss and cost in securing the cancellation of his said lease.

(b) Changes in place of residence subsequent to the initial change caused by coordination and which grow out of the normal exercise of seniority in accordance with working agreements are not comprehended within the provisions of this Section.

(c) No claim for loss shall be paid under the provisions of this section which is not presented within three years after the effective date of the coordination.

(d) Should a controversy arise in respect to the value of the home, the loss sustained in its sale, the loss under a contract for purchase, loss and cost in securing termination of lease, or any other question in connection with these matters, it shall be decided through joint conference between the representatives of the employees and the carrier on whose line the controversy arises and in the event they are unable to agree, the dispute may be referred by either party to a board of three competent real estate appraisers, selected in the following manner: One to be selected by the representatives of the employees and the carrier, respectively; these two shall endeavor by agreement within ten days after their appointment to select the third appraiser, or to select some person authorized to name the third appraiser, and in the

event of failure to agree then the Chairman of the Interstate Commerce Commission shall be requested to appoint the third appraiser. A decision of a majority of the appraisers shall be required and said decision shall be final and conclusive. The salary and expenses of the third or neutral appraiser, including the expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the salary of the appraiser selected by such party.”

Section 11 - When positions are abolished as a result of changes in the carrier's operations for any of the reasons set forth in Section 2 hereof, and all or part of the work of the abolished positions is transferred to another location or locations, the selection and assignment of forces to perform the work in question shall be provided for by agreement of the General Chairman of the craft or crafts involved and the carrier establishing provisions appropriate for application in the particular case; provided however, that under the terms of the agreement sufficient employees will be required to accept employment within their classification so as to insure a force adequate to meet the carrier's requirements. In the event of failure to reach such agreement, the dispute may be submitted by either party for settlement as hereinafter provided.

Section 12 - Any dispute with respect to the interpretation or application of the foregoing provisions of Sections 1 through 11 of this Article (except as defined in Section 10) with respect to job protection, including disputes as to whether a change in the carrier's operations is caused by one of the reasons set forth in Section 2 hereof, or is due to causes set forth in Section 3 hereof, and disputes as to the protective benefits to which an employee or employees may be entitled, shall be handled as hereinafter provided.

ARTICLE II. SUBCONTRACTING

Article II, Subcontracting, of the September 25, 1964 National Agreement, as amended, is further amended as follows to implement the report and recommendations of Presidential Emergency Board No. 219, as interpreted and clarified by Special Board 102-29, and that report and recommendations as well as the questions and answers that interpret and clarify them are specifically incorporated herein by reference:

The work set forth in the classification of work rules of the crafts parties to the September 25, 1964 National Agreement, as so amended, and all other work historically performed and generally recognized as work of the crafts pursuant to such classification of work rules, will not be contracted except in accordance with the provisions of Sections 1 through 4 of this Article II. The maintenance and repair of equipment which has been historically (not necessarily exclusively) maintained and repaired by a carrier's own employees, no matter how purchased or made available to the carrier, shall not be contracted out by the carrier except in the manner specified. In determining whether work falls within either of the preceding sentences, the practices at the facility involved will govern.

Section 1. Applicable Criteria

Subcontracting of work, including unit exchange, will be done only when (1) managerial skills are not available on the property but this criterion is not intended to permit subcontracting on the ground that there are not available a sufficient number of supervisory personnel possessing the skills normally held by such personnel; or (2) skilled manpower is not available on the property from active or furloughed employees; or (3) essential equipment is not available on the property; or (4) the required time of completion of the work cannot be met with the skills, personnel or equipment available on the property; or (5) such work cannot be performed by the carrier except at a significantly greater cost, provided the cost advantage enjoyed by the subcontractor is not based on a standard of wages below that of the prevailing wages paid in the area for the type of work being performed and provided further that if work which is being performed by railroad employees in a railroad facility is subcontracted under this criterion, no employees regularly assigned at that facility at the time of the subcontracting will be furloughed as a result of such subcontracting. Unit exchange as used herein means the trading in of old or worn equipment or component parts, receiving in exchange new, upgraded or rebuilt parts, but does not include the purchase of new equipment or component parts.

Section 2. Advance Notice - Submission of Data – Conference

If the carrier decides that in the light of the criteria specified above it is necessary to subcontract work of a type currently performed by the employees, it shall give the General Chairman of the craft or crafts involved notice of intent to contract out and the reasons therefore, together with supporting data sufficient to enable the General Chairman to determine whether the contract is consistent with the criteria set forth above.

Advance notice shall not be required concerning minor transactions. A minor transaction is defined for purposes of notice as an item of repair requiring eight man-hours or less to perform (unless the parties agree on a different definition) and which occurs at a location where mechanics of the affected craft, specialized equipment, spare units or parts are not available or cannot be made available within a reasonable time.

The General Chairman or his designated representative will notify the carrier within ten days from the postmarked date of the notice of any desire to discuss the proposed action. Upon receipt of such notice the carrier shall give such representative of the organization at least ten days advance notice of a conference to discuss the proposed action.

If no agreement is reached at the conference following the notification, either party may submit a demand for an expedited arbitration within five working days of the conference. Except in emergencies, the carrier shall not consummate a binding subcontract until the expedited procedures have been implemented and the arbitrator has determined that the subcontract is permissible, unless the parties agree otherwise. For this purpose, an “emergency” means an unforeseen combination of circumstances, or the resulting state, which calls for prompt or immediate action involving safety of the public, employees and carriers’ property or avoidance of unnecessary delay to carriers’ operations.

Section 3. Request for Information When No Advance Notice Given

If the General Chairman of a craft requests the reasons and supporting data for the subcontracting of work for which no notice of intent has been given, in order to determine whether the contract is consistent with the criteria set forth above, such information shall be furnished him promptly. If a conference is requested by the General Chairman or his designated representative, it shall be arranged at a mutually acceptable time and place. Any dispute as to whether the contract is consistent with the criteria set forth in Section 1 may be processed to a conclusion as hereinafter provided.

Disputes concerning a carrier's alleged failure to provide notice of intent or to provide sufficient supporting data in a timely manner in order that the General Chairman may reasonably determine whether the criteria for subcontracting have been met, also may be submitted to a member of the arbitration panel, but not necessarily on an expedited basis. In the event the parties are unable to agree on a schedule for resolving such a dispute, the arbitrator shall establish the schedule.

Section 4. Establishment of Subcontracting Expedited Arbitration Panels

The parties shall establish expedited panels of neutral arbitrators at strategic locations throughout the United States, either by carrier or region. Each such panel shall have exclusive jurisdiction of disputes on the carrier's system or in the applicable geographical region, as the case may be, under the provisions of Article II, Subcontracting, as amended by this Agreement. The members of each of those panels shall hear cases or a group of cases on a rotating basis. Arbitrators appointed to said panels shall serve for terms of two years provided they adhere to the prescribed time requirements concerning their responsibilities. These arbitrators shall be compensated for their services directly by the parties.

Section 5. Consist

Six neutral arbitrators shall be selected for each subcontracting expedited arbitration panel, unless the parties shall agree to a different number.

Section 6. Location

Hearings and other meetings of arbitrators from the subcontracting expedited arbitration panels shall be at strategic locations.

Section 7. Referees

If the parties are unable to agree on the selection of all of the arbitrators making up a panel within 30 days from the date the parties establish a panel of neutral arbitrators, the NMB shall be requested to supply a list of 12 arbitrators within 5 days after the receipt of such request. By alternate striking of names, the parties shall reduce the list to six arbitrators who shall constitute the panel. Neither party shall oppose or make any objection to the NMB concerning a request for such a panel.

Section 8. Filling Vacancies

Vacancies for subcontracting expedited arbitration panels shall be filled by following the same procedures as contained in Section 7 above.

Section 9. Content of Presentations

The arbitrator shall not consider any evidence not exchanged by the parties at least 48 hours before the commencement of the hearing. Other rules governing the scope and content of the presentations to the Panels shall be established by further agreement of the parties or by the arbitrator if the parties fail to reach an agreement.

Section 10. Procedure at Board Meetings

Upon receipt of a demand under Section 2 of this Article, the arbitrator shall schedule a hearing within three working days and conduct a hearing within five working days thereafter. The arbitrator shall conclude the hearing not more than 48 hours after it has commenced. The arbitrator shall issue an oral or written decision within two working days of the conclusion of the hearing. An oral decision shall be supplemented by a written one within two weeks of the conclusion of the hearing unless the parties waive that time requirement. Any of these time limits may be extended by mutual agreement of the parties. Procedural rules governing the record and hearings before the Panels shall be determined by further agreement of the parties or by the arbitrator if the parties fail to reach an agreement.

Section 11. Remedy

(a) If there is a claim for wage loss on behalf of a named claimant, arising out of an alleged violation of this Article, which is sustained, the arbitrator's decision shall not exceed wages lost and other benefits necessary to make the employee whole.

(b) If the arbitrator finds that the carrier violated the advance notice requirements of Section 2 [in non-emergency situations], the arbitrator shall award an amount equal to that produced by multiplying 25% of the man-hours billed by the contractor by the weighted average of the straight-time hourly rates of pay of the employees of the carrier who would have done the work, provided however that where the carrier is found to have both failed to consult and wrongfully contracted out work, the multiplier shall be 10% rather than 25%. The amounts awarded in accordance with this paragraph shall be divided equally among the claimants, or otherwise distributed upon an equitable basis, as determined by the arbitrator.

Section 12. Final and Binding Character

Decisions of the Board shall be final and binding upon the parties to the dispute. In the event an Award is in favor of an employee or employees, it shall specify a date on or before which there shall be compliance with the Award. In the event an Award is in favor of a carrier the Award shall include an order to the employee or employees stating such determination. The carrier agrees to apply the decision of an arbitrator in a case arising on the carrier's property

which sustains a grievance to all substantially similar situations and the Organization agrees not to bring any grievance which is substantially similar to a grievance denied on the carrier's property by the decision of the arbitrator.

Decisions of arbitrators rendered under this Article shall be subject to judicial enforcement and review in the same manner and subject to the same provisions which apply to awards of the National Railroad Adjustment Board.

Section 13. Disputes Referred to Other Boards

Disputes arising under Article I, Employee Protection, Article III, Assignment of Work - Use of Supervisors, Article IV, Outlying Points, and Article V, Coupling, Inspection and Testing shall not be subject to the jurisdiction of any Subcontracting Expedited Arbitration Panel.

Disputes under Article II need not be progressed in the "usual manner" as required under Section 3 of the Railway Labor Act, but can be handled directly with the highest officer in the interest of expeditious handling. This Article sets up special time limits to govern the handling of cases before the expedited arbitration panels, thus providing special procedures which are intended to supersede the provisions of the standard Time Limit Rule. Therefore, such disputes being processed to a conclusion through the expedited arbitration panels are not subject to the provisions of the standard Time Limit Rule.

If there should be any claims filed for wage loss on behalf of a named claimant arising out of an alleged violation of Article II - Subcontracting, such claims for wage loss should be filed promptly and within sixty days of the filing of the alleged violation of Article II - Subcontracting, with the same carrier officer as to whom such violation of Article II was directed by the General Chairman of the craft or crafts involved, or his representative. If such claim is a continuous one, it cannot begin to run prior to the date the claim is presented.

Failure to handle as set forth in the preceding paragraph shall not be considered as a precedent or waiver of the contentions of the carriers or employees as to other similar claims.

From Side Letter #11 of the July 31, 1992 National Agreement:

This refers to Article VI, Subcontracting, of the Agreement of this date and will confirm our understanding that Electrical Power Purchase Agreements (EPPAs) and similar arrangements are within the scope of the September 25, 1964 Agreement, as amended.

From Side Letter #12 of the July 31, 1992 National Agreement:

This refers to Article VI, Subcontracting, of the Agreement of this date and will confirm our understanding that the question of whether work on TTX cars by TTX employees should be allowed on tracks leased from a carrier is to be treated in the same manner as EPPAs.

ARTICLE III - ASSIGNMENT OF WORK - USE OF SUPERVISORS

None but mechanics or apprentices regularly employed as such shall do mechanics' work as per the special rules of each craft except foremen at points where no mechanics are employed. However, craft work performed by foremen or other supervisory employees employed on a shift shall not in the aggregate exceed 20 hours a week for one shift, 40 hours a week for two shifts, or 60 hours for all shifts.

If any question arises as to the amount of craft work being performed by supervisory employees, a joint check shall be made at the request of the General Chairmen of the organizations affected. Any disputes over the application of this rule shall be handled as provided hereinafter.

An incumbent supervisor who assumed his present position prior to October 15, 1962, at a point where no mechanic is employed, may be retained in his present position. However, his replacements shall be subject to the preceding paragraphs or this rule.

ARTICLE IV - OUTLYING POINTS

At points where there is not sufficient work to justify employing a mechanic of each craft, the mechanic or mechanics employed at such points will so far as they are capable of doing so, perform the work of any craft not having a mechanic employed at that point. Any dispute as to whether or not there is sufficient work to justify employing a mechanic of each craft, and any dispute over the designation of the craft to perform the available work shall be handled as follows: At the request of the General Chairman of any craft the parties will undertake a joint check of the work done at the point. If the dispute is not resolved by agreement it shall be handled as hereinafter provided and pending the disposition of the dispute the carrier may proceed with or continue its designation.

Existing rules or practices on individual properties may be retained by the organizations by giving a notice to the carriers involved at any time within 90 days after the date of this agreement.

ARTICLE V - COUPLING, INSPECTION AND TESTING

In yards or terminals where carmen in the service of the carrier operating or servicing the trains are employed and are on duty in the departure yard, coach yard or passenger terminal from which trains depart, such inspecting and testing of air brakes and appurtenances on trains as is required by the carrier in the departure yard, coach yard, or passenger terminal, and the related coupling of air, signal and steam hose incidental to such inspection, shall be performed by the carmen.

This rule shall not apply to coupling of air hose between locomotive and the first car of an outbound train; between the caboose and the last car of an outbound train or between the last car in a "double-over" and the first car standing in the track upon which the outbound train is made up.

ARTICLE VI - RESOLUTION OF DISPUTES

Article VI (Resolution of Disputes) of the September 25, 1964 Agreement will no longer be applicable to disputes involving Articles I and II of such Agreement which arise subsequent to the effective date of this Agreement.

Disputes arising under Article I, Employee Protection, will continue to be handled on the property as in the past, i.e., they need not be progressed in the "usual manner" but can be handled directly with the highest designated carrier officer. If such a dispute is not settled in direct negotiations, it shall be handled in accordance with the provisions of Section 3 of the Railway Labor Act, as amended.

From Side Letter #7 of the July 31, 1992 National Agreement:

This is to confirm our understanding regarding the resolution of disputes under Article II of the September 25, 1964 Agreement, as amended by Article VI of this Agreement.

Until the parties have established a forum or forums for before-the-fact arbitration of contracting out disputes, any such dispute will proceed on an after-the-fact basis, *i.e.*, the carrier will be free to proceed forthwith with the contracting-out and any dispute may be progressed to a Public Law Board on an expedited basis, or any other forum on which the parties may mutually agree.

The parties shall meet promptly to reach agreement on language to implement the recommendations of Presidential Emergency Board 219, as interpreted and clarified by Special Board 102-29, on the procedures for arbitrating contracting-out disputes. If complete agreement on language is not reached by the parties by December 15, 1992, any party may refer any areas of disagreement to a Public Law Board, or any other forum on which the parties may mutually agree, for resolution on an expedited basis, provided that any disagreement over the uniform rate to be paid arbitrators shall be resolved by the Chairman of the National Mediation Board.

ARTICLE VII - EFFECT OF THIS AGREEMENT

This agreement is in full and final settlement of the dispute growing out of notices served on the carriers listed in Exhibits A, B and C on or about October 15, 1962; and out of proposals served by the individual railroads on organization representatives of the employees involved on or about November 5, 1962, and Articles II, III and IV of proposals served by the individual railroads on organization representatives of the employees involved on or about June 17, 1963. This agreement shall be construed as a separate agreement by and on behalf of each of said carriers and its employees represented by each of the organizations signatory hereto.

ARTICLE VIII - EFFECTIVE DATE

The provisions of this agreement shall become effective November 1, 1964, and shall continue in effect until January 1, 1966, and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended. Section 6 notices will not be initiated

nor progressed locally or concertedly covering the subject matter contained in the proposals of the parties referred to in Article VII, prior to January 1, 1966.

SIGNED AT WASHINGTON, D.C., this 25th day of September, 1964.

(Signatures and Appendices A, B and C are not here reproduced).

APPENDIX No. 8
EMPLOYEE INFORMATION PROVISION

Commencing June 1975, the carriers will provide each General Chairman with a list of employees who are hired or terminated, their home addresses, and the employees' identification numbers, if available. 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 30 days after the month in which the employee is hired or terminated. Where railroads cannot meet the 30-day requirement, the matter will be worked out with the General Chairman.

APPENDIX No. 9-A
NONOPERATING (IAM&AW) NATIONAL
VACATION AGREEMENTS
(Effective 1/1/83)

The following represents a synthesis in one document, for the convenience of the parties, of the current provisions of the December 17, 1941 National Vacation Agreement and amendments thereto provided in the National Agreements of August 21, 1954, August 19, 1960, November 21, 1964, February 4, 1965, September 27, 1967, September 2, 1969, October 7, 1971, February 11, 1972, May 12, 1972, December 6, 1978 and December 11, 1981, with appropriate source identifications.

This is intended as a guide and is not to be construed as constituting a separate agreement between the parties. If any dispute arises as to the proper interpretation or application of any provision, the terms of the appropriate vacation agreement shall govern.

(1) (a) Effective with the calendar year 1973, an annual vacation of five (5) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred twenty (120) days during the preceding calendar year.

(b) Effective with the calendar year 1973, an annual vacation of ten (10) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred ten (110) days during the preceding calendar year and who has two (2) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred ten (110) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of two (2) of such years, not necessarily consecutive.

(c) Effective with the calendar year 1982, an annual vacation of fifteen (15) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has eight (8) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of eight (8) of such years, not necessarily consecutive.

(d) Effective with the calendar year 1982, an annual vacation of twenty (20) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has seventeen (17) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of seventeen (17) of such years, not necessarily consecutive.

(e) Effective with the calendar year 1973, an annual vacation of twenty-five (25) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has twenty-five (25) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days (133 days in the years 1950-1959 inclusive, 151 days in 1949 and 160 days in each of such years prior to 1949) in each of twenty-five (25) of such years, not necessarily consecutive.

(f) Paragraphs (a), (b), (c), (d), and (e) hereof shall be construed to grant to weekly and monthly rated employees, whose rates contemplate more than five days of service each week, vacations of one, two, three, four or five work weeks.

(g) Service rendered under agreements between a carrier and one or more of the Non-Operating Organizations parties to the General Agreement of August 21, 1954, or to the General Agreement of August 19, 1960, shall be counted in computing days of compensated service and years of continuous service for vacation qualifying purposes under this Agreement.

(h) Calendar days in each current qualifying year on which an employee renders no service because of his own sickness or because of his own injury shall be included in computing days of compensated service and years of continuous service for vacation qualifying purposes on the basis of a maximum of ten (10) such days for an employee with less than three (3) years of service; a maximum of twenty (20) such days for an employee with three (3) but less than fifteen (15) years of service; and a maximum of thirty (30) such days for an employee with fifteen (15) or more years of service with the employing carrier.

(i) In instances where employees who have become members of the Armed Forces of the United States return to the service of the employing carrier in accordance with the Military Selective Service Act of 1967, as amended, the time spent by such employees in the Armed Forces subsequent to their employment by the employing carrier will be credited as qualifying service in determining the length of vacations for which they may qualify upon their return to the service of the employing carrier.

(j) In instances where an employee who has become a member of the Armed Forces of the United States returns to the service of the employing carrier in accordance with the Military Selective Service Act of 1967, as amended, and in the calendar year preceding his return to railroad service had rendered no compensated service or had rendered no compensated service on fewer days than are required to qualify for a vacation in the calendar year of his return to railroad service, but could qualify for a vacation in the year of his return to railroad service if he had combined for qualifying purposes days on which he was in railroad service in such preceding calendar year with days in such year on which he was in the Armed Forces, he will be granted, in the calendar year of his return to railroad service, a vacation of such length as he could so qualify for under paragraphs (a), (b), (c), (d) or (e) and (i) hereof.

(k) In instances where an employee who has become a member of the Armed Forces of the United States returns to the service of the employing carrier in accordance with the Military Selective Service Act of 1967, as amended, and in the calendar year of his return to

railroad service renders compensated service on fewer days than are required to qualify for a vacation in the following calendar year, but could qualify for a vacation in such following calendar year if he had combined for qualifying purposes days on which he was in railroad service in the year of his return with days in such year on which he was in the Armed Forces, he will be granted, in such following calendar year, a vacation of such length as he could so qualify for under paragraphs (a), (b), (c), (d), or (e) and (i) hereof.

(1) An employee who is laid off and has no seniority date and no rights to accumulate seniority, who renders compensated service on not less than one hundred twenty (120) days in a calendar year and who returns to service in the following year for the same carrier will be granted the vacation in the year of his return. In the event such an employee does not return to service in the following year for the same carrier he will be compensated in lieu of the vacation he has qualified for provided he files written request therefore to his employing officer, a copy of such request to be furnished to his local or general chairman.

(From Article III - Vacations - Section 1 of Agreements of 10-7-71, 2-11-72 and 5-12-72)

(2) (Not applicable to the employees covered by this agreement.)

(3) The terms of this agreement shall not be construed to deprive any employee of such additional vacation days as he may be entitled to receive under any existing rule, understanding or custom, which additional vacation days shall be accorded under and in accordance with the terms of such existing rule, understanding or custom.

(From Section 3 of 12/17/41 Agreement)

An employee's vacation period will not be extended by reason of any of the eleven recognized holidays New Year's Day, Washington's Birthday, Good Friday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Eve Day, Christmas and New Year's Eve Day or any day which by agreement has been substituted or is observed in place of any of the eleven holidays enumerated above, or any holiday which by local agreement has been substituted therefore, falling within his vacation period.

Such Section 3 is further amended to change the references to "eleven recognized holidays."

(From Article III - Vacations - Section 3 of Agreements of 10-7-71, 2-11-72, 5-12-72, 1-1-73, 12-4-75 and 12-11-81)

(4) (a) Vacations may be taken from January 1st to December 31st and due regard consistent with requirements of service shall be given to the desires and preferences of the employees in seniority order when fixing the dates for their vacations.

The local committee of each organization signatory hereto and the representatives of the Carrier will cooperate in assigning vacation dates.

(b) The Management may upon reasonable notice (of thirty (30) days or more, if possible, but in no event less than fifteen (15) days) require all or any number of employees in any plant, operation, or facility, who are entitled to vacations to take vacations at the same time.

The local committee of each organization affected signatory hereto and the proper representative of the carrier will cooperate in the assignment of remaining forces.

(From Sections 4 -- (a) and 4 -- (b) of 12-17-41 Agreement)

(5) Each employee who is entitled to vacation shall take same at the time assigned, and, while it is intended that the vacation date designated will be adhered to so far as practicable, the management shall have the right to defer same provided the employee so affected is given as much advance notice as possible; not less than ten (10) days' notice shall be given except when emergency conditions prevent. If it becomes necessary to advance the designated date, at least thirty (30) days' notice will be given affected employee.

If a carrier finds that it cannot release an employee for a vacation during the calendar year because of the requirements of the service, then such employee shall be paid in lieu of the vacation the allowance hereinafter provided.

(From Section 5 of 12-17-41 Agreement)

Such employee shall be paid the time and one-half rate for work performed during his vacation period in addition to his regular vacation pay.

Note: This provision does not supersede provisions of the individual collective agreements that require payment of double time under specified conditions.

(From Article I - Vacations - Section 4 of 8-21-54 Agreement)

(6) The carriers will provide vacation relief workers but the vacation system shall not be used as a device to make unnecessary jobs for other workers. Where a vacation relief worker is not needed in a given instance and if failure to provide a vacation relief worker does not burden those employees remaining on the job, or burden the employee after his return from vacation, the carrier shall not be required to provide such relief worker.

(From Section 6 of 12-17-41 Agreement)

(7) Allowances for each day for which an employee is entitled to a vacation with pay will be calculated on the following basis:

(a) An employee having a regular assignment will be paid while on vacation the daily compensation paid by the carrier for such assignment.

(b) An employee paid a daily rate to cover all services rendered, including overtime,

shall have no deduction made from his established daily rate on account of vacation allowances made pursuant to this agreement.

(c) An employee paid a weekly or monthly rate shall have no deduction made from his compensation on account of vacation allowances made pursuant to this agreement.

(d) An employee working on a piece-work or tonnage basis will be paid on the basis of the average earnings per day for the last two semi-monthly periods preceding the vacation, during which two periods such employee worked on as many as sixteen (16) different days.

(e) An employee not covered by paragraphs (a), (b), (c), or (d) of this section will be paid on the basis of the average daily straight time compensation earned in the last pay period preceding the vacation during which he performed service.

(From Section 7 of the 12-17-41 Agreement)

(8) The vacation provided for in this Agreement shall be considered to have been earned when the employee has qualified under Article 1 hereof. If an employee's employment status is terminated for any reason whatsoever, including but not limited to retirement, resignation, discharge, non-compliance with a union-shop agreement, or failure to return after furlough he shall at the time of such termination be granted full vacation pay earned up to the time he leaves the service including pay for vacation earned in the preceding year or years and not yet granted, and the vacation for the succeeding year if the employee has qualified therefore under Article 1. If an employee thus entitled to vacation or vacation pay shall die the vacation pay earned and not received shall be paid to such beneficiary as may have been designated, or in the absence of such designation, the surviving spouse or children or his estate, in that order of preference.

(From Article IV - Vacation - Section 2 of 8-19-60 Agreement)

(9) Vacations shall not be accumulated or carried over from one vacation year to another.

(From Section 9 of 12-17-41 Agreement)

(10) (a) An employee designated to fill an assignment of another employee on vacation will be paid the rate of such assignment or the rate of his own assignment, whichever is the greater; provided that if the assignment is filled by a regularly assigned vacation relief employee, such employee shall receive the rate of the relief position. If an employee receiving graded rates, based upon length of service and experience, is designated to fill an assignment of another employee in the same occupational classification receiving such graded rates who is on vacation, the rate of the relieving employee will be paid.

(b) Where work of vacationing employees is distributed among two or more employees, such employees will be paid their own respective rates. However, not more than the equivalent of twenty-five percent of the work load of a given vacationing employee can be

distributed among fellow employees without the hiring of a relief worker unless a larger distribution of the work load is agreed to by the proper local union committee or official.

(c) No employee shall be paid less than his own normal compensation for the hours of his own assignment because of vacations to other employees.

(From Section 10 of 12-17-41 Agreement)

(11) While the intention of this agreement is that the vacation period will be continuous, the vacation may, at the request of an employee, be given in installments if the management consents thereto.

(From Section 11 of 12-17-41 Agreement)

(12) (a) Except as otherwise provided in this agreement a carrier shall not be required to assume greater expense because of granting a vacation than would be incurred if an employee were not granted a vacation and was paid in lieu therefore under the provision hereof. However, if a relief worker necessarily is put to substantial extra expense over and above that which the regular employee on vacation would incur if he had remained on the job, the relief worker shall be compensated in accordance with existing regular relief rules.

(b) As employees exercising their vacation privileges will be compensated under this agreement during their absence on vacation, retaining their other rights as if they had remained at work, such absences from duty will not constitute "vacancies" in their positions under any agreement. When the position of a vacationing employee is to be filled and regular relief employee is not utilized, effort will be made to observe the principle of seniority.

(c) A person other than a regularly assigned relief employee temporarily hired solely for vacation relief purposes will not establish seniority rights unless so used more than 60 days in a calendar year. If a person so hired under the terms hereof acquires seniority rights, such rights will date from the day of original entry into service unless otherwise provided in existing agreements.

(From Section 12 of 12-17-41 Agreement)

(13) The parties hereto having in mind conditions which exist or may arise on individual carriers in making provisions for vacations with pay agree that the duly authorized representatives of the employees, who are parties to one agreement, and the proper officer of the carrier may make changes in the working rules or enter into additional written understandings to implement the purposes of this agreement, provided that such changes or understandings shall not be inconsistent with this agreement.

(From Section 13 of 12-17-41 Agreement)

(14) Any dispute or controversy arising out of the interpretation or application of any of the provisions of this agreement shall be referred for decision to a committee, the carrier

members of which shall be the Carriers' Conference Committees signatory hereto, or their successors; and the employee members of which shall be the Chief Executives of the Fourteen Organizations, or their representatives, or their successors. Interpretations or applications agreed upon by the carrier members and employee members of such committee shall be final and binding upon the parties to such dispute or controversy.

This section is not intended by the parties as a waiver of any of their rights provided in the Railway Labor Act as amended, in the event committee provided in this section fails to dispose of any dispute or controversy.

(From Section 14 of 12-17-41 Agreement)

(15) Except as otherwise provided herein this agreement shall be effective as of January 1, 1973, and shall be incorporated in existing agreements as a supplement thereto and shall be in full force and effect for a period of one (1) year from January 1, 1973, and continue in effect thereafter, subject to not less than seven (7) months' notice in writing (which notice may be served in 1973 or in any subsequent year) by any carrier or organization party hereto, of desire to change this agreement as of the end of the year in which the notice is served. Such notice shall specify the changes desired and the recipient of such notice shall then have a period of thirty (30) days from the date of the receipt of such notice within which to serve notice specifying changes which it or they desire to make. Thereupon such proposals of the respective parties shall thereafter be negotiated and progressed concurrently to a conclusion.

(From Article III - Vacations - Section 2 of Agreements of 10-7-71, 2-11-72 and 5-12-72)

Except to the extent that articles of the Vacation Agreement of December 17, 1941 are changed by this Agreement, the said agreement and the interpretations thereof and of the Supplemental Agreement of February 23, 1945, as made by the parties, dated June 10, 1942, July 20, 1942 and July 18, 1945 and by Referee Morse in his award of November 12, 1942, shall remain in full force and effect.

In Sections 1 and 2 of this Agreement certain words and phrases which appear in the Vacation Agreement of December 17, 1941, and in the Supplemental Agreement of February 23, 1945, are used. The said interpretations which defined such words and phrases referred to above as they appear in said Agreements shall apply in construing them as they appear in Sections 1 and 2 hereof.

(From Article I - Vacations - Section 6 of 8-21-54 Agreement)

(Signatures not reproduced)

APPENDIX No. 9-B

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY

AND

ITS EMPLOYEES REPRESENTED BY SYSTEM FEDERATION NO. 97

REGARDING SPLIT VACATIONS

(Applicable only on the former ATSF)

Effective with the calendar year 1972, it is understood and agreed that employees represented by System Federation No. 97 may, under the provisions of Article 11 of the December 17, 1941 National Vacation Agreement, if they so desire, split their vacation period once, provided their vacation period extends two (2) or more weeks. If an employee wishes to split his vacation it must be divided into full week periods. Requests for full and split vacations shall be handled as provided in Article 4(a) of the December 17, 1941 National Vacation Agreement, as amended. Before an employee who desires a split vacation is allowed to schedule the remainder of his vacation, all other employees on his seniority district shall, in seniority order, be permitted to schedule their vacations. After all employees on the applicable seniority district have scheduled their vacations, those employees who split their vacations shall, in seniority order, schedule the remainder of their split vacation.

When vacations are split under the provisions of this Memorandum of Understanding, it is further agreed that the Carrier will not be subject to claims or greater expense than would normally occur, as provided in Article 12 of the December 17, 1941 National Vacation Agreement.

When relief for employees splitting their vacations at outside points is provided, payment under Agreement rules, if any, for only one (1) round trip will be allowed for the combined relief period and payment shall be divided as follows:

- (a) The relief employee sent to the outside point to protect the first period will be allowed payment under Agreement rules, if any, to the point of relief.
- (b) The relief employee returning to his home station from the outside point after completing relief for the second period will be allowed payment under Agreement rules, if any, for the return trip.
- (c) No payment under Agreement rules, if any, will be allowed either to the relief

employee returning to his home station from protecting the first vacation period, or to the relief employee being sent to the outside point to protect the second vacation period.

It is understood and agreed that nothing contained herein prohibits the Carrier from granting en masse vacations.

Signed at Chicago, Illinois, this 27th day of October, 1971.

(Signatures not reproduced)

APPENDIX No. 9-C
MEMORANDUM OF UNDERSTANDING
BETWEEN
THE BURLINGTON NORTHERN AND SANTA FE RAILWAY CO. (BNSF)
AND
THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS
(IAMAW)

Day at a Time Vacation

The following provision is for the purpose of providing machinery under which a week of vacation may be split into days and does not constitute an amendment to the vacation agreement:

Effective with vacations taken in calendar year 2008, any employee who is eligible for vacation may elect at the time vacations are scheduled to split one (1) week or two (2) weeks of his vacation on a one (1) day at a time basis. (Employees who are scheduled to take group vacations may split only vacation time which exceeds the length of the group vacation.) Sufficient time which would otherwise have been scheduled for regular vacation periods shall be set aside throughout the year at each facility to take care of the one day at a time vacation.

To insure distribution of vacations consistent with the vacation schedule, at least one day of each participating employee's vacation, two days if two weeks of vacation are split, must be taken each two months, unless otherwise agreed by the local management and local committee. Employees must use all one-day vacation before October 31 in the vacation year unless days are scheduled for November and December with the approval of management.

Such vacations must be lined up with the employee's supervisor one (1) week in advance and scheduled consistent with the requirements of service. (However, consideration will be given to approved absences for emergencies and other compelling circumstances.) One-day vacations will be assigned in seniority order but, after they have been assigned, shall not be subject to reassignment to a senior employee. Carrier shall have the right to defer such one-day vacations for emergencies and other circumstances. Employees who take short vacations in accordance with this procedure will be paid for such days in accordance with Article 7 of the National Vacation Agreement.

If an employee becomes delinquent in taking one-day vacation by not taking the required number of days, for example, one or two days by the end of February, two or four days by the end of April, and so on, such employee will be considered not in compliance with terms of this Agreement. It is understood that management may assign employees with vacation days in the next two month period, or during a period later in the year, sufficient to bring the employee into compliance with the Agreement.

Signed on July 11, 2007.

For BNSF For IAMAW

(Signatures not reproduced)

**APPENDIX No. 10
NONOPERATING (SHOP CRAFTS) NATIONAL
HOLIDAY PROVISIONS**

(Effective 1-1-83)

The following represents a synthesis in one document, for the convenience of the parties, of the current holiday provisions of the National Agreement of August 21, 1954 and amendments thereto provided in the National Agreements of August 19, 1960, November 21, 1964, February 4, 1965, September 2, 1969, October 7, 1971, March 12, 1975 and December 11, 1981, with appropriate source identification.

This is intended as a guide and is not to be construed as constituting a separate agreement between the parties. If any dispute arises as to the proper interpretations or application of any provision, the terms of the appropriate agreement shall govern.

Section 1.

Subject to the qualifying requirements contained in Section 3 hereof, and to the conditions hereinafter provided, each hourly and daily rated employee shall receive eight hours' pay at the pro rata hourly rate for each of the following enumerated holidays:

New Year's Day	Christmas Eve Day (the day before Christmas is observed)
Presidents' Day	Christmas
Good Friday	New Year's Eve Day (the day before New Year's Day is observed)
Memorial Day	
Fourth of July	
Labor Day	
Thanksgiving Day	
Day after Thanksgiving Day	

(Article II - Holidays - Sections 1(a) and 2(a), Agreements of 10-7-71, 3-12-75 and 12-11-81)

In the Dominion of Canada, the following holidays will be observed in lieu of those above enumerated: New Year's Day, Good Friday, Victoria Day, Canada Day, Labor Day, Thanksgiving Day, Remembrance Day, Christmas Eve (the day before the observance of Christmas Day), Christmas Day, Boxing Day and New Year's Eve (the day before the observance of New Year's Day).

(a) Holiday pay for regularly assigned employees shall be at the pro rata rate of the position to which assigned.

(b) For other than regularly assigned employees, if the holiday falls on a day on which he would otherwise be assigned to work, he shall, if consistent with the requirements of the service, be given the day off and receive eight hours' pay at the pro rata rate of the position which he otherwise would have worked. If the holiday falls on a day other than a day on which

he otherwise would have worked, he shall receive eight hours' pay at the pro rata hourly rate of the position on which compensation last accrued to him prior to the holiday.

(c) Subject to the applicable qualifying requirements in Section 3 hereof, other than regularly assigned employees shall be eligible for the paid holidays or pay in lieu thereof provided for in paragraph (b) above, provided (1) compensation for service paid him by the carrier is credited to 11 or more of the 30 calendar days immediately preceding the holiday and (2) he has had a seniority date for at least 60 calendar days or has 60 calendar days of continuous active service preceding the holiday beginning with the first day of compensated service, provided employment was not terminated prior to the holiday by resignation, for cause, retirement, death, non-compliance with a union shop agreement, or disapproval of application for employment.

(d) The provisions of this Section and Section 3 hereof applicable to other than regularly assigned employees are not intended to abrogate or supersede more favorable rules and practices existing on certain carriers under which other than regularly assigned employees are being granted paid holidays.

NOTE: This rule does not disturb agreements or practices now in effect under which any other day is substituted or observed in place of any of the above enumerated holidays.

(Article II - Holidays - Section 1, 9-2-69 Agreement)

Section 2(a).

Monthly rates, the hourly rates of which are predicated upon 169-1/3 hours, shall be adjusted by adding the equivalent of 56 pro rata hours to the annual compensation (the monthly rate multiplied by 12) and this sum shall be divided by 12 in order to establish a new monthly rate. The hourly factor will thereafter be 174 and overtime rates will be computed accordingly.

Weekly rates that do not include holiday compensation shall receive a corresponding adjustment.

Section 2(b).

All other monthly rates of pay shall be adjusted by adding the equivalent of 28 pro rata hours to the annual compensation (the monthly rate multiplied by 12) and this sum shall be divided by 12 in order to establish a new monthly rate. The sum of presently existing hours per annum plus 28 divided by 12 will establish a new hourly factor and overtime rates will be computed accordingly.

Weekly rates not included in Section 2(a) shall receive a corresponding adjustment.

(Article II - Holidays - Section 2(a) and 2(b) of 8-21-54 Agreement)

Article II, Section 6 of the Agreement of August 21, 1954, which was added by the Agreement of November 21, 1964 and the Agreement of February 4, 1965, is eliminated. However, the adjustment in monthly rates of monthly rated employees which was made effective January 1, 1965, pursuant to Article II of the Agreement of November 21, 1964 and the Agreement of February 4, 1965, by adding the equivalent of 8 pro rata hours to their annual compensation (the monthly rate multiplied by 12) and dividing this sum by 12 in order to establish a new monthly rate, continues in effect. Effective January 1, 1972, weekly rates shall be adjusted by adding the equivalent of 8 pro rata hours to the annual compensation and a new weekly rate established in the same manner as under Article II, Section 2 of the August 21, 1954 Agreement. The hourly factor will be correspondingly increased and overtime rates will be computed accordingly. This adjustment will not apply to any weekly rates of pay which may have been earlier adjusted to include pay for the birthday holiday.

Effective January 1, 1973, the monthly rates of monthly rated employees shall be adjusted by adding the equivalent of 8 pro rata hours to their annual compensation (the monthly rate multiplied by 12) and this sum shall be divided by 12 in order to establish a new monthly rate. Weekly rates shall be adjusted by adding the equivalent of 8 pro rata hours to the annual compensation and a new weekly rate established in the same manner as under Article II, Section 2 of the August 21, 1954 Agreement. The hourly factor will be correspondingly increased and overtime rates will be computed accordingly.

(Article II - Holidays - Sections 1(d) and 2(d), Agreement of 10-7-71)

Effective January 1, 1976, after application of the cost-of-living adjustment effective that date, the monthly rates of monthly rated employees shall be adjusted by adding the equivalent of 8 pro rata hours' pay to their annual compensation (the rate multiplied by 12) and this sum shall be divided by 12 in order to establish a new monthly rate. That portion of such 8 pro rata hours' pay which derives from the cost-of-living allowance will not become part of basic rates of pay except as provided in Article II, Section 1(d) of the Agreement of March 12, 1975. The sum of presently existing hours per annum plus 8, divided by 12, will establish a new hourly factor for purposes of applying cents-per-hour adjustments in such monthly rates of pay and computing overtime rates.

A corresponding adjustment shall be made in weekly rates and hours factors derived therefrom.

(6/16/76 Implementing Agreements)

NOTE: The hourly factor as shown in Section 2(a) above, was as a result of the addition of the birthday holiday (later Good Friday) increased, effective January 1, 1965, to 174-2/3; as a result of the addition of Veterans Day as a holiday, effective January 1, 1973, increased to 175-1/3; and as a result of the addition of Christmas Eve (the day before Christmas is observed) as a holiday, effective January 1, 1976, increased to 176 hours.

Section 3.

A regularly assigned employee shall qualify for the holiday pay provided in Section 1 hereof if compensation paid him by the carrier is credited to the workdays immediately preceding and following such holiday or if the employee is not assigned to work but is available for service on such days. If the holiday falls on the last day of a regularly assigned employee's workweek, the first workday following his rest days shall be considered the workday immediately following. If the holiday falls on the first workday of his workweek, the last workday of the preceding workweek shall be considered the workday immediately preceding the holiday.

Except as provided in the following paragraph, all others for whom holiday pay is provided in Section 1 hereof shall qualify for such holiday pay if on the day preceding and the day following the holiday they satisfy one or the other of the following conditions:

- (a) Compensation for service paid by the carrier is credited; or
- (b) Such employee is available for service.

NOTE: "Available" as used in subsection (b) above is interpreted by the parties to mean that an employee is available unless he lays off of his own accord or does not respond to a call, pursuant to the rules of the applicable agreement, for service.

For the purposes of Section 1, other than regularly assigned employees who are relieving regularly assigned employees on the same assignment on both the work day preceding and the work day following the holiday will have the workweek of the incumbent of the assigned position and will be subject to the same qualifying requirements respecting service and availability on the work days preceding and following the holiday as apply to the employee whom he is relieving.

Compensation paid under sick-leave rules or practices will not be considered as compensation for purposes of this rule.

(Article II - Holidays - Section 2, 9-2-69 Agreement)

Section 4.

Provisions in existing agreements with respect to holidays in excess of the eleven holidays referred to in Section 1 hereof shall continue to be applied without change.

(Article II - Holidays - Sections 1(b) and 2(c), Agreements of 10-7-71, 3-12-75 and 12-11-81)

Section 5.

(a) Existing rules and practices thereunder governing whether an employee works on a holiday and the payment for work performed on a holiday are extended to apply to Good Friday, Day after Thanksgiving Day, Christmas Eve Day and to New Year's Eve Day in the same manner as to other holidays listed or referred to therein.

(Article II - Holidays - Section 2(b), Agreements of 10-7-71, 3-12-75 and 12-11-81)

(b) All rules, regulations or practices which provide that when a regularly assigned employee has an assigned relief day other than Sunday and one of the holidays specified therein falls on such relief day, the following assigned day will be considered his holiday, are hereby eliminated.

(c) Under no circumstances will an employee be allowed, in addition to his holiday pay, more than one time and one-half payment for service performed by him on a holiday which is also a work day, a rest day, and/or a vacation day.

NOTE: This provision does not supersede provisions of the individual collective agreements that require payment of double time for holidays under specified conditions.

(d) Except as provided in this Section 5, existing rules and practices thereunder governing whether an employee works on a holiday and the payment for work performed on a holiday are not changed hereby.

(Article II - Holidays - Section 1(c), Agreements of 10-7-71, 3-12-75 and 12-11-81)

Section 6.

(Eliminated by Article II - Holidays - Section 1(d), Agreements of 10-7-71)

Section 7.

When any of the eleven recognized holidays enumerated in Section 1 of this Article II, or any day which by agreement, or by law or proclamation of the State or Nation, has been substituted or is observed in place of any such holidays, falls during an hourly or daily rated employee's vacation period, he shall, in addition to his vacation compensation, receive the holiday pay provided for therein provided he meets the qualification requirements specified. The "workdays" and "days" immediately preceding and following the vacation period shall be considered the "workdays" and "days" preceding and following the holiday for such qualification purposes.

(Article II - Holidays - Sections 1(e) and (c), Agreements of 10-7-71, 3-12-75 and 12-11-81)

Section 8.

(a) The holiday pay qualification for Christmas Eve - Christmas shall also be applicable to the Thanksgiving Day - day after Thanksgiving Day and the New Year's Eve - New Year's Day holidays.

(b) In addition to their established monthly compensation, employees performing service on the day after Thanksgiving Day on a monthly rated position (the rate of which is predicated on an all-service performed basis) shall receive eight hours pay at the equivalent straight time rate, or payment as required by any local rule, whichever is greater. Any local rules or practices governing availability on the assigned rest day of such employee will also apply to the day after Thanksgiving Day.

(c) A monthly rated employee occupying a 5-day assignment on a position with Friday as an assigned rest day also shall receive eight hours' pay at the equivalent straight time rate for the day after Thanksgiving Day, provided compensation paid such employee by the carrier is credited to the work days immediately preceding Thanksgiving Day and immediately following the day after Thanksgiving Day.

(d) Except as specifically provided in paragraph (b) above, existing rules and practices thereunder governing whether an employee works on a holiday and the payment for work performed on a holiday are extended to apply to the day after Thanksgiving Day and New Year's Eve (the day before New Year's Day is observed) in the same manner as to other holidays listed or referred to therein.

(e) Special Qualifying Provision - Employee Qualifying for Both Christmas Eve and Christmas Day

NOTE: See Section 8(a) above.

Article II, Section 3 of the Agreement of August 21, 1954, as such Section has been amended, is further amended by addition of the following:

An employee who meets all other qualifying requirements will qualify for holiday pay for both Christmas Eve and Christmas Day if on the "workday" or the "day," as the case may be, immediately preceding the Christmas Eve holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" before the holiday and on the "workday" or the "day," as the case may be, immediately following the Christmas Day holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" after the holiday.

An employee who does not qualify for holiday pay for both Christmas Eve and Christmas Day may qualify for holiday pay for either Christmas Eve or Christmas Day under the provisions applicable to holidays generally.

(Article IV - Holidays - 12-11-81)

APPENDIX No. 11
ARTICLE IV- October 1, 1971 AGREEMENT
Amended December 2, 1978 and September 1, 2005

PAYMENTS TO EMPLOYEES INJURED UNDER CERTAIN CIRCUMSTANCES

Where employees sustain personal injuries or death under the conditions set forth in paragraph (a) below, the carrier will provide and pay such employees, or their personal representative, the applicable amounts set forth in paragraph (b) below, subject to the provisions of other paragraphs in this Article.

(a) Covered Conditions:

This Article is intended to cover accidents involving employees covered by this agreement while such employees are riding in, boarding, or alighting from off-track vehicles authorized by the carrier and are

- (1) deadheading under orders or
- (2) being transported at carrier expense.

(b) Payments to be Made:

In the event that 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 Death 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 or 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.

Not 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 Care

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 set forth herein bears to the aggregate amount of all such payments.

(c) Payment in Case of Accidental Death:

Payment of the applicable amount for accidental death shall be made to the employee's personal representative for the benefit of the persons designated in, and according to the apportionment required by the Federal Employers Liability Act (45 U.S.C. 51 et seq., as amended), or if no such person survives the employee, for the benefit of his estate.

(d) Exclusions:

Benefits provided under paragraph (b) shall not be payable for or under any of the following conditions:

- (1) Intentionally self-inflicted injuries, suicide or any attempt thereat, while sane or insane;
- (2) Declared or undeclared war or any act thereof;
- (3) Illness, disease, or any bacterial infection other than bacterial infection occurring in consequence of an accidental cut or wound;
- (4) Accident occurring while the employee driver is under the influence of alcohol or drugs, or if an employee passenger who is under the influence of alcohol or drugs in any way contributes to the cause of the accident;
- (5) While an employee is a driver or an occupant of any conveyance engaged in any race or speed test;
- (6) While an employee is commuting to and/or from his residence or place of business.

(e) Offset:

It is intended that this Article IV is to provide a guaranteed recovery by an employee or his personal representative under the circumstances described, and that receipt of payment thereunder shall not bar the employee or his personal representative from pursuing any remedy under the Federal Employers Liability Act or any other law; provided, however, that any amount received by such employee or his personal representative under this Article may be applied as an offset by the railroad against any recovery so obtained.

(f) Subrogation:

The carrier shall be subrogated to any right of recovery an employee or his personal representative may have against any party for loss to the extent that the carrier has made payments pursuant to this Article.

The payments provided for above will be made, as above provided, for covered accidents on or after January 1, 1972.

It is understood that no benefits or payments will be due or payable to any employee or his personal representative unless such employee, or his personal representative, as the case may be, stipulates as follows:

"In consideration of the payment of any of the benefits provided in Article IV of the Agreement of October 7, 1971, (employee or personal representative) agrees to be

governed by all of the conditions and provisions said and set forth by Article IV."

Savings Clause

This Article IV supersedes as of January 1, 1972, any agreement providing benefits of a type specified in paragraph (b) hereof under the conditions specified in paragraph (a) hereof; provided, however, any individual railroad party hereto, or any individual committee representing employees party hereto, may by advising the other party in writing by December 1, 1971, elect to preserve in its entirety an existing agreement providing accident benefits of the type provided in this Article IV in lieu of this Article IV.

APPENDIX No. 12-A

PERSONAL LEAVE Q & A'S

The following examples are intended to demonstrate the intention of the parties concerning application of the qualifying requirements set forth in Article X – Personal Leave of the December 11, 1981 National Agreement:

Example No. 1

Employee “A” was hired during the calendar year 1974 and rendered compensated service on a sufficient number of days in such year to qualify for a vacation in the year 1975. He also rendered compensated service on the required number of days in the years 1976 through 1981, but not during the year 1975.

This employee would not be entitled to one day of personal leave in the year 1982 because of not having met the qualifying vacation requirements during eight calendar years prior to January 1, 1982.

Example No. 2

Employee “B” also was hired during the calendar year 1974 and rendered compensated service on a sufficient number of days in such year to qualify for a vacation in the year 1975. He also rendered compensated service on the required number of days in each of the years 1975 through 1981.

This employee would be entitled to one day of personal leave in the year 1982 by virtue of having met the qualifying vacation requirements during eight calendar years prior to January 1, 1982.

Example No. 3

Employee “C” was hired during the calendar year 1973 and rendered compensated service on a sufficient number of days in such year to qualify for a vacation in the year 1974. He also rendered compensated service on the required number of days in the years 1974 through 1980, but not during the year 1981.

This employee, despite the fact that he did not render compensated service on the required number of days in the year 1981, would be entitled to one day of personal leave in the year 1982 by virtue of having met the qualifying vacation requirements during eight calendar years prior to January 1, 1982.

APPENDIX No. 12-B

PERSONAL LEAVE HOLIDAY QUALIFYING

During the negotiations of the Agreement of this date we discussed situations where personal leave days are taken either immediately preceding or following a holiday.

This reconfirms our understanding that the work day (or day, in the case of an other than regularly assigned employee) immediately preceding or following the personal leave day is considered as the qualifying day for holiday purposes.

Please indicate your agreement by signing your name in the space provided below.

(Signatures not reproduced)

APPENDIX No. 13-A

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY (BNSF)
AND
THE INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS (IAMAW)**

BNSF has an on-going safety process which heretofore has not included the full support of the union. Recognizing that safety is a mutual concern and that achieving ever higher levels of safety awareness towards a goal of an injury free workplace calls for a joint effort, the parties agree to the following general guidelines:

I. SAFETY COMMITTEES

(a) Safety committees are to be established as soon as practicable with local management and the union local chairmen determining the number and size based upon location and other relevant circumstances. The Safety committees are to be comprised of supervisory and employee representatives and the following will govern:

(1) Safety committee employee representatives are to be elected by the employees and will be elected for a two-year term. Upon expiration of their term, they may be re-elected to serve another term. Should a safety representative leave prior to the expiration of his current term, another election is to be held to replace him.

(2) Participation on the safety committees by individual employees is voluntary.

(3) Committees are limited to addressing safety matters only.

(4) While performing safety committee matters, the employee is to receive the normal rate of pay of his position and filling of his position is at the discretion of local management consistent with the needs of service. Should the safety representative be covered by an agreement providing for a differential for performing classroom instruction, he will receive the differential when performing such instruction as provided for in the applicable national agreement.

(b) Each safety committee is to include an elected employee committee chairperson that will be selected by a vote of the safety committee. The elected employee committee chairperson is to be selected by the safety committee as soon as possible after the committee is formed but in any event within 12 months of the

date of this agreement. This individual is to work closely with and co-chair the committee activities with the local supervisory co-chair committee member.

(c) It is understood that from time to time the local or general chairman may attend the safety committee meetings.

II. SAFETY ASSISTANTS

(a) In addition to the safety committees, the Company may determine a need for a safety assistant position at certain locations or facilities. In the event the Company chooses to establish or retain such a position, it will:

(1) Post a notice seeking applicants for the position and including the requirements of the position.

(2) The position will be open to applicants from all crafts; the posting will include that applicants "must possess good written and oral communication skills; training skills; administrative skills and basic computer skills. Some travel and working various shifts is required. At least 40 hours of professional safety training per year is also required to be provided without loss of pay to the employee."

(3) The local supervisors and local union chairmen will review the list of applicants and select a slate of no less than two of the best qualified candidates.

(4) The safety assistant is to be elected by the employees from the slate and is to serve for a two-year period.

(5) If it is determined that the position which is vacated needs to be filled, it will be placed up for bid. The company, however, retains its rights to adjust the workforce.

(b) To allow for a smooth transition, existing safety assistants may remain in place as this agreement is implemented. However, the new selection process for staffing the safety assistant position is to be utilized when practicable but not more than one year from the date of this agreement.

(c) Nothing in this understanding is intended to prohibit safety committee chairmen from being elected to safety assistant positions or for incumbent safety assistants to be reelected.

(d) The pay for safety assistants is the basic rate of pay for the position they previously held plus a differential equivalent to the lead mechanic differential and payable in the same manner.

(e) While working in this special service as a safety assistant, the employee will be

considered as if on a leave of absence and will retain and accumulate seniority in accordance with Article VII of the December 18, 1987 National Agreement. When an employee in special service as a safety assistant leaves that service, he is to return to regular service per rule(s) of the applicable labor agreement covering return as if on leave of absence (i.e. Rule 17 if under Santa Fe agreement; Rule 14C if under Burlington Northern agreement).

III. GENERAL

(a) This understanding is being made on a nonreferable and without prejudice basis to the parties positions and is not to be used as a precedent in any matter.

(b) Nothing in this agreement is intended to interfere with or alter the rights or obligations of either party concerning representation or the collective bargaining process. Correspondingly the process established by this agreement shall not be used to address wages, hours, working conditions and/or other subjects traditionally reserved for collective bargaining.

(c) Upon 75 days advance written notice, this arrangement may be canceled by either party. In the event the arrangement is canceled, the parties shall revert to the same rights and positions that they held prior to this understanding as if this understanding was not consummated.

(d) It was understood that this is a good faith attempt by the parties to deal with safety issues. The guidelines are fairly broad due to the nature of the subject. The parties understand that the lack of specific details will lead to opportunities to resolve concerns over the application of this arrangement in a common sense manner based upon the prevailing circumstances being considered. Every effort will be made to resolve matters without formal grievances and in a spirit of cooperation.

Agreed to this 12th day of August 1997.

APPENDIX No. 13-B

MEMORANDUM OF UNDERSTANDING Between THE BNSF RAILWAY COMPANY (BNSF) And The INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS (IAMAW)

The BNSF and IAMAW understand that furthering safety at BNSF is a mutual interest and both parties are committed to fostering a safe work environment. The parties believe this is best accomplished with the mutual development of programs that further the interest of safety and mutual participation. In recognition of this important partnership in safety, BNSF and IAMAW agree to the following:

Part 1 -THE August 12, 1997, IAMAW SAFETY AGREEMENT

The August 12, 1997, Memorandum of Understanding is preserved in its entirety, except as specifically amended by this Agreement.

Section 1 - Employee Safety Committee

Employee Safety Committees shall be established consistent with the provisions for "Employee Safety Committees" as provided for in the parties' August 12, 1997, Agreement.

Section 2 - IAMAW Safety Assistants

A. Safety Assistant positions shall be maintained as they exist today in a manner provided for in the parties' August 12, 1997, Agreement.

B. The number of IAMAW Safety Assistant positions will equal the number of those positions as they existed on August 12, 1997. Local Management and the Local Union Officer will mutually agree if we want to establish a safety assistant position where one does not exist. If the parties do not reach an agreement, they will follow the dispute resolution process found in this Agreement and promptly meet to address the issue.

C. The IAMAW Safety Assistant will report jointly to the senior mechanical officer at the location and the designated Joint Protective Board officer from the IAMAW.

Section 3 - Safety Advisory Committee

The BNSF and the IAMAW will have the option of establishing a system Safety Advisory Committee. Members will include the designated Joint Protective Board officers and/or the IAMAW General Chairman, the BNSF Chief Mechanical Officer(s), the BNSF Vice President of

Safety or designee and the BNSF Vice President of Labor Relations or designee. Duties of this committee will include:

- A. Reviewing the activities of safety committees,
- B. Review risk identification process reports,
- C. Recommend safety training programs for safety committee members, Safety Assistants and mechanical employees,
- D. All decisions and recommendation of the Safety Advisory Committee shall be made by consensus.

Section 4 - Effects of the Agreement

The effects of this agreement shall be maintained consistent with the parties' August 12, 1997, Agreement which shall be incorporated into this Agreement by reference.

Section 5 - Risk and Behavior Identification Program

A. A formal risk and behavior identification process will be developed jointly by IAMAW and BNSF. This formal identification process will be included as one tool in our effort to build a safer workplace. The risk and behavior identification process will identify risks in work processes, working environments, tools and equipment, or any other area of our work place which the parties identify as useful in our efforts to create a safer work place.

B. The IAMAW and BNSF will work jointly to develop and administer a program to train all interested IAMAW represented employees as risk and behavior observers. The parties will also agree to the method of collection, recording, coordination and publishing of any information received from identification observations which shall be performed by volunteer IAMAW members and which shall always be anonymous and never result in punishment.

C. An employee's participation as a risk or behavior identification observer will be voluntary.

D. The risk and behavior identification program mutually developed by the parties may be used to monitor the potential risks described in Paragraph A above. The specific item to be monitored will be agreed to jointly by the parties with consideration given to data on injuries, accidents, near misses, employee concern, hazards identified or similar concerns.

E. Any data collected from a risk or behavior identification observation will be on a "blind" only basis. No names, locations or other identifying criteria will be noted. The "blind" information should note whether or not the specific workplace or behavior item was performed properly or is within "best practice", but no other identifying information.

F. At designated intervals prescribed by the Safety Assistant and management, safety observers will furnish the Safety Assistant a "blind" report of the tasks observed. The Safety Assistant will combine all such reports into a single report. This report will also be "blind" and not contain the names of any employee, safety observers or other identifying information, as outlined above. The report will be made available to the appropriate IAMAW General Chairman or the designated Joint Protective Board officer, the Safety Committee and BNSF Supervision.

G. The IAMAW Safety Assistant will work jointly with a designated Company officer to analyze the observation report compiled by the independent third party and they will mutually determine the feedback, or the counter-measure program, if any, needed to resolve any "risk" identified by the observation data presented. That analysis and any recommendations will be jointly provided to the local Employee Safety Committee and the Safety Advisory Committee.

Part 2 - ALTERNATIVE HANDLING PROGRAM

Alternative handling is a non-punitive response to rule violations that includes training and other non-disciplinary measures. An alternative handling event will be recorded in a separate alternative handling database and will not be entered on the employee's personal record. It will not be considered discipline and may only be used to determine eligibility for future alternative handling in the event of a subsequent violation and to document non-punitive counseling given to the employee. The availability of the Alternative Handling option, as applicable, will be included in the notice of investigation in the manner noted below. The parties agree that the Alternative Handling Program established by this agreement may include coaching/counseling and other agreed-to alternative handling procedures. The Safety Incident Analysis Process (SIAP) is not eliminated by this Agreement and if the parties agree to utilize this process, the SIAP will not be counted as discipline or an alternative handling event.

Prior to the issuance of an investigation notice, pursuant to the applicable agreement, the company will determine if the employee is eligible for the Alternative Handling process. If the employee is eligible as provided in this Agreement, such fact will be noted on the investigation notice with the following: "Pursuant to BNSF/IAMAW Memorandum dated August 1, 2007 this notice is AHP eligible".

The parties recognize that many factors enter into an employee's evaluation of the appropriateness of accepting Alternative Handling including the requirement to "acknowledge accountability", the varied style of Alternative Handling programs, length of continued involvement in the program and the like. As a result, the parties agree they do not want the offer, acceptance or declination of Alternative Handling to be referenced in any manner in any investigation proceeding. Therefore it is agreed that the offer of Alternative Handling is completely without prejudice and under the strictest possible terms will not be raised by either party in any procedure conducted pursuant to the applicable Discipline Rules including any resulting claim and/or appeal procedure.

Section 1 - Alternative Handling Eligibility

A. Calculations for eligibility will consider only those offenses that occur after the signing of this Agreement. Offenses that have occurred prior to the signing of this Agreement will not be used to determine eligibility for alternative handling.

B. When a disciplinary "notice" is issued to an employee, the charged employee, if eligible, will receive notice of alternative handling eligibility.

C. Each employee subject to this Agreement is eligible for alternative handling provided he/she acknowledges accountability for the violation within five (5) days of receipt of the investigation notice.

D. Alternative handling, if requested, will be made available for rule violations except as defined in a) through f) below. Such rule violations to which alternative handling is applicable are referred to as "covered" rule violations. The following rule violations are not covered:

- a) late reporting of a personal injury, not including muscular-skeletal injuries reported within 72 hours and under the guidelines of the BNSF Policy for Employee Performance Accountability,
- b) violation of the company drug and alcohol policy,
- c) rule violation resulting in very serious personal injury to anyone (life threatening or career ending) or major property damage (\$100,000 or greater),
- d) any violation involving actions directed at a specific employee(s) that results in discrimination because of race, color, religion, national origin, or sex,
- e) rule violations necessarily involving moral turpitude, including theft, intentional misuse of company property/resources, intentional misrepresentation, intentional infliction of personal injury, assault, intentional destruction of property, lewd or lascivious conduct,
- f) attendance, job abandonment for five or more consecutive work days and absent without authority (AWOL) for five or more consecutive work days.

E. An employee is not eligible for alternative handling if he/she has:

- a) two prior alternative handling events in the previous 12 months,
- b) a violation of the same offense in the previous 18 months,
- c) three events (discipline or alternative handling) of any kind in the previous 12 months,

- d) three alternative handling events for Covered serious violations as defined in the governing discipline policy,
- e) failure to successfully complete an alternative handling plan during the previous 12 months.

F. Employees ineligible under Sections D and E may be granted alternative handling through mutual agreement and as part of the dispute resolution process. If an exception is not granted, the employee retains full contractual rights established under the applicable schedule agreement, consistent with Section 4 of this Agreement.

Section 2 - Alternative Handling Process

A. Requests for alternative handling must be made in writing. If the employee is eligible for alternative handling, as defined in Section 1, training and corrective action will be appropriate to the type of offense and the employee's work history.

B. Alternative handling shall be accomplished through a written plan of employee education. Each written plan will be developed based on the following general guidelines:

- a) The plan will be tailored to the employee's work environment and the specific nature of offense, and the entire alternative handling plan will be less than ten days, except when both parties agree to an extension.
- b) The plan will not require the employee to participate more than the straight time hours for the employee's regular assignment nor more than 40 hours in any work week as prescribed by the applicable schedule agreement.
- c) Educational and training materials, classroom training, rules awareness training, examinations, safety awareness meetings, independent study and computer aided learning are examples of acceptable alternative handling plan elements. Alternative handling plans are to be challenging, genuine, and meaningful. All necessary expenses incurred during this process shall be reimbursed consistent with the provisions of the applicable CBA and BNSF's Expense Policy.
- d) Alternative handling may be accomplished at distant locations at BNSF's expense.
- e) The labor representative, or the employee's designee, shall participate in the creation of the alternative handling plan, may participate in the actual administration of the alternative handling plan and will receive compensation under existing CBA rules and/or practices. All necessary expenses incurred during this process shall be reimbursed consistent with the provisions of the applicable CBA and BNSF's Expense Policy.
- f) An employee shall not have the same alternative handling plan as administered for a previous offense within a 12-month period.

- g) An alternative handling plan must be in place and started not later than 30 days from the offense unless agreement is reached between local management and the labor representative.

Section 3 - Safety Incident Analysis Process

When the parties signatory to this Agreement agree to utilize the Safety Incident Analysis Process (SIAP), the following process will apply:

- A. If an investigation is scheduled in connection with the incident and the parties agree to SIAP, the investigation will be cancelled.
- B. The employee(s) involved will be required to fully participate in the SIAP process.
- C. The SIAP process will not be counted as discipline or alternative handling when determining future eligibility for alternative handling.
- D. The objective of the SIAP process is the identification and elimination of work place factors that lead directly to an incident or accident experience. This process is divided into three key areas:
 - a) Analyzing all incidents using a multiple cause approach that identifies all root causes.
 - b) Developing and implementing a Resolution Activity Plan that eliminates and/or reduces the chance for occurrence of future similar incidents.
 - c) Providing scheduled follow-up to ensure the Resolution Activity Plan is working as expected.
- E. The SIAP process will proceed as follows:
 - a) When the parties agree to utilize the SIAP process, a Labor/Management team will be assembled. The employee(s) will be represented by an employee(s) of their choice. Labor and Management must have a trained member participating. This is not intended to deny an untrained employee or supervisor from participating in the process.
 - b) The Labor/Management team will meet, including the involved employee(s), and gather all the facts concerning the incident. The facts of this incident will not be used in future formal hearings.
 - c) The SIAP process shall include the use of the Multiple Cause Incident Analysis Worksheet. The Multiple Cause Incident Analysis Worksheet and the Resolution Activity

Plan will be kept on file by the employee's immediate supervisor and the designated Union representative.

d) A Resolution Activity Plan will be developed during the process using recommendations from the multiple cause incident analysis. The Labor/Management team members will use consensus to determine the most appropriate and effective Resolution Activity Plan to eliminate the risk of future incidents. The Resolution Activity Plan will be targeted at removing obstacles that may prevent the employee's performance, the work, or the environment within which the work is performed, from being within "best practice."

e) A Resolution Activity Plan can include recommended changes to work processes, work environment, it can include skills training, recommendations for rule or policy development or modification, hazard correction, environment modifications, counseling, sharing of the incident with others, enhancements to inspections, etc.

f) Each member of the Labor/Management team will agree upon the measurement of the Resolution Activity Plan. The employee's immediate supervisor and the Organization representative may conduct scheduled follow-up over the time period agreed to by the group.

g) Resolution Plan Activities will be placed on an activity timetable and monitored by the Labor Management Team.

Section 4 - Interaction of Alternative Handling with Contractual Discipline Rules

A. Except as modified in this Agreement, existing schedule agreements pertaining to disciplinary action remain in effect. Nothing in this Agreement infringes on the entitlement or right of an employee to a formal investigation under the existing collective bargaining agreement. However, once the employee and representative sign a waiver for alternative handling, he/she waives all rights to formal investigation and appeal and agrees to abide by the terms specified in the alternative handling plan.

B. The time limits defined in the applicable schedule agreement apply with the following exceptions:

a) In any case where an employee requests alternative handling, the disciplinary investigation time limit will stop upon receipt of the request for alternative handling by a designated company officer.

b) An employee who does not receive notification of eligibility of alternative handling, but still requests the alternative handling, will receive a notice of the decision on alternative handling no later than ten days from submission of the written request for alternative handling.

- c) An employee may withdraw the request for alternative handling if they provide written notification prior to starting the plan. The original investigation notice will automatically be reinstated and the investigation rescheduled to be held within 10 days from the receipt of the notice to withdraw from alternative handling unless postponed as mutually agreed to. Withdrawal before starting the plan will not be considered a failure to complete the plan.
- d) If, by action or inaction of the employee, the alternative handling plan is stopped, aborted or otherwise not completed by the employee, the original investigation will automatically be reinstated and rescheduled to be held no later than 10 days from the scheduled completion date of the alternative handling plan. The employee will not be eligible for alternative handling for 12 months following the scheduled completion date of the plan.
- e) Under the provisions of Sections c) and d) above:
 - i) The investigation notice reissued will serve as notification the plan has been stopped.
 - ii) The parties can agree to alternative investigation dates under the provisions of the applicable schedule agreements.
 - iii) The applicable time limits will start anew in their entirety on the date the company reissues the investigation notice.

Section 5 – Compensation

The employee will be compensated during any training or other corrective action stemming from alternative handling. An employee who participates in alternative handling will be compensated at the straight time rate of the last service performed. Employees withheld from service pending formal investigation under the terms of existing schedule agreements will be compensated for all straight time while withheld from service if admitted into the alternative handling process. The plan will not require the employee to participate more than the straight time hours for the employee's regular assignment nor more than 40 hours in any work week as prescribed by the applicable schedule agreement.

Section 6 - Dispute Resolution

A. Disputes may arise between the parties regarding issues such as whether a particular employee is eligible for alternative handling, appropriateness of a specific alternative handling plan, the SIAP Process or Safety Assistant assignments/work performance. In the event such disputes cannot be resolved locally, the following process will be followed:

- a) The IAMAW General Chairman or the designated Joint Protective Board officer or the Mechanical Assistant Vice President (AVP) will request a conference by serving written notice to the other party. The conference will be held promptly and if the

conference involves a Safety Assistant, the parties will request the Safety Assistant's attendance and include the senior mechanical officer to whom the Safety Assistant reports.

b) If the conference involves the applicability of alternative handling to a particular incident and no agreement is reached, the incident will be handled under prevailing collective bargaining agreements.

B. The dispute resolution process for determining the eligibility for alternative handling is exclusive from the investigation process outlined in existing schedule agreements.

Section 7 - General Provisions

A. So long as this Agreement is in effect, BNSF will not establish any safety employee participation positions or programs for mechanical employees not specifically provided for by this Agreement (as modified and amended), or approved in writing by the Safety Advisory Committee provided for in this Agreement.

B. This Agreement, including the results of the Risk and Behavior Identification Program, is made on a non-referable basis and without prejudice to the parties' positions on collective bargaining matters, and is not to be cited, tendered or mentioned as a precedent in any legal, regulatory or arbitral proceeding not directly and exclusively initiated to enforce this Agreement.

C. Nothing in this Agreement is intended to interfere with or alter the rights or obligations of either party concerning representation or the collective bargaining process. Accordingly, the processes established by this Agreement shall not be used to address rates of pay, rules or working conditions traditionally reserved for collective bargaining.

D. This Memorandum of Understanding, dated August 1, 2007 will remain in effect for a minimum of two years after its effective date for BNSF, one year for the IAMAW, (the effective periods). After the IAMAW effective period, this Agreement may be cancelled at any time, in its entirety, by the General Chairmen serving sixty days' written notice to the Vice President, Labor Relations BNSF. Similarly, after the BNSF effective period, the Vice President, Labor Relations BNSF may cancel this Agreement at any time, in its entirety, by serving sixty days' notice to the General Chairmen. In the event this Memorandum of Understanding is cancelled, the parties shall fully retain the same rights and prerogatives which they held prior to this Memorandum of Understanding, as if it had never been made. Accordingly, barring another agreement to the contrary, the August 12, 1997 Memorandum of Agreement would remain in full force and effect.

This Agreement is effective August 1, 2007.

(Signatures not reproduced)

APPENDIX No. 14
LETTER OF AGREEMENT
BETWEEN
BURLINGTON NORTHERN RAILROAD COMPANY
AND
ITS EMPLOYEES REPRESENTED BY
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS

WHEREAS, the Internal Revenue code provides a tax advantaged vehicle which employees may use to pay for dependent care expenses, and,

WHEREAS, the Burlington Northern Railroad (Carrier) has adopted the Dependent Day Care Plan, to be funded solely by employees' voluntary payroll deduction and to be used by employees making such payroll deductions for the purpose of paying for allowable dependent day care expenses, and desires to make this plan available to its employees on a voluntary basis,

NOW, THEREFORE, the parties hereto agree as follows:

The carrier will provide the Burlington Northern Railroad Dependent Day Care Spending Account Plan (Plan) to its eligible employees represented by the Organization signatory to this Agreement, subject to the following provisions:

1. The Plan will be effective January 1, 1995. Eligible employees may make contributions as provided in the Plan from their paychecks on or after that day.
2. An eligible employee is one who has completed at least 60 calendar days of service.
3. Participation in the Plan by any eligible employee shall be voluntary.
4. Eligible employees may contribute to the plan only by payroll deduction.
5. There will be no contributions to the Plan by the Carrier, however, the Carrier will pay the start-up costs and ongoing administrative expenses of the Plan, including the administrative fees of the Plan's administrator.
6. The Carrier will take such actions as may be prudent or necessary to maintain the tax qualified status of the Plan and of the individual accounts in the Plan.

(Signatures not reproduced)

APPENDIX No. 15
LETTER OF AGREEMENT
BETWEEN
BURLINGTON NORTHERN RAILROAD COMPANY
AND
ITS EMPLOYEES REPRESENTED BY
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS

WHEREAS, Section 401(k) of the Internal Revenue Code provides a tax advantaged vehicle for retirement savings, and,

WHEREAS, the Burlington Northern Railroad (Carrier) has adopted a 401(k) plan and desires to make it available to its employees who are not presently covered by such a plan,

NOW, THEREFORE, the Parties hereto agree as follows:

The Carrier will provide the Burlington Northern Retirement Savings Plan (Plan) to its eligible employees represented by the Organization signatory to this Agreement, subject to the following provisions:

1. The Plan will be effective January 1, 1994. Eligible employees may make contributions as provided in the Plan from their pay checks issued on or after that date.
2. An eligible employee is an active employee who has completed one year of service as defined in the Plan.
3. Participation in the Plan by any eligible employee shall be voluntary.
4. Eligible employees may contribute to the Plan only by payroll deduction.
5. There will be no contributions to the Plan by the Carrier, however, the Carrier will pay the start-up costs and ongoing administrative expenses of the Plan, including the administrative fees of the Plan's Trustee.
6. The Carrier will take such actions as may be prudent or necessary to maintain the tax qualified status of the Plan and of the individual accounts in the Plan.

Signed this 27th day of September, 1993.

(Signatures not reproduced)

APPENDIX No. 16
Memorandum of Agreement
Between
BNSF Railway
And
Brotherhood Railway Carmen Division/TCIU
And
International Association of Machinists and Aerospace Workers
And
International Brotherhood of Electrical Workers/System Council No. 16

This Agreement is entered into to provide for the establishment and staffing of “Rapid Responder” positions on territory encompassed by the former ATSF Railway and at other locations on the former BN as set forth in Attachment A to this Agreement. It is not the intent of this Agreement to establish “Rapid Responder” positions on former BN property. At the outset, 24 positions on the former ATSF property will be established.

Rapid Responder positions will be placed at strategic locations across the former ATSF Railway territory to effectuate repairs to trains traveling between terminals. A Rapid Responder will be required to perform all troubleshooting and repairs to expedite train movement, which they have the qualifications and equipment to perform, regardless of craft affiliation.

The Parties have agreed that the number of Rapid Responder positions will be allocated equally among the Crafts involved if there are a sufficient number of applicants from the Crafts.

- I. Rapid Responder positions’ pay, days and hours of assignment will be established as follows:

**Employees Assigned To a Rapid Responder Position –
Paid On Monthly Basis**

The rate for monthly rated employees assigned to Rapid Responder positions will be \$ 5000.00 per month, contemplating 213 hours per month. This rate is subject to future General Wage Increases and Cost-Of-Living Adjustments and covers all services rendered, except as specifically provided in this Agreement. Two (2) twelve-hour shifts daily will be established at each location identified in Side Letter 1 to this Agreement and at any additional locations where Rapid Responder positions may be established in the future. The Rapid Responder positions will work three (3) days followed by three (3) rest days, followed by three (3) work days, followed by three (3) rest days, etc.

To determine the straight time hourly rate, divide the monthly rate by 213 hours. Rapid Responders working a fractional part of a month shall be paid a percentage of the monthly rate equal to the percentage of the month the employee is working as a Rapid Responder. For example, if an employee begins working a Rapid Responder position on March 16 and works it through the end of the month, he or she would receive 52% (16/31) of the monthly rate.

The Carrier may use assigned Rapid Responders to fill vacancies at that location and perform additional duties outside their regular assigned hours. Any hours worked beyond 213 in a month will be paid at the overtime rate.

For any regularly assigned work day a Rapid Responder is off work without pay, his or her pay will be reduced by twelve (12) hours at the straight time hourly rate, hourly rate to be determined by dividing the monthly rate by 213 hours.

(a) Where meals and lodging are not furnished by the Company, or when the service requirements make the purchase of meals and lodging necessary while away from their assigned Rapid Responder location, employees will be reimbursed for such actual necessary received expenses.

(b) The regular starting time of the two shifts shall be:

(1) First Shift – Not earlier than 6:00 AM nor later than 8:00 AM

(2) Second Shift – Not earlier than 6:00 PM nor later than 8:00 PM

Changes within the above starting time restriction may be made by the Company as necessary, provided the employees involved are notified before the end of the shift before the change is made.

The starting times of the assignments at any location may be changed and set outside the above restrictions by mutual agreement between the employees working at that location with the approval of their Supervisor and the General Chairmen involved. If such a change is contemplated, the General Chairmen involved will be given a 48 hour advance notice of the proposed change in starting time.

II. Establishing of Rapid Responder Positions will be handled as follows:

(a) At the outset, the Carrier will advertise the need to fill the newly-established Rapid Responder positions on the BNSF public internet site, at all Shops and normal locations for Carmen across the BNSF system seeking internal applicants from which to establish a pool of candidates for appointment to the available positions. An employee wanting to be considered for appointment to a Rapid Responder positions will be required to provide their resume' to the address on the posting and to the appropriate General Chairman. As the need arises for additional employees to be considered for appointment to Rapid Responder positions, the Carrier will advertise for additional candidates through the BNSF public internet site and by postings at all Shops across the BNSF system with interested employees being required to provide a resume' to the address on the posting and to the appropriate General Chairman.

(b) The Carrier will establish the mix of Craftsmen at each location.

(c) The number of positions assigned to each Craft will be equalized as nearly as possible. As of the date of this Agreement thirteen (13) Carmen, six (6) Machinists and two (2)

Electricians have been chosen to assume the duties of Rapid Responders. Those already chosen will be given the first right of refusal – that is each will be given the option to remain on a Rapid Responder position or return to his or her former position. Once it is determined which employees will be selecting the Rapid Responder positions, craftsmen will be chosen to fill the remaining positions with efforts being made to equalize the number of craftsmen from each craft. The Carrier will first seek qualified Electricians to fill the available positions not filled by the twenty-one (21) employees already selected as Rapid Responders. If not enough Electricians apply for the vacant positions, the Carrier will then attempt to fill the positions with Machinists that apply. If not enough Machinists apply for the vacant positions, the Carrier will then attempt to fill the positions with Carmen that apply.

The Parties recognize there may be situations that arise that will make it extremely difficult to maintain the proper ratio of Craftsmen. When unique circumstances arise, the Parties agree to work together to correct inequities as quickly as possible.

(d) When Rapid Responder positions are established, the Carrier, after considering qualifications, work history and seniority, will have the right of selection to each position. That is, the Carrier has the right to choose the candidate to fill the position regardless of seniority and Craft affiliation.

(e) When a Rapid Responder position is vacated, the vacated position will be filled as follows:

(1) A vacated Rapid Responder position will be posted to the BNSF public internet site and advertised at all BNSF Shop locations and normal locations for Carmen specifying, when necessary, which craft will have preference to the vacated position.

(2) If craft affiliation is specified on the job posting:

(a) An employee with the necessary craft affiliation already assigned and working as a Rapid Responder at the location where the Rapid Responder position is vacated will have first opportunity to fill the vacated position. Selection will be made based on the relative seniority dates of the employees at the locations from which transferred.

(b) If there are no candidates for the position with the necessary craft affiliation working as a Rapid Responder at the location where the vacancy exists, an employee who has been assigned to and working a “Rapid Responder” position at another location for twelve or more months may file a request to transfer. If the Rapid Responder requesting to transfer meets the craft affiliation requirement of the vacant position, the Carrier will consider the employee for assignment before filling the vacant position from other sources.

(c) If none of the employees holding Rapid Responder positions at the location where the vacancy exists meet the craft affiliation requirement and if the Carrier does not choose a Rapid Responder assigned at another location

requesting to transfer, the Carrier will have the right of selection to fill the vacated position from other employees who meet the craft affiliation requirement.

(d) If there are no candidates for the position meeting the craft affiliation requirement, the position will be assigned to the senior employee requesting the position who is assigned and working as a Rapid Responder at the location where the vacancy exists regardless of craft affiliation.

(e) If none of the employees assigned to and working as a Rapid Responder at the location where the vacancy exists request to fill the vacant position or if no Rapid Responder requesting transfer from one location to another is chosen to fill the position, the Carrier will have the right of selection to fill the position.

(3) If craft affiliation is not specified on the job posting:

(a) An employee already assigned and working as a Rapid Responder at the location where the Rapid Responder position is vacated will have first opportunity to fill the vacated position. Assignments will be made based on the relative seniority dates of the employees at the locations from which transferred.

(b) If there are no candidates for the position working as a Rapid Responder at the location where the vacancy exists, an employee who has been assigned to and working a Rapid Responder position at another location for twelve or more months may file a request to transfer. The Carrier will consider the employee for assignment before filling the vacant position from other sources.

(c) If none of the employees assigned to and working as a Rapid Responder at the location where the vacancy exists request to fill the vacant position or if no Rapid Responder requesting transfer from one location to another is chosen to fill the position, the Carrier will have the right of selection to fill the position.

(f) Once the "Rapid Responder" location is established for each set of "Rapid Responder" positions, each "Rapid Responder" location will be "attached" to an established seniority point. See Side Letter No. 1

(g) Once an employee is appointed to a "Rapid Responder" position, the employee will be required to complete at least six months service on the position before he or she will be allowed to bid to a different position or vacate the position for any other reason. The Carrier can hold an employee who has successfully bid off of a Rapid Responder position or vacated the position for other reasons for up to three months while a replacement is selected and trained.

(h) If a "Rapid Responder" position(s) is to be abolished, the Carrier will provide the employee(s) involved and the appropriate General Chairman with a thirty-day advance notice of the abolishment and cover the necessary moving expenses as provided for herein, for the employee to return to his home point or the new assignment location.

(i) Other than specifically provided for herein, all Rules of the ATSF scheduled Agreements applicable to other employees of the same crafts, shall apply to the service of the employees assigned to these Rapid Responder Positions. Where provisions of this Agreement conflict with other Rules of the ATSF scheduled Agreement, this Agreement applies.

III. Seniority of employees assigned to Rapid Responder positions.

(a) An employee appointed to a Rapid Responder position will establish seniority at a point agreed to by the Carrier and the Organizations and the Rapid Responder position to which the employee may be assigned will be “attached” to the seniority point where the employee establishes seniority. Employees working at the location where a Rapid Responder position is “attached” may be used to relieve Rapid Responder positions when necessary.

The Carrier will make every effort to provide qualified relief to cover scheduled absences of one week or more, including scheduled vacations and scheduled training. If there is no qualified employee available at the point where the Rapid Responder position is attached, the Carrier to be the judge of qualifications, the Carrier may use employees from other locations to provide relief. Unscheduled absences and scheduled absences of less than one week will be filled by the employees assigned at that point as determined by the supervisor.

(b) Employees establishing seniority at a point where they do not presently hold seniority will maintain their seniority standing on the roster from which transferred.

(c) An employee bidding from a position as a Rapid Responder to a position at the location where the Rapid Responder position is “attached”, will forfeit his or her seniority on the seniority roster from which transferred.

(d) An employee bidding from a position as a Rapid Responder to a position on the Seniority District or Seniority Point from which transferred, will forfeit the seniority established at the “attached” point if seniority was established at the time the employee was appointed to the Rapid Responder position.

(e) A list of current “Rapid Responder” locations and its respective attached seniority point will be maintained by the Parties. When the Rapid Responder location or its attached seniority point changes by mutual agreement, the list will be updated by the Carrier and distributed to the Organizations signatory to this Agreement.

IV. The territories to be established and the locations where employees assigned to Rapid Responder positions may respond to train failures and other emergencies are outlined on Attachment A to this Agreement.

If Rapid Responder locations are added, or if Rapid Responder locations are reduced, the Carrier will provide the Organization with an updated list of Rapid Responder locations and the rail lines that will make up the appointed Rapid Responder territories. Neither Attachment A to this Agreement nor any subsequently prepared list of territories restricts an employee assigned to a Rapid Responder position on one territory from responding to an incident on another territory,

as long as the employee is performing service on one of the lines outlined on Attachment A and any supplements to this Agreement.

V. The moving benefits as set forth below will be available only to eligible employees appointed to a Rapid Responder position who are required to change their place of residence. Eligibility for the moving benefits includes the requirement that an employee must make a bona fide relocation and change his or her principal place of residence to the new location.

(a) The Carrier will arrange for the movement of a successful applicant's household goods from their current location to the location where assigned.

(b) Each successful applicant will be allowed up to five days with pay to move to their new location.

(c) Mileage for up to two cars at the current I.R.S. rate.

(d) With respect to the moving of household goods, mileage allowance and pay for time off to move, an employee transferring under this Agreement may elect a lump sum payment a gross amount of \$7,500.00 (subject to all applicable taxes) in lieu of all other benefits set forth in (a), (b) and (c) above.

(e) In order to receive the moving benefits outlined in (a), (b), and (c) above, or the lump sum payment described in (d) above, the employee will sign an Employee Reimbursement Agreement. Under the terms of this Agreement, the employee will be required to repay any and all relocation expenses, or the lump sum, if the employee voluntarily leaves the Rapid Responder position within the first twelve months after first performing service as a Rapid Responder. Employees that may be moved from one Rapid Responder position to another by the Carrier will not be subject to the payback provision, unless that employee voluntarily leaves a Rapid Responder position within the twelve month period.

VI. The Carrier maintains the right to remove an employee from a Rapid Responder position at any time during the first sixty (60) calendar days the employee is assigned to and working a Rapid Responder position. Thereafter, if the Carrier determines that an employee assigned to a Rapid Responder position is to be disqualified from the position, the employee's Supervisor will discuss the impending disqualification with the employee's representative. If the Organization continues to dispute the Carrier's decision to disqualify the employee, the disputed disqualification will be handled directly between the CMO and the General Chairman of the craft involved. In the event no resolution is reached at this level and the employee is disqualified he shall be permitted to exercise his seniority under the provisions of his governing Agreement. An employee disqualified due to his or her inability to perform the duties of the position after the first sixty days on a Rapid Responder position will be entitled to those moving benefits set forth in Section V of this Agreement. In those circumstances wherein it is alleged an employee assigned to a Rapid Responder position has violated Carrier Rules, the employee will be covered by the provisions of the disciplinary Rule of the Shopcraft Agreements. If, as a matter of discipline, an employee is disqualified from a Rapid Responder position, the employee will not be entitled to the moving benefits set forth in Section V of this Agreement.

VII. Vacations and Personal Leave Days

(a) Employees who take a personal leave day while working a three on – three off monthly rated position as a Rapid Responder will be charged with one (1) personal leave day and will not have the monthly rate reduced.

(b) Vacation for monthly rated Rapid Responder will be predicated on a six-day per week work week.

(1) Four twelve-hour shifts will be treated as six (6) days towards vacation qualifying. If, at the end of the year an employee is ½ day short of being qualified for a vacation in the following year, the employee will be credited with an additional ½ day credit toward vacation qualifying.

(2) Employees assigned to and working three on-three off rapid responder positions will be entitled to four twelve-hour shifts of vacation for each week of vacation assigned under the National Vacation Agreement. Each single day of vacation taken will be accounted for as 1 ½ days of vacation time. For example, if an employee assigned to and working a Rapid Responder position has four weeks of vacation, the employee would be entitled to 16 twelve hour shifts of vacation.

VIII. Meal Periods

Employees working as Rapid Responders will be provided two thirty-minute meal periods without reduction in pay. Meal periods are to be taken during regular working hours when time is available.

IX. This Agreement is made without prejudice to the position of any of the parties involved and will not be referred to by the Carrier or any Organizations signatory hereto in any manner for any reason or purpose except for any dispute arising under this agreement.

Upon a 45 day advance written notice this agreement may be canceled by the Company, or collectively by all of the Organizations signatory hereto. During such advance notice period the parties will meet in an attempt to resolve the issues involved. If the parties fail to resolve such issues within 45 days, the Agreement shall be terminated unless otherwise mutually agreed.

If less than all of the Organizations wish to cancel their participation in this agreement the same 45 day advance written notice and discussions referred to above will apply. However, if the parties fail to resolve the issues involved, the Rapid Responders represented by the canceling Organization may be held on their positions for up to 90 working days from Carrier's receipt of the 45 day advance notice in order to provide the Carrier time to select and train replacement workers from the remaining participating crafts.

Upon cancellation of the Agreement, the rights of the Company shall revert to those existing before the implementation of this Agreement.

AGREED: Date: August 6, 2006

Chief Mechanical Officer - South

General Chairman IAMAW

AVP – Labor Relations

General Chairman IAMAW

General Director Labor Relations

General Chairman IAMAW

Director Labor Relations

General Chairman BRC/TCIU

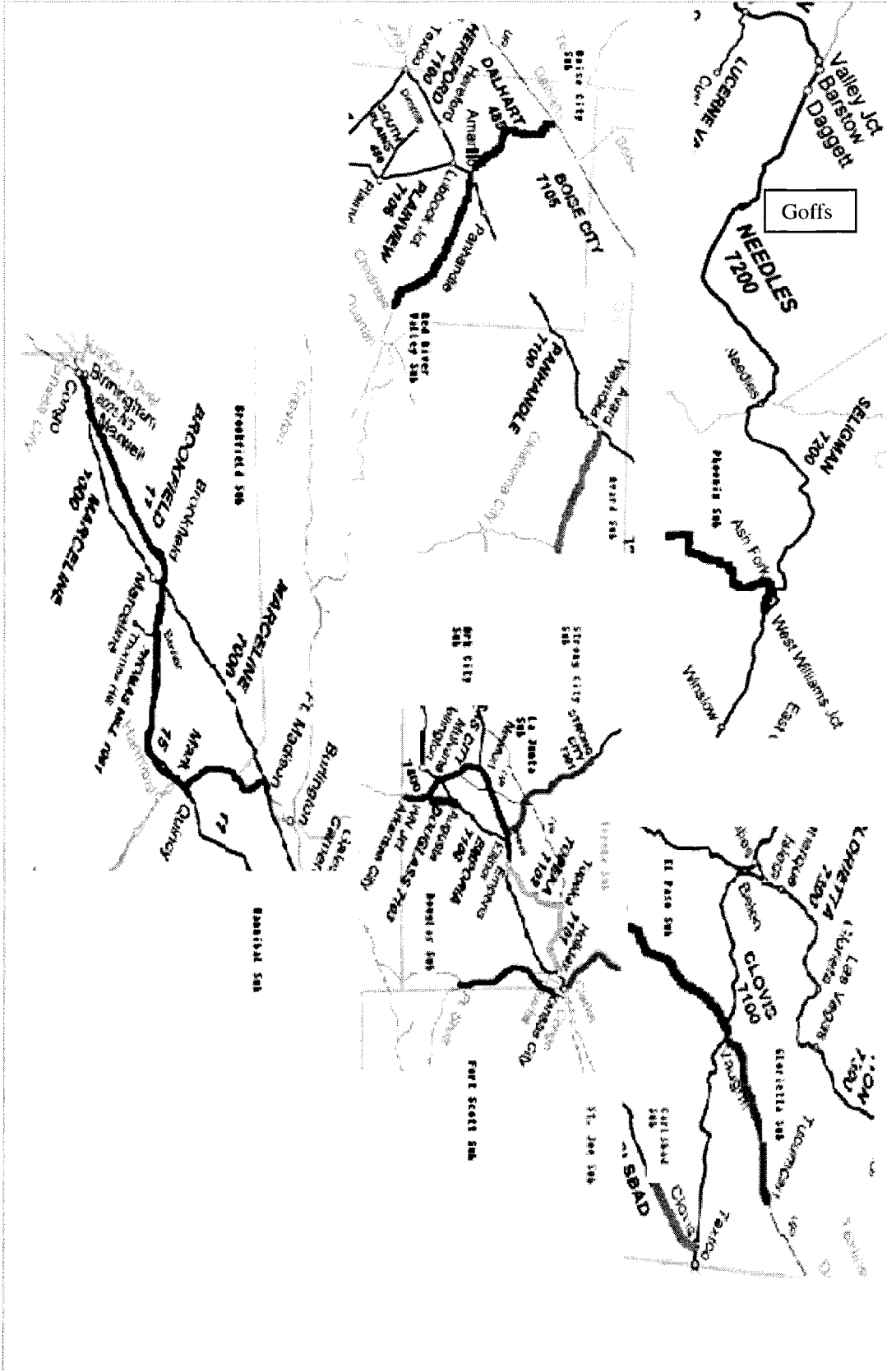
General Chairman IBEW
System Council No. 16

(Signatures not reproduced)

**Attachment No. 1 – Rapid Responder Agreement
Updated November 1, 2006**

Responder Headquarters and Territory:

Goffs CA	Needles Sub (Barstow CA to Needles CA)
Williams AZ	Seligman Sub (Needles CA to Winslow AZ) Phoenix Sub
Vaughn NM	Clovis Sub (Belen NM to Clovis NM) Glorietta Sub El Paso Sub Carlsbad Sub
Woodward OK	Panhandle Sub (Amarillo TX to Wellington KS) Dalhart Sub (Amarillo TX MP 336.0 to Dalhart TX MP 418.0) Boise City Sub (Dumas Jct TX MP 0.0 to Stratford TX MP 86.0) Avard Sub (Avard OK MP 602.0 to Enid OK MP 546.0) Red River Valley Sub (Amarillo TX MP 336.0 to Childress TX MP 220.0)
Emporia KS	Emporia Sub (Wellington KS to Kansas City KS) Ark City Sub (Newton KS MP 185.1 to Ark City KS MP 263.4) Douglas Sub (Augusta KS MP 185.3 to Winfield Jct MP 216.0) La Junta Sub (Ellinor KS MP 124.7 to Newton MP 185.1) Topeka Sub (Emporia KS MP 111.9 to Holiday KS MP 13.5) Strong City Sub (Neva KS MP 0.0 to Courtland KS MP 133.7) St Joseph Sub (KC to Napier MO MP 95.3) Fort Scott Sub (KC to Edwards KS MP 102.6)
Brookfield MO	Marceline Sub (KC to Fort Madison IA) St Joseph Sub (KC to Napier MO MP 95.3) Fort Scott Sub (KC to Edwards KS MP 102.6) Hannibal Sub (Fort Madison IA to West Quincy MO MP 136.9) Brookfield Sub (Birmingham MO MP 216.2 to West Quincy MO MP 263.4)



Side Letter No. 1 – Rapid Responder Agreement
Updated November 1, 2006

November 1, 2006

Mr. Danny L. Lancaster – General Chairman BRC/TCU
Mr. Dale Doyle – General Chairman IBEW System Council No. 16
Mr. Dell Babcock – General Chairman IAMAW
Mr. Mark Schmidt – General Chairman IAMAW
Mr. Mark Russ – General Chairman IAMAW

Gentlemen:

Below is the listing of the Rapid Responder locations and the seniority point to which each position will be attached.

<u>Rapid Responder Location</u>	<u>Attached Seniority Point</u>
Goffs, California (Formerly Needles, CA)	Barstow, California
Williams, Arizona	Belen, New Mexico
Vaughn, New Mexico	Belen, New Mexico
Woodward, Oklahoma	Amarillo, Texas
Emporia, Kansas	Kansas City, Kansas
Brookfield, Missouri (Formerly Marceline, MO)	Kansas City, Kansas

(Signature Not Reproduced)

Memorandum of Agreement

Between

BNSF Railway

And

Brotherhood Railway Carmen Division /TCIU

And

International Association of Machinists and Aerospace Workers

And

International Brotherhood of Electrical Workers/System Council No. 16

This Agreement provides for the establishment and staffing of "Rapid Responder" positions at specific locations on former Burlington Northern, including former SLSF, (hereafter referred to as former BN") seniority districts as set forth in Attachment No. 1 of this Agreement. At the outset, a total of 56 positions will be established at the following location: Big Lift, Colorado; Bridgeport, Nebraska; Broken Bow, Nebraska; Crawford, Nebraska; Creston, IA; Gillette, Wyoming; Grand Island, Nebraska; Hyannis, Nebraska; Falls City, Nebraska; Mt. Pleasant, IA; Newcastle, Wyoming, Olathe, Kansas, Sheridan, Wyoming; and Wright, Wyoming.

Rapid Responder positions will be established to effectuate repairs of trains traveling between terminals. A Rapid Responder will be required to perform all troubleshooting and repairs to expedite train movement, which they have the qualifications and equipment to perform regardless of craft affiliation.

The Parties agree that the number of Rapid Responder positions will be allocated equally among the crafts involved if there are a sufficient number of applicants from the respective crafts.

The Parties have agreed that while this agreement is in effect contractors will not will not be used to perform responder duties in the territories covered by this agreement unless genuinely unavoidable.

I. Rapid Responder positions' pay, days and hours of assignment will be established as follows:

**Employees Assigned To a Rapid Responder Position –
Paid On Monthly Basis**

The rate for monthly rated employees assigned to Rapid Responder positions will be \$5890.74 per month, contemplating 213 hours per month. This rate is subject to future general wage increases and cost-of-living adjustments, if applicable, and covers all services rendered, except as specifically provided in this Agreement. Two twelve-hour shifts daily will be established at each location identified in Attachment No. 1 of this agreement and at any additional locations where Rapid Responder positions may be established in the future. The Rapid Responder positions will work three days followed by three rest days followed by three work days, followed by three rest days, etc.

Note: The above monthly rate includes a \$100 meal stipend.

To determine the straight time hourly rate, divide the monthly rate by 213 hours. Rapid Responders working a fractional part of a month shall be paid a percentage of the monthly rate equal to the percentage of the month the employee is working as a Rapid Responder. For example, if an employee begins working a Rapid Responder position on March 16 and works it through the end of the month, he or she would receive 52% (16/31) of the monthly rate.

The Company may use assigned Rapid Responders to fill vacancies and perform additional duties outside their regular assigned hours; however, overtime is only paid after an employee works beyond 213 hours in a month. The overtime hourly rate to be determined by dividing the monthly rate by 213 hours times 1.5.

For any day a Rapid Responder is off work without pay, his or her pay will be reduced by 12 hours at the straight time hourly rate, hourly rate to be determined by dividing the monthly rate by 213 hours.

The regular starting time of the two shifts shall be:

- (1) First Shift - Not earlier than 6:00AM nor later than 8:00 AM
- (2) Second Shift - Not earlier than 6:00PM nor later than 8:00 PM

Changes within the above starting time restriction may be made by the Company as necessary, provided the employees involved are notified before the end of the shift before the change is effective.

The starting times of the assignments at any location may be changed and set outside the above restrictions by mutual agreement between the employees working at that location with the approval of their supervisor and the applicable general chairmen. If such a change is contemplated, the general chairmen will be given 48 hours advance notice of the proposed change in starting time.

II. Establishing of Rapid Responder positions will be handled as follows:

- a) At the outset, the Company will advertise the need to fill the newly-established Rapid Responder positions on the BNSF public internet site and at all Shops across the BNSF system seeking internal applicants from which to establish a pool of candidates for appointment to the available positions. In order to be considered for appointment to a Rapid Responder position, an employee will be required to provide their resume along with any other documentation they deem appropriate to the address on the posting and to the appropriate General Chairman. As the need arises for additional employees to be considered for appointment to Rapid Responder positions, the Company will advertise for additional candidates through the BNSF public internet site and by postings at all Shops across the BNSF system with the interested employees being required to provide a resume and other appropriate documentation to the address on the posting and to the appropriate general chairman. Copies of the advertised positions will be sent to each respective General Chairman.
- b) The Company will establish the mix of craftsmen at each location.
- c) The number of positions assigned to each craft will be equalized as nearly as possible. As of the date of this agreement five machinists and five electricians currently

perform the duties of Rapid Responders at Gillette and Wright, Wyoming. Machinists J. E. McBride, D.D. Miller, M.W. Moody, and R. A. Schol, and electricians, E.W. Daly, R.M. Farritor, S.E. Otten Fox, D.N. Rose, and M.A. Stengle will be given a one-time first right of selection in seniority order of the following options: (1) accept one of the new Rapid Responder positions at their current location; (2) select a rapid responder position at another location; or (3) return to their former location (Alliance or Guernsey). Any of the 9 employees selecting a rapid responder position at another location or electing to exercise seniority back to their former location (Alliance or Guernsey) will receive the real estate benefits contained in Side Letter No. 2. Employees unable to hold a Rapid Responder position at Gillette and unable to exercise their seniority to their former location (Alliance or Guernsey) and thereby forced to select a Rapid Responder position at another location or exercise their seniority at other than Alliance or Guernsey will receive both the real estate benefits contained in Side Letter No. 2 and the moving benefits contained in Article V of this Rapid Responder Agreement.

Note: Machinist B.M. Meyer will be given a right of selection in seniority order to one of the new Rapid Responder positions at Gillette.

Once it is determined which employees have selected the Rapid Responder positions at Wright and Gillette, craftsmen will be chosen to fill the remaining positions with efforts being made to equalize the number of craftsmen from each craft. The Company will first seek qualified carmen to fill the available positions not filled by the 10 employees already selected as Rapid Responders. If not enough carmen apply to equalize the vacant positions, the Company will then attempt to fill the positions equally with the electricians and machinists that apply.

The Parties recognize there may be situations that arise that will make it extremely difficult to maintain the proper ratio of craftsmen. When unique circumstances arise, the Parties agree to work together to correct inequities as quickly as possible.

d) When Rapid Responder positions are established, the Company, after considering qualifications, work history, location and seniority, will have the right of selection to each position. That is, the Company has the right to choose the candidate to fill the position regardless of seniority and craft affiliation.

Note 1: If an employee is assigned to a Rapid Responder position outside of his seniority district, such employee will retain seniority in their old district.

Note 2: Employees who have been selected and qualified as Rapid Responders or Relief Rapid Responders and are furloughed, shall have the right to displace junior employees that are assigned Rapid Responder positions.

e) When a Rapid Responder position created under the provisions of this Agreement on former BN territory is vacated, the vacated position will be filled as follows:

(1) A vacated Rapid Responder position established under this Agreement will be posted to the BNSF public internet site and by posting in all shops across BNSF locations specifying, when necessary, which craft will have preference to the vacated position.

(2) If craft affiliation is specified on the job posting:

(a) An employee with the necessary craft affiliation already assigned and working as a Rapid Responder at the location where the Rapid Responder position is vacated will have first opportunity to fill the vacated position. Selection will be made based upon the relative seniority date of the employees from the seniority district from which they transferred.

(b) If there are no candidates for the position with the necessary craft affiliation working as a Rapid Responder at the location where the vacancy exists, an employee who has been assigned to and working a Rapid Responder position at another location for twelve or more months may file a request to transfer. If the Rapid Responder requesting to transfer meets the craft affiliation requirement of the vacant position, the Company will consider the employee for assignment before filling the vacant position from other sources.

(c) If none of the employees holding Rapid Responder positions at the location where the vacancy exists meet the craft affiliation requirement and if the Company does not choose a Rapid Responder assigned at another location requesting a transfer, the Company will have the right of selection to fill the vacated position from other employees who meet the craft affiliation requirement.

(d) If there are no candidates for the position meeting the craft affiliation requirement, the position will be assigned to the senior employee requesting the position who is assigned under the provisions of this Agreement and working as a Rapid Responder at the location where the vacancy exists regardless of craft affiliation.

(e) If none of the employees assigned to and working as a Rapid Responder at the location where the vacancy exists request to fill the vacant position, or if no Rapid Responder requesting transfer from one location to another is chosen to fill the position, the Company will have the right of selection to fill the position.

(3) If craft affiliation is not specified on the job posting:

(a) An employee already assigned and working as a Rapid Responder at the location where the Rapid Responder position is vacated will have first opportunity to fill the vacated position. Assignments will be made based on the relative seniority dates of the employees at the locations from which transferred.

(b) If there are no candidates for the position working as a Rapid Responder at the location where the vacancy exists, an employee who has been assigned to and working a Rapid Responder position at another location for twelve or more months may file a request to transfer. The Company will consider the employee for assignment before filling the vacant position from other sources.

(c) If none of the employees assigned to and working as a Rapid Responder at the location where the vacancy exists request to fill the vacant position or if no Rapid Responder requesting transfer from one location

to another is chosen to fill the position, the Company will have the right of selection to fill the position.

(4) Once an employee is appointed to a Rapid Responder position, the employee will be required to complete at least six months service on the position before he or she will be allowed to bid to a different position or vacate the position for any other reason. The Company can hold an employee who has successfully bid off of a Rapid Responder position or vacated the position for other reasons for up to three months while a replacement is selected and trained.

(5) If a Rapid Responder position(s) is to be abolished, the Company will provide the employee(s) involved and the appropriate General Chairman with a thirty-day advance notice of the abolishment and cover the necessary moving expenses as provided for herein, for the employee to return to a position within his seniority district or the new assignment location.

(6) Other than specifically provided for herein, all Rules of the former BN Agreements applicable to other employees of the same crafts, shall apply to the service of the employees assigned to these Rapid Responder positions. Where provisions of this Agreement conflict with other Rules of the BN Agreements, this Agreement applies.

III. Relief of Rapid Responder positions.

a) The Company will provide qualified relief to cover approved scheduled vacations, training away from assigned location and personal leave days. The Company may use Rapid Responders at the location who have not worked more than four consecutive 12-hour days or whose regularly assigned hours will not exceed 213 hours that month. For example, an employee has an approved, scheduled vacancy. The Rapid Responder at the location may be assigned to fill that approved, scheduled vacancy. However, he could not be used on the 5th day to fill a vacancy because he would exceed four consecutive 12-hour days. He would, however, be available for utilization on the 6th day in conjunction with his next three day work cycle so long as he did not exceed his 213 hours per month. Rapid Responders may request to work vacancies at their location in excess of their 213 hours per month; however, such overtime must be approved by the supervisor.

b) An unscheduled vacancy may be filled by the Rapid Responders assigned at that location, as determined by the supervisor.

c) The Company may use employee from other locations within the seniority district to provide relief, the Company to be the judge of qualifications. Employees, other than those assigned a Rapid Responder position, working as Relief Responders will be compensated for eight hours at straight time and four hours at overtime at the rate of pay of their regular position for each day worked as a relief Rapid Responder. Where meals and lodging are not furnished by the Company, all necessary, approved, receipted expenses will be covered.

IV. The territories and locations where employees assigned to Rapid Responder positions may respond to train failures and other emergencies are outlined on Attachment No. 1 of this Agreement.

If Rapid Responder locations are added or reduced, the Company will provide the Organization with an updated list of Rapid Responder locations and the rail lines that will make up the appointed employee's territories. An employee assigned to a Rapid Responder position on one territory may be

used on another adjacent territory when the employee on that adjacent territory is not readily available. Rapid Responder positions are assigned by territory and are not bound by seniority districts.

A list of current Rapid Responder locations will be maintained by the Parties. When the location of a particular Rapid Responder is changed by mutual agreement, the list will be updated by the Company and distributed to the Organizations signatory to this Agreement.

V. The moving benefits as set forth below will be available only to eligible employees appointed to a Rapid Responder position who are required to change their place of residence. Eligibility for the moving benefits includes the requirement that an employee must make a bona fide relocation and change his or her principal place of residence to the new location.

a) The Company will arrange for the movement of a successful applicant's household goods from their current location to the location where assigned.

b) Each successful applicant will be allowed up to five days with pay to move to their new location.

c) Mileage for up to two cars at the current I.R.S. rate.

d) With respect to the moving of household goods, mileage allowance and pay for time off to move, an employee transferring under this Agreement may elect a lump sum payment of \$7,500.00 (subject to applicable taxes) and in lieu of all other benefits set forth in (a), (b), and (c) above.

e) In order to receive the moving benefits outlined in (a), (b), and (c) above, or the lump sum payment described in (d) above, the employee will sign an Employee Reimbursement Agreement. Under the terms of this Agreement, the employee will be required to repay any and all relocation expenses, or the lump sum, if the employee voluntarily leaves the Rapid Responder position within the first twelve months after first performing service as a Rapid Responder. Employees that may be moved from one Rapid Responder position to another by the Carrier will not be subject to the payback provision, unless that employee voluntarily leaves a Rapid Responder position within the twelve month-period.

VI. The Company maintains the right to remove an employee from a Rapid Responder position at any time during the first sixty calendar days the employee is assigned to and working a Rapid Responder position. Thereafter, if the Company determines that an employee assigned to a Rapid Responder position is to be disqualified from the position, the employee's supervisor will discuss the impending disqualification with the employee's representative. If the Organization continues to dispute the Company's decision to disqualify the employee, the disputed disqualification will be handled directly between the Chief Mechanical Officer and the General Chairman of the craft involved. In the event no resolution is reached at this level and the employee is disqualified, he shall be permitted to exercise his seniority under the provisions of his governing Agreement. An employee disqualified due to his or her inability to perform the duties of the position after the first sixty days on a Rapid Responder position will be entitled to those moving benefits set forth in Section V of this Agreement. In those circumstances wherein it is alleged an employee assigned to a Rapid Responder position has violated Company Rules the employee will be covered by the provisions of the disciplinary rule of the relevant craft's agreement. If, as a matter of discipline, an employee is disqualified from a Rapid Responder position, the employee will not be entitled to the moving benefits set forth in Section V of this Agreement.

VII. Vacations and Personal Leave Days

a) Employees who take a personal leave day while working a three-on/three-off monthly rated position as a Rapid Responder will be charged with one personal leave day and will not have the monthly rate reduced.

b) Vacation for monthly rated Rapid Responder will be predicated on a six-day per week work week.

(1) Four twelve-hour shifts will be treated as six days towards vacation qualification. If, at the end of the year an employee is 1/2 day short of being qualified for a vacation in the following year, the employee will be credited with an additional day credit toward vacation qualifying.

(2) Employees assigned to and working three on three off Rapid Responder positions will be entitled to four twelve-hour shifts of vacation for each week of vacation assigned under the National Vacation Agreement. Three work days followed by three rest days shall constitute as taking one week of vacation. Each single day of vacation taken will be accounted for as 1 days of vacation time. For example, if an employee assigned to and working a Rapid Responder position has four weeks of vacation) the employee would be entitled to 16 twelve hour shifts of vacation.

VIII. Meal Periods and Lodging

Employees working as Rapid Responders will be provided two thirty-minute meal periods without reduction in pay. (A \$100 meal stipend is included in the monthly rate.) Meal periods are to be taken during regular working hours when time is available.

Rapid Responders working within their assigned territory, outside their assigned hours, will be reimbursed for such actual necessary approved receipted meal and lodging expenses. Rapid Responders working outside their assigned territory will be reimbursed for actual necessary approved receipted lodging expenses) as well as for meals outside their assigned hours.

IX. The Parties have agreed that the initial positions vacated by employees selected to fill the initial Rapid Responder positions will be posted and filled in accordance with the applicable agreement.

NOTE: It is understood that the Company retains the right to abolish unneeded positions in the future.

X. This Agreement and its application is made without prejudice to the position of any of the parties involved and will not be referred to by the Company or any Organizations signatory hereto in any manner for any reason or purpose except for any dispute arising under this agreement. In the event circumstances or operational needs change that may require a change to this Agreement, every effort will be made to resolve the matter in a spirit of cooperation.

Upon a 45 day advance written notice this agreement may be canceled by the Company or collectively by all the Organizations parties signatory hereto. During such advance notice period the parties will meet in an attempt to resolve the issues involved. Failure to resolve such issues within 45 days, the Agreement shall be terminated unless otherwise mutually agreed.

If less than all of the Organizations wish to cancel their participation in this agreement, the same 45 day advance written notice and discussions referred to above will apply. However, if the parties fail to resolve the issues involved, the Rapid Responders represented by the canceling Organization may be held on their positions for up to 90 working days from Carrier's receipt of the 45 day advance notice in order to provide the Carrier time to select and train replacement worker from the remaining participating crafts.

Upon cancellation of the agreement, the rights of the Company shall revert to those existing before the implementation of this Agreement.

{Signature Not Reproduced}

Attachment No.1 -Rapid Responder Agreement

Rapid Responder Headquarters, Subdivisions and Territory:

1. Wright, Wyoming Orin, Reno & Canyon Subdivisions
MP 15 Caballo Junction to MP 127.3 Orin Junction to MP 95 Guernsey
2. Bridgeport, Nebraska Augora and Valley Subdivisions
MP 4 Alliance to MP 112.3 Sterling and MP .4 to Northport to MP 90.4 Guernsey
3. Broken Bow, Nebraska Sand Hill Subdivision
MP 126.9 West Ravenna to MP 242.6 Thedford
4. Crawford, Nebraska Butte Subdivision
MP 366.2 Alliance to MP 473.6 Edgemont
5. Donkey Creek, Wyoming Black Hills and Campbell Subdivisions
MP 569 Moorcroft to MP 0.0 Campbell to MP 15 Caballo Junction
6. Aurora, Nebraska Ravenna Subdivision
MP 126.9 West Ravenna to MP 1.9 Lincoln
7. Hyannis, Nebraska Sand Hills, Subdivision
MP 242.6 Thedford to MP 364 Alliance
8. Falls City, Nebraska St. Joe and Creston Subdivisions
MP 116.5 to St. Joe to MP 206 Lincoln and Lincoln MP 206 to MP 475 Pacific Junction
9. Newcastle, Wyoming Black Hills Subdivision
MP 473.6 Edgemont to MP 569 Moorcroft
10. Sheridan, Wyoming Bighorn and Dutch Subdivisions
MP 597.9 Gillette to MP 829.3 Huntley
11. Chariton, Iowa Ottumwa Subdivision
MP 152.4 Galesburg to MP 303.7 Albia
12. Creston, Iowa Creston Subdivision
MP 303.7 Albia to MP 475 Pacific Junction
13. Lenexa, Kansas Fort Scott & St. Joe Subdivisions
MP 59.9 St. Joe to MP 98.6 Fort Scott
14. Big Lift, Colorado Pikes Peak Subdivision
MP 0.0 Denver to MP 120.4 Pueblo Junction

Side Letter No. 1
Memorandum of Agreement between
BNSF Railway
And
The Brotherhood of Railway Carmen Division/TCIU (BRC)
And
the International Association of Machinists and Aerospace Workers (IAM)
and
the International Brotherhood of Electrical Workers/System Council No. 16 (IBEW)

This Agreement is made between BNSF and BRC/IAM/IBEW in consideration of the provisions of the Rapid Responder Agreement and will remain in effect for those employees covered by it so long as the Rapid Responder Agreement remains in effect.

(A) Effective October 12, 2010, an incentive compensation plan shall be established for employees represented by the Organizations signatory hereto who are assigned to and working as Rapid Responder positions pursuant to the October 12, 2010 Rapid Responder Agreement (hereinafter "Rapid Responders"), according to the following terms.

(B) Under the new plan ("IC Plan"), each Rapid Responder may receive an incentive compensation payment no later than March 15 of the year immediately following each "performance" (calendar) year, the first one of which shall be 2011. For 2011, for each Rapid Responder, said payment shall have a maximum potential of (be up to) 2 percent of the Rapid Responder's regular earnings for the period September 1 to December 31, 2010 (regular earnings exclude such things as any bonus or lump sum, any retroactive payment not attributable to this portion of 2010 earnings, benefit buy-out payment, moving/real estate benefit, previous year's profit sharing payment, any earnings not attributable to hourly, daily, weekly or monthly rates of pay, etc.) as a Rapid Responder on BNSF property. For performance year 2011 and each subsequent performance year, the maximum potential shall be 2 percent of the Rapid Responder's regular earnings for the full performance year while assigned and working as a Rapid Responder, otherwise applied as indicated above for 2010.

(C) Each Rapid Responder's IC Plan payment will be determined based on the same company-wide goals, the same apportionment among the goals and the same performance standards in meeting those goals as are used for that performance year in the "Incentive Compensation Plan" for exempt employees ("ICP"). For example, recently, there have been goals for operation income (55% of total; velocity (30% of total; and safety (personal injury frequency ration, and lost and restricted time (15% of total). The payout on each goal depends on the attainment of specific, pre-determined targets for the goals and the approval of BNSF's ICP Committee. Presently, a 150% payout level for the ICP is equal to a 100% payout under the IC Plan. Therefore, for example, for performance year 2010, if the company has an ICP payout level at "Goal" (the 150% ICP point), each Rapid Responder would get 2 percent as an IC Plan payment; if the company has an ICP payout level at "Target" (the 100% ICP point), each Rapid Responder would get 1.34 percent; and if the company has an ICP payout level at "threshold" (the 15% ICP level) each Rapid Responder would get 0.2 percent as an IC Plan payment. There

is no ICP or Profit Sharing payment for performance below threshold. For each performance year, the actual payout level will be as determined by the ICP Committee, and the same ICP goals and method applied for exempt employees in the Operations Department will be used for BNSF Rapid Responders, in accord with the financial result illustrated in the previous examples.

(D) If the design of the BNSF ICP itself (not the type or level of specific goals set from year to year) is ever changed in a way materially separating the interests of Rapid Responders still covered by the IC Plan from the interest of BNSF operations employees covered by the ICP, then the parties shall meet promptly to revise the IC Plan in a way which does not so separate the interests of Rapid Responders covered by it. If the parties cannot so agree, they shall submit the matter to expedited, parties-pay, final and binding arbitration before a single neutral. In such event, the arbitrator shall have jurisdiction exclusively to reformulate the IC Plan in a way which has no material adverse effect on either covered Rapid Responders or BNSF, and which effectuates the intent represented here in view of the changed conditions.

(E) If the Rapid Responder Agreement is cancelled by BNSF, or collectively by the Organizations, or an individual Organization cancels its continued participation, this IC Plan is also cancelled in its entirety on the effective Rapid Responder cancellation date for either all Rapid Responders or for those represented by and individual cancelling Organization, as appropriate. However, Rapid Responder regular earnings up to the effective date of cancellations will remain eligible as the basis for a pro-rated IC Plan Payment.

Effective October 12, 2010.

{Signatures not reproduced}

Side Letter No.2

As provided for in Article II, paragraph C, of the Rapid Responder Agreement signed on October 12, 2010, machinists, J. E. McBride, D. D. Miller, M. W. Moody, and R. A. Schol, and electricians, E. W. Daly, R. M. Farritor, S. E. Otten Fox, D. N. Rose, and M. A. Stengle, currently working rapid responder positions at Gillette and Wright, Wyoming, may be eligible for the following:

1. Home Sale and Loss on Sale. If the employee owns his/her home, as of the date of the Rapid Responder Agreement, at Gillette or Wright, Wyoming, he shall, after marketing his home for a minimum of 60 days, advise the Company whether he desires the Company via Primacy Relocation (1-800-713-7783) to purchase his home at the appraised value as of the date of the Rapid Responder Agreement. Appraised value shall be determined based on the average of two appraisals to be obtained as set forth in this Agreement. Such notification must be presented no later than 60 days after the date the employee elects to return to his former location. If the employee properly notifies Primacy Relocation that he desires the Company to purchase his home, Primacy will arrange to do so within 30 days from date of such notice consistent with the other requirements of this Agreement.

If the employee elects to have the Company purchase his home and the appraised value as of the date of the Rapid Responder Agreement is less than the employee's original contract purchase price of the home, BNSF will reimburse the employee for the Loss on Sale. Reimbursement for eligible properties will be based upon 100 percent of the loss up to a maximum of \$50,000. This payment is considered taxable income and will be reported by the Company pursuant to IRS requirements. A "loss" for this purpose exists only if the original contract purchase price exceeds the current contract sales price. Loss on Sale will be calculated as shown on the Loss on Sale Claim Form attached as Exhibit A. Expenses incurred for financing and closing the sale will not be considered in calculating the loss amount. Costs incurred for improvements to the home are not included in the Loss on Sale benefit. The Loss on Sale benefit is also available if, during the 60-day marketing period referenced above, the employee sells his home for a minimum of 95% of the appraised value as of the date of the Rapid Responder Agreement. To receive the Loss on Sale payment, the employee must forward a copy of the closing statement from the employee's original purchase of the home, in addition to a fully executed copy of any outside buyer's contract of sale to Primacy for evaluation.

The Company is not obligated to purchase any property or home other than the home (owned by the employee) in which the affected employee is residing and the lot upon which said home is located. The term "home" as used herein means the single primary place of residence of an employee, which is a structure consisting or not more than two dwelling units (duplex) and located on a building site of not more than one acre or as local ordinances may require and which is utilized for residential purposes only. The Company is not obligated to purchase the home of an employee where a marketable title cannot be conveyed, a home with known toxic substances including but not limited to radon, lead, asbestos, mold, UFFI insulation, Chinese drywall, or any potentially dangerous substance, or a home with serious structural or code defects, incomplete construction/reconstruction, or a home that does not comply with applicable state or local laws, etc. Any costs for remediation or other necessary repairs will be at employee's expense prior to

the home being accepted for sale by the Company. The Company is not obligated to purchase any live stock, farm machinery, barns, lofts, or similar structures located on such acreage. Should there be a dispute as to acquisition of an employee's home, it shall be handled through joint conference between the representative of the Organization involved and the Company. Should the parties be unable to resolve the matter, the dispute resolution process provided by New York Dock Conditions, Article 1, Section 12D or September 25, 1964 National Mediation Agreement Section 10, shall apply.

2. Lump Sum. An employee electing to return to his former location under this Agreement may, in lieu of any and all real estate benefits, elect to relieve the Company from any and all responsibility in connection with the employee's home by requesting and accepting a lump sum payment in the amount of 15% of the appraised fair market value of the home (home value not to exceed \$175,000. This payment is considered taxable income and will be reported by the Company pursuant to IRS requirements. An employee electing this option must do so within 60 days after the employee elects to return to his former location under this Agreement. Appraisals will be handled in accordance with the provisions of paragraph 7 of this Agreement.

3. Unexpired Lease. If the employee holds an unexpired lease of a dwelling occupied as the employee's home, the Company shall protect such employee from the cost of securing cancellation of the lease upon proper documentation of such cost. The lease cancellation assistance will not exceed an amount equivalent to two months' rent. The assistance covers lease cancellation only, not reimbursement for monthly rent after the later of, giving proper notice to the property manager or landlord, or vacating the premises.

4. Mobile Homes. Mobile homes are not covered by this agreement, except as set forth in this paragraph. To be eligible under this paragraph, the mobile home must be parked on rented or leased space or situated on land owned by the employee. A modular home not affixed to a permanent foundation also is eligible under this paragraph. An employee electing to return to his former location who owns an eligible mobile or modular home and occupies it as his residence at his current location will be allowed the 15% set forth in paragraph 2, which value is determined using NADA Mobile Home Manufacturer Appraisal Guide. In lieu of the 15% lump sum, an employee may make arrangements to relocate his home to his former location through a commercial mobile home mover and request reimbursement from the Company for the following moving costs, if properly documented: packing and unpacking, tear down, shipping, set up, pilot cars, permits, electrical and plumbing hookups in a mobile home court, tire repair or change en route, installation and removal of hitch, replacement of existing skirting or labor to install new skirting, and movement of household goods. An employee electing to receive benefits under this paragraph must do so within 60 days after the employee elects to return to his former location under this Agreement.

5. Relocation Repayment. Agreement and Bona Fide Move. In order to receive any benefits under this Agreement, the employee must sign a Relocation Repayment Agreement in the form attached as Exhibit B. In addition, the employee must make a "bona fide move" to the new location. A bona fide move includes, for an employee who is a homeowner, the sale of the home in the present work location and the purchase of a home in the new location or execution of a valid 12-month lease and establishment of legal residency in the new work location. For a renter,

a bona fide move includes the cancellation of a lease in the current location and the purchase of a home or execution of a valid 12-month lease and establishment legal residency in the new work location. This is a lease from a property management company (not an individual, family member or another BNSF employee).

6. Limit on Benefits. Benefits available under this Agreement will not be paid to more than one employee for the same residence.

7. Appraisals and Inspections. Primacy will provide a list of approved independent appraisers in the employee's area from which the employee may select two appraisers and one alternate. Two independent Relocation Appraisals will be ordered by Primacy. The appraisals must be within a five-percent spread of the highest value, and if so, the average will become the fair market value. If the two appraisals are not within the five-percent spread, a third appraisal will be ordered and the average of the two closest appraisals will become the fair market value. Primacy will order and pay for the appraisal and bill the Company. The independent appraisers selected will make an objective estimate of the value of the home. The appraiser must not have any personal interest in the home or its sale. The estimate is based on a study of the real estate market, the condition of the property and other specific data, including regional, city and neighborhood information that may influence the property's value. In conjunction with the appraised value offer Primacy will be ordering all appropriate inspections for the area. The appraised value offer will be made subject to all inspections being clear.

8. Nonreferability. This Agreement is made without prejudice to the positions of the parties and is to be without any precedential effect as to any future agreements. It may not be cited or used in any way in any forum or proceeding of any kind except that it may be used in any action to enforce the terms of the agreement.

This Agreement is effective October 12, 2010.

{Signatures not reproduced}

SUPPLEMENT No. 1

(Traveling Mechanics Agreement)

AGREEMENT

between

**THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY
and its employees represented by
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS**

Whereas, Traveling Mechanics represented by the IAM repair and maintain roadway equipment at field locations where the equipment is working throughout the merged railroad system, and,

Whereas, this equipment is often utilized by engineering gangs working on both the former Santa Fe territory and the former Burlington Northern territory, and,

Whereas, the parties to this agreement desire to have the Traveling Mechanics represented by the IAM covered by a single agreement over the entire merged system,

Now, therefore, the parties agree as follows.

1. The Agreement between Burlington Northern Inc. and the IAM effective April 1, 1970, as amended, will cover all Traveling Mechanics represented by the IAM except as that agreement has been or may be superseded or amended by this agreement or by subsequent agreements.

2. Seniority Districts

(a) Seniority districts for Traveling Mechanics will be as follows:

Northwest District

The Northwest District includes all existing 'territory' in Washington, Oregon and Idaho, and portions of California and Montana. These portions include:

- a. in California, from Keddie north to the Oregon state line.
- b. in Montana, from the west yard limits of Shelby west to the Idaho state line.

North Central District

The North Central District includes all existing 'territory' in Wyoming and portions of Montana, Colorado, North Dakota, South Dakota, and Nebraska. These portions are:

- a. in Montana, from the west yard limits of Shelby north to Canada, east to the North Dakota state line via Havre, and south to the Wyoming state

line; and from Jones Junction south to the Wyoming state line and east to the North Dakota state line.

- b. in Colorado, from Kelker north through Denver to the Wyoming state line; from Denver east, through Brush to the Nebraska state line; and from Brush via Sterling to the Nebraska state line.
- c. in North Dakota, from the switch at Surrey west to the Montana state line; from the east yard limits in Bismark west to the Montana state line; and from the South Dakota state line west through Hettinger to the Montana state line.
- d. in South Dakota, from the east yard limits at Mobridge north towards Hettinger to the North Dakota state line; from Edgemont north to the Wyoming state line; and from Edgemont south to the Nebraska state line.
- e. in Nebraska, from the west yard limits of Ravenna west through Alliance to the South Dakota state line; from Alliance south towards Brush to the Colorado state line; and from Northport west towards Guernsey to the Wyoming state line.

Northeast District

The Northeast District includes all existing 'territory' in Minnesota, Wisconsin, Iowa, Illinois, and Kentucky and portions of North Dakota, South Dakota, Nebraska, and Missouri. These portions are:

- a. in North Dakota, from the switch at Surrey east to the Minnesota state line via Grand Forks and Surrey Junction switch near Fargo; and from the east yard limits at Bismarck through Fargo to the Minnesota state line.
- b. in South Dakota, east and south of the east yard limits at Mobridge.
- c. in Nebraska, from the Colorado state line east via McCook and Lincoln to the Iowa state line; and all 'territory' east and south of the west yard limits of Ravenna.
- d. in Missouri, from the north switch at St. Joseph north to the Nebraska and Iowa state line; from the west switch at Sheffield, northeast to the Illinois and Iowa state lines; and from West Quincy south to, but not including, the Lindenwood Yards at St. Louis.

Southwest District

The Southwest District includes all 'territory' in Arizona and portions of California and New Mexico. These portions include:

- a. in California, from Richmond, south to Long Beach and to the Arizona state line.
- b. in New Mexico, from the Arizona state line east through Dalies to Belen Junction and the west switch at Isleta.

South District

The South District includes all 'territory' in Kansas, Oklahoma, Texas, Arkansas, Louisiana, Tennessee, Mississippi and Alabama, and portions of Colorado, New Mexico, Nebraska and Missouri. The portions include:

- a. in Colorado, from Kelker south through Pueblo and Trinidad to the New Mexico state line; from Pueblo to La Junta; from Trinidad through La Junta to the Kansas state line; and from Las Animas Junction south to the Oklahoma state line.
- b. in New Mexico, from Belen Junction south to the Texas state line; from Belen Junction north through Albuquerque to the Colorado state line; from Belen Junction east through Clovis to the Texas state line; from Clovis south to the Texas state line; and from Texline north to the Colorado state line.
- c. in Nebraska, from Superior south to the Kansas state line.
- d. in Missouri, from the Lindenwood Yards at St. Louis south towards Memphis to the Arkansas state line; from Springfield northeast to, and including, the Lindenwood Yards at St. Louis; from Springfield southeast through Thayer to the Arkansas state line; from Springfield west towards Fort Scott to the Kansas state line; from Springfield southwest via Pierce City to the Kansas state line and via Pierce City towards Claremore to the Oklahoma state line; from the north switch at St. Joseph south to Kansas City; and from the west switch at Sheffield west to the Kansas state line.

As used in this Agreement the term territory refers only to those areas on the railroad to which the machinist scope rule is applicable for traveling mechanics. These areas include applicable branch lines, yards and other, similar areas whether or not specifically referenced above, if included within the area described.

Maps illustrating these seniority districts were distributed to the parties during discussions on this agreement and are attached to this agreement as Appendix 1. In case of any conflict between the maps and this section of the agreement the parties intend that this description of the seniority districts shall be controlling.

(b) While it is recognized that work on a seniority district will normally be performed by traveling mechanics whose names are on the seniority roster for that seniority district, it will not be a violation of this agreement for a traveling mechanic to perform work at any location off

his seniority district,

- (1) which is within 150 miles, by the closest highway route, of his headquarters,
- (2) if there are no furloughed traveling mechanics on the seniority district on which the work is to be performed, and,
- (3) for a period up to 30 days, cumulative, in any consecutive six month period.

Other assignments may be made with the consent of the servicing general chairman for the location where the work is to be performed.

3. Seniority Rosters

(a) There shall be a separate seniority roster established for traveling mechanics on each of the 5 seniority districts.

(b) Current employees working as traveling mechanics will be placed on the rosters based on their location with seniority date upon which their present traveling mechanics rights are based. Employees not currently working due to leave of absence, sickness or injury, assignment to a supervisory position, union office, temporary assignment, or the like, who last held a traveling mechanics position in the craft, will also be placed on the rosters based on their last location with seniority date upon which their traveling mechanics rights are based. The initial seniority roster shall be furnished to each mechanic on the roster and shall be posted at all locations where IAM represented mechanics report to work. The initial roster will be open for correction for a period of sixty (60) calendar days from the date of mailing to employees and posting at other locations. No change will be made thereafter unless attention of Foreman has been called in writing to any error within the limitations provided herein. Typographical errors may be corrected at any time. The initial traveling mechanics seniority rosters are attached to this agreement as Appendix 2.

(c) Employees added to the roster after the effective date of this agreement will be placed on the roster on the first date that traveling mechanics service is performed.

(d) Traveling mechanics who are hired in accordance with Rule 59 and not qualified as journeymen machinists (see Rule 51) will be shown on the seniority roster with an asterisk after their seniority date, which will be the first day service is performed as a traveling mechanic. Non-journeymen traveling mechanics will be placed and maintained on the seniority roster after all journeymen traveling mechanics.

(e) Non-journeymen traveling mechanics, after working 976 days as such, will be given a retroactive journeyman Traveling Mechanic seniority date in accordance with Rule 59 (l), as amended. A copy will be provided to the servicing general chairman.

(f) Employees on the traveling mechanics seniority roster shall retain and accrue seniority on any IAM represented mechanics roster while performing service as a traveling mechanic. However, a traveling mechanic who exercises seniority on any other roster when able to retain a position as a traveling mechanic will be deemed to have voluntarily forfeited traveling mechanic seniority and will be removed from the traveling mechanic seniority roster from which seniority was exercised.

(g) The servicing general chairman will be notified within 15 days of new hire traveling mechanics with address, and telephone number.

4. Bulletining Vacancies and New Positions - Replacing Rule 13 (b), (c), (d), (e).

(b) A vacancy of more than thirty (30) calendar days duration in an established position or a new position of more than thirty (30) calendar days duration will be promptly bulletined on the seniority district upon which such vacancy or new position occurs. Such bulletin will be of standard form set out in Appendix B-1 showing title of position, principal duties encompassed by such position, headquarters, rate of pay, hours of service and rest days. New positions or vacancies may be placed on bulletin up to a maximum of thirty (30) days in advance of the effective date.

(c) Bulletins issued pursuant to paragraph (b) hereof will be posted for a period of ten (10) calendar days and employees desiring such vacancies or positions will file their applications with the officer whose name appears on the bulletin during the bulletin period. A copy will be provided to the servicing general chairman by the carrier.

(d) Positions or vacancies bulletined pursuant to paragraph (b) hereof will be awarded within ten (10) calendar days after the bulletin period expires. A standard bulletin as set out in Appendix B-2 will be posted immediately announcing the name of the successful applicant for a bulletined position or vacancy with copy to the servicing general chairman. In filling positions or vacancies the following order of selection will be observed:

- (1) The senior traveling mechanic on the district applying for the position or vacancy.
- (2) Employees on the traveling mechanics seniority roster for that district who are furloughed as traveling mechanics on that district. Recall will be offered in seniority order. Any such employee who fails to respond to the recall shall forfeit traveling mechanics seniority on that roster.
- (3) The senior traveling mechanic on another traveling mechanics district roster who is furloughed as a traveling mechanic and who desires to fill the position or vacancy.
- (4) The senior qualified Machinist not on a traveling mechanic roster with application on file with the Director Roadway Equipment who is on a Machinist's seniority district encompassed in whole or in part within the

traveling mechanics seniority district where the vacancy or position exists.

- (5) The senior traveling mechanic who desires to transfer from another district under Rule 15.
- (6) The senior qualified Machinist not on a traveling mechanic roster from any other seniority district with application on file with the Director Roadway Equipment.

(e) Annual notice will be provided in December of each year to shop Machinists of their opportunity to apply for Traveling Mechanic positions.

5. Relocation

(a) Employees who are required to make a bona fide relocation to a new headquarters point at least 100 miles (by the closest highway route) from their old headquarters point as a result of the carriers change in headquarters for a position are to receive:

- (1) Reimbursement of U-Haul costs for moving household goods
- (2) Mileage at the IRS rate for up to two automobiles
- (3) Up to five days off with pay to relocate
- (4) \$1,000 relocation allowance

(b) Employees who voluntarily make a bona fide relocation to a new headquarters point at least 100 miles (by the closest highway route) from their old headquarters point, whether such move was as a result of the carriers change in headquarters for a position or otherwise, are to receive:

- (1) Reimbursement of U-Haul costs for moving household goods
- (2) Up to five days off without pay to relocate
- (3) \$500 relocation allowance

The benefits provided in this paragraph (b) will be available to an employee no more than once every twelve (12) months.

6. Rate of Pay

The rate of pay for a traveling mechanic effective the first month after the date of this agreement will be \$3822.10 per month excluding skill differential. The straight time rate of pay based on this monthly rate is \$18.00 per hour. The number of hours comprehended in the monthly rate is 212 1/3 hours.

7. The Agreements and Understandings listed below are currently effective under the Burlington Northern Agreement and are attached to this Agreement for information. Other Agreements and Understandings may also be in effect and failure to include any other letter does not affect the continued applicability of that letter.

Appendix 1 Maps of seniority districts. (Not reproduced)

Appendix 2 Seniority rosters (Not reproduced)

Appendix 3 Letter dated April 5, 1976, from R. E. Taylor to R. W. Jackson, concerning company-furnished tools for Traveling Mechanics.

Appendix 4 Letter dated June 15, 1978, from L. K. Hall to E. A. Kohl, concerning payment of overtime for Traveling Mechanics.

Appendix 5 Memorandum of Agreement dated April 15, 1994, concerning Traveling Mechanics on the P811-S and TLM equipment.

Appendix 6 Letter dated April 13, 1994, from Richard C. Scott to D. R. Babcock and C. D. Johnson, concerning rest days at home for Traveling Mechanics on the P811-S and TLM equipment.

Appendix 7 Letter dated May 26, 1995, from Richard C. Scott to D. R. Babcock and C. D. Johnson, concerning payment of overtime for Traveling Mechanics.

Signed this 29th day of September, 1999.

(Signatures not reproduced)

**APPENDIX 3 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

April 5, 1976

Mr. R. W. Jackson,
President & Directing Gen. Chairman,
I.A.of M. and A.W. Dist. Lodge #3
315 Security Bldg.
2395 University Ave.
St. Paul, Minnesota 55144

Dear Mr. Jackson:

This refers to your letter of February 5, 1976 concerning furnishing tools for use by Traveling Mechanics maintaining maintenance of way equipment.

As Traveling Mechanics maintaining maintenance of way equipment are responsible to the Engineering Department, we have been advised by them they will furnish all tools required by the Traveling Mechanics.

Yours truly,

R. E. Taylor
Asst. Vice President-Mechanical

**APPENDIX 4 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

St. Paul, Minnesota
June 15, 1978

Mr. E. A. Kohl:

This refers to your letter of May 24, 1974, file DDA-561 and our reply of June 4, 1974 about basis of pay for traveling mechanics under Rule 11 of the shop craft agreement.

Rule 11 provides that employees who regularly perform road work and who are paid on a monthly basis are not to be paid overtime for service in excess of eight hours per day. However, the rule also provides that if an employee works excessive overtime hours the compensation of the position may be adjusted.

Rather than making frequent changes in the rate of pay of a Rule 11 position, the instructions contained in the letter of June 4, 1974 are modified and restated as follows:

A traveling mechanic required to repair equipment each evening, Monday through Friday, after the maintenance of way gang has concluded work would be compensated within the basic monthly salary and would not be paid on an overtime basis, unless such time becomes excessive. Time in excess of ten hours per day Monday through Friday is considered excessive and is payable at the overtime rate.

There is no authority for not paying overtime rate when it is worked on Saturdays. However, a traveling mechanic is expected to protect on Saturdays from his headquarters and if called to perform repair work due to an emergency breakdown on Saturday, he would do so within his base monthly salary and not be paid overtime. If required to perform routine work on Saturday at his headquarters, when such work could be done on Monday, he would be compensated on an overtime basis.

If a traveling mechanic is held away from his headquarters by his supervisor on Friday to service and repair equipment on Saturday required for a large maintenance of way gang on Monday morning, such work would be compensated on an overtime basis for it constitutes routine work which could be done on Monday, but for company convenience was required on Saturday.

When a traveling mechanic is instructed to travel to a distant point on Sunday, repair equipment and be there for Monday morning, the travel and work will be compensated on an overtime basis.

Service required on the Sunday rest day is payable under Rule 4 as outlined in Rule 11 (b).

Some facets of the instructions stated above represent unilateral interpretation by the undersigned to effect on the Chicago and Denver Regions a practical balance that has been mutually satisfactory between BN and the Machinists' Organization on the other regions for at least the past 4 years.

Only the overtime hours authorized by the appropriate supervisor may be paid. Any further interpretation of the rules should be solicited from this office before any advice different than outlined herein is conveyed to district accounting officers.

L. K. Hall

**APPENDIX 5 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

Memorandum of Agreement
between
The Burlington Northern Railroad Company
and
Its Employees Represented By
International Association of Machinists and Aerospace Workers

Following are the agreed upon guidelines for the use of Traveling Mechanics covered by the Agreement between the Burlington Northern Railroad and its Employees Represented by the International Association of Machinists and Aerospace Workers effective April 1, 1970, as amended, to provide maintenance support for the 1994 and following work seasons for the P811S-P gang and the TLM gang. This work has been performed by outside parties in the past and the Carrier and the Organization wish to provide a mechanism by which the work may be performed by employees of the Carrier.

1. If necessary, a side letter will be executed concerning division of the work between Traveling Mechanics and Traveling Equipment Maintainers covered by the Agreement between the Burlington Northern Railroad and its Employees represented by the Brotherhood of Maintenance of Way Employees effective September 1, 1982, as amended.
2. As an exception to the current practices, these positions will be bulletined system-wide and assigned in accordance with Rule 13. The headquarters point for the position will be the headquarters point of the successful applicant for each position. Employees assigned will remain with the gang for the entire work season unless released by the Carrier.
3. Unless otherwise provided, compensation, expenses, work rules and working conditions will be as established in the Schedule Agreement dated effective April 1, 1970, as amended.
4. The monthly rate established by Rule 11 (a) for traveling mechanics occupying positions assigned to travel with either the P811S-P or the TLM during its entire working season pursuant to paragraph 2, above, will be increased to \$3,994.00. It is understood that this increased rate of pay is applicable only when the P811S-P and the TLM are working and that when these machines are not active, any traveling mechanics assigned to positions performing maintenance on the machines will work at the regular monthly rate of pay and working conditions established under Rule 11.
5. Traveling mechanics occupying positions assigned to travel with either the P811S-P or the TLM during its entire working season pursuant to paragraph 2, above, if called to work on the sixth day of their assignment, will receive compensation at the pro rata rate for all time worked up to eight (8) hours with a minimum of four hours (4). If work is performed on the sixth day in excess of eight (8) hours, traveling mechanics will be compensated at one and one-half (1 ½) times the pro rata rate. In accordance with the current agreement, employees working on the

seventh day will be compensated at one and one half (1 ½) times the pro rata rate for all hours worked. If called in on the seventh day the employee will be paid a minimum of four hours.

6. It is agreed that each traveling mechanic occupying a position assigned to travel with either the P811S-P or the TLM during its entire working season pursuant to paragraph 2, above, may be assigned a starting time between 4 a.m. and 4 p.m. in accordance with the needs of the service. If the needs of the service require, the starting time may be changed by the supervisor no later than the close of the shift on the previous workday, provided, however, that sufficient rest, a minimum of eight hours, shall be afforded. It is understood that notwithstanding the flexible starting times provided herein, that such does not preclude the General Chairmen from raising implementation and application issues consistent with the parties intent for this provision.

7. It is agreed that this understanding is not to be considered as a precedent and that it shall be without prejudice to the positions of any party on any subject contained herein. It is further agreed that this agreement shall not be referred to in any other proceeding of any kind whatsoever, excepting only a proceeding to enforce the terms of the agreement.

8. This understanding is effective for the 1994 work season and will continue and be automatically renewed for each successive calendar year thereafter unless canceled by any party no later than November 1 for the following calendar year.

Signed this 15th day of April 1994.

(Signatures not reproduced)

**APPENDIX 6 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

April 13, 1994

Mr. D. R. Babcock
General Chairman, IAM
101 East St Charles Road
Villa Park, IL 60181

Mr. C. D. Johnson
General Chairman, IAM
729 Sunrise Avenue
Suite 502
Roseville, CA 95661

Subject: Traveling Mechanics

Gentlemen:

This will confirm our discussions concerning the distance that Traveling Mechanics assigned to the P811S-P and the TLM may have to travel in order to return home on any rest days. As John Upward indicated he intends to make sure that these employees will be able to return home on a regular basis consistent with the work flow and the distance the employees are working from their homes. These and other variables will influence the exact manner that will be used to accomplish this. It is intended that the result will be satisfactory to both the supervisors and the employees.

It is agreed that this understanding is not to be considered as a precedent and that it shall be without prejudice to the positions of any party on any subject contained herein. It is further agreed that this agreement shall not be referred to in any other proceeding of any kind whatsoever, excepting only a proceeding to enforce the terms of the agreement.

Sincerely,

/s Richard C. Scott

**APPENDIX 7 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

May 26, 1995

Mr. D. R. Babcock
General Chairman, IAM
101 East St. Charles Road
Villa park, IL 60181

Mr. C. D. Johnson
General Chairman, IAM
729 Sunrise Avenue, Suite 502
Roseville, CA 95661

RE: Traveling Mechanics Pay for Work on Sixth Day

Gentlemen:

This letter is in reference to our recent discussions of the outstanding claims for pay for work on the sixth day by Traveling Mechanics and is in full resolution of those claims concerning the application of Rule 11 to the pay for IAM-represented Traveling Mechanics.

It was agreed that in full and final settlement of these claims:

1. Traveling Mechanics performing routine work on the sixth day of the work week will be compensated for up to the first eight hours at the straight time rate of pay in addition to their monthly rate. Non-routine work performed on the sixth day of the work week will be performed within the monthly rate for up to the first eight hours. Whether any particular work is routine or non-routine will depend on the circumstances at the time. It is understood, however, that a Traveling Mechanic is expected to protect on the sixth day and if called on the sixth day to perform repairs due to breakdown of equipment such will not be considered routine.
2. All work after the first eight hours on a sixth day, whether routine or non-routine, will be compensated at time and one half in addition to the monthly rate.
3. BN will review the payroll records and will compensate Traveling Mechanics who performed routine service on a sixth day from January 1, 1994, to the date of implementation of this settlement in accordance with paragraphs one and two.

If this letter accurately sets out the terms of our agreement, will you please sign in the spaces provided below.

Sincerely,

AGREED:
/s Dell R. Babcock
General Chairman

/s Richard C. Scott

/s Carl D. Johnson
General Chairman

**APPENDIX 8 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

September 29, 1999

Mr. D. R. Babcock
General Chairman, IAMAW
101 East St. Charles Road
Villa Park, IL 60181

Mr. T. Carrillo
General Chairman, IAMAW
729 Sunrise Avenue, Suite 502
Roseville, CA 95661

Mr. C. D. Johnson
General Chairman, IAMAW
729 Sunrise Avenue, Suite 502
Roseville, CA 95661

Mr. L. W. Wickersham
General Chairman, IAMAW
7629 Northeast Sherman Road
Meriden, KS 66512

Gentlemen:

This letter will confirm our arrangements made in conjunction with the agreement of September 29, 1999, concerning Traveling Mechanics.

All parties to the agreement recognize that problems may arise during the implementation of the agreement that were unanticipated at the time the agreement was made. Some of these problems may be temporary in nature and some may be of a longer lasting duration.

We have agreed that we will meet after one year to review the operations of traveling mechanics under the new agreement with particular reference to addressing any unanticipated problems that occurred during the work season.

If this letter correctly reflects our agreement please indicate your concurrence by signing below.

Sincerely,

/s Richard C. Scott

I concur:

/s Dell R. Babcock
/s Carl D. Johnson
/s Robert L. Reynolds

A. F. Carillo
Lloyd W. Wickersham

**APPENDIX 9 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

September 29, 1999

Mr. D. R. Babcock
General Chairman, IMAAW
101 East St. Charles Road
Villa Park, IL 60181

Mr. T. Carrillo
General Chairman, IMAAW
729 Sunrise Avenue, Suite 502
Roseville, CA 95661

Mr. C. D. Johnson
General Chairman, IMAAW
729 Sunrise Avenue, Suite 502
Roseville, CA 95661

Mr. L. W. Wickersham
General Chairman, IMAAW
7629 Northeast Sherman Road
Meriden, KS 66512

Gentlemen:

This letter will confirm our arrangements made in conjunction with the agreement of September 29, 1999, concerning Traveling Mechanics.

We have agreed that the carrier will furnish tools for traveling mechanics in accordance with the letter dated April 5, 1976, from R. E. Taylor to R. W. Jackson, appendix 3 to the agreement.

Since most current traveling mechanics under the former ATSF agreement have furnished their own tools, (some have now received company provided tools) we have agreed that these tools will be replaced over the next two years, 1999 and 2000. Any new traveling mechanics will be furnished tools by the carrier when placed on a position.

If this letter accurately reflects our agreement please indicate your concurrence by signing below.

Sincerely,

/s Richard C. Scott

I concur:

/s Dell R. Babcock
/s Carl D. Johnson
/s Robert L. Reynolds

A. F. Carrillo
Lloyd W. Wickersham

**APPENDIX 10 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

Letter of Agreement
between
The Burlington Northern and Santa Fe Railway Company
and
Its Employees Represented By
International Association of Machinists and Aerospace Workers

It is hereby Agreed:

This letter applies to IAM represented machinists who are on a Burlington Northern mechanics seniority roster.

Machinists on a mechanics seniority roster as of the effective date of this agreement will retain their current rights to exercise seniority, either by bidding or displacement, to traveling mechanic positions headquartered on their machinist seniority district as constituted on the effective date of this agreement.

Such machinists who exercise seniority to a traveling mechanic position headquartered on their machinist seniority district as constituted on the effective date of this agreement, and who qualify for the position under Rule 13 (g) or 22 (g) as the case may be, will have their BN machinist seniority date dovetailed on the applicable traveling mechanic seniority roster.

Signed this 29th day of September, 1999.

(Signatures not reproduced)

**APPENDIX 11 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

Letter of Agreement
between
The Burlington Northern and Santa Fe Railway Company
and
Its Employees Represented By
International Association of Machinists and Aerospace Workers

The July 30, 1992, "National Agreement" provided by the written report of Arbitrator Richard Mittenthal, provides for a skills differential, currently 50 cents per hour, for IAM represented traveling roadway machinists. Since these covered machinists are compensated on a monthly rather than an hourly basis under the Burlington Northern Schedule Agreement the parties to this agreement have agreed to convert the skills differential to a monthly skills differential for all hours comprehended in the monthly rate for traveling mechanics.

It is hereby agreed that:

Effective the first month beginning after the date of this Agreement, traveling mechanics will receive \$106.15 per month skills differential covering skills differential for all hours comprehended in the monthly rate. This amount shall not be reduced unless the employee lays off of his own accord. Any reduction will be made on the same basis as reductions in the monthly rate when the employee lays off.

Hours which are paid under the BN Agreement outside the monthly rate such as ordinary maintenance on the sixth day, any work over eight hours on the sixth day, work on the seventh day, and work over ten hours on a regularly scheduled work day will be subject to the provisions of Article VII of the 1992 Agreement, and traveling mechanics performing such work will receive the skills differential on an hourly basis for all hours worked and paid outside the monthly rate.

Signed this 29th day of September, 1999.

(Signatures not reproduced)

**APPENDIX 12 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

**MEMORANDUM OF AGREEMENT
BETWEEN
BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY
AND ITS
EMPLOYEES REPRESENTED BY
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS**

The following agreements and understandings are reached to resolve certain disputes between the parties concerning the application of the schedule agreement and other agreements to traveling mechanics.

1. If a traveling mechanic performs work or service on a holiday, he will be compensated therefor under Rule 4. Travel time on a holiday will be handled as described for rest days in Paragraph 3, below.
2. The regular starting time for Traveling Mechanics will be the bulletined starting time of the position. The carrier may deviate from that starting time based on the requirements of service.
 - (a) If the deviation from the bulletined starting time is three hours or less, but greater than one hour, the traveling mechanic will be paid a differential of 50 cents per hour for all hours worked during that shift.
 - (b) If the deviation from the bulletined starting time is greater than three hours, the traveling mechanic will be paid a differential of \$1.00 per hour for all hours worked during that shift.
 - (c) The term all hours includes all overtime hours.
 - (d) The differentials will be paid in addition to any other differentials to which the Traveling Mechanic may be entitled.
 - (e) It is not the intent of the parties to permanently change the start time of an assignment by the application of this rule.
3. It is understood by the parties that travel time on rest days and holidays for Traveling Mechanics will be paid at the straight time rate of pay except that travel time on a Traveling Mechanic's rest day will be paid at the overtime rate of pay when work or service is performed on that day.

4. The agreement is made on a non-referable basis without prejudice to the positions of either party. Either party upon 90 days written notice to the other party may cancel it.

Effective June 16, 2002

(Signatures not reproduced)

**APPENDIX 13 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

**MEMORANDUM OF AGREEMENT
BETWEEN
BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY
AND ITS
EMPLOYEES REPRESENTED BY
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS**

The parties to this agreement desire to provide for a traveling mechanic who will work on a system basis with the RM-802 undercutter. The parties agree as follows:

1. BNSF may establish a traveling mechanic position that will be assigned to the RM-802 gang.
2. The traveling mechanic assigned to this gang will work under the terms and conditions established in the Memorandum of Agreement signed April 15, 1994, covering traveling mechanics assigned to a P-811S gang, and other letters and agreements covering those employees (copies attached).

Effective March 15, 2001.

(Signatures not reproduced)

**APPENDIX 14 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

MEMORANDUM OF AGREEMENT
BETWEEN
BNSF RAILWAY COMPANY
AND ITS
EMPLOYEES REPRESENTED BY
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS

The parties to this agreement desire to provide for a traveling mechanic who will work on a system basis with the MDZ Surfacing Unit. The parties agree as follows:

1. BNSF may establish traveling mechanic positions that will be assigned to the MDZ gang.
2. Traveling mechanics assigned to this gang will work under the terms and conditions established in the Memorandum of Agreement signed April 15, 1994, covering traveling mechanics assigned to a P-811S gang, and other letters and agreements covering those employees.

Effective April 1, 2005.

(Signatures not reproduced)

**APPENDIX 15 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

**MEMORANDUM OF AGREEMENT
BETWEEN
BNSF RAILWAY COMPANY
AND ITS
EMPLOYEES REPRESENTED BY
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS (IAM&AW)**

The parties to this agreement desire to provide for a traveling mechanic or traveling mechanics who will work on a system wide basis with the THS-2000 Tie Handling System (THS-2000). The parties agree as follows:

1. BNSF Railway may establish traveling mechanic positions that will be assigned to the THS-2000 gang.
2. Traveling mechanics assigned to this gang will work under the terms and conditions established in the Memorandum of Agreement signed April 15, 1994, covering traveling mechanics assigned to a P-811S gang, and other letters and agreements covering those employees.

AGREED and effective on December 1, 2005

(Signatures not reproduced)

**APPENDIX 16 TO
SUPPLEMENT No. 1
(Traveling Mechanics Agreement)**

Memorandum of Agreement between BNSF Railway
and its employees represented by the
International Association of Machinists and Aerospace Workers (IAM)
and its employees represented by the
Brotherhood of Maintenance of Way Employees Division (BMWED) (former SLSF)

Beginning with the 2006 work season, the parties signatory hereto wish to provide a mechanism by which the work of maintaining the THS 2000 Tie Handling System (THS 2000) currently maintained by contractor employees can be performed by Carrier employees. The unique nature of this equipment consist, and operational productivity, make it critical that the same assigned IAM Traveling Mechanics and/or BMWED (former SLSF) Traveling Equipment Maintainers (Mechanics) remain with the THS 2000 throughout the work season irrespective of collective bargaining agreement (CBA) territories. To avoid territorial disputes when the THS 2000 is anticipated to work both IAM and BMWED (former SLSF) CBA territories, this Agreement provides for a work season division of work allocation of IAM Mechanics represented under the April 1, 1970 Agreement as amended, and only the BMWED (former SLSF) Mechanics represented under the March 1, 1951 Agreement.

1. In a year the THS 2000 is scheduled to work both IAM and BMWED (former SLSF) CBA territories, the work-season ratio of Mechanics to be assigned from each craft will be based on the anticipated number of ties the THS 2000 is scheduled to insert on each CBA territory. *(Except that if the ratio of work is such that one craft would have no Mechanics assigned, then one Traveling Mechanic from that craft will nonetheless be assigned to the THS 2000 for that work season. (See example below)).

Ratio computation examples presume 6 Mechanics assigned (actual number may vary)

Total Ties	Ties by CBA Territory				% of Mechanics		Mechanics by CBA Craft	
	IAM	%	BMWED (SLSF)	%	IAM	BMWED (SLSF)	IAM	BMWED (SLSF)
300,000	200,000	66.66	100,000	33.33	3.99	1.99	4	2
250,000	60,000	24.00	190,000	76.00	1.44	4.56	1	5
187,000	93,600	50.05	93,400	49.94	3.00	2.99	3	3
*190,000	10,000	5.26	180,000	94.73	.31	5.68	*1	5

2. Prior to the beginning of the THS 2000 work season, the Carrier will provide the IAM and BMWED (former SLSF) General Chairmen a copy of the prospective THS 2000 schedule showing the locations and numbers of ties to be inserted, and the Carrier's proposed Mechanic ratio to be applied for the work season. If there is objection to the Carrier's proposed ratio calculation, the parties will meet within 5 days to resolve the

calculation conflict. Otherwise positions will be bulletined according to the ratio allocation. If the number of bidders from either IAM or BMWED (former SLSF) is insufficient to meet the ratio for that craft, bidders from the other craft covered by this Agreement will be allowed to work while the position is rebulletined one more time in an attempt to satisfy the ratio. If the position(s) remain unfilled following re-bulletin, the Mechanic(s) originally assigned will be considered permanently assigned for that work season.

3. The advance work schedule provided to the General Chairmen will be based on the information available to the Carrier at the time. To the extent possible, all work to be done on both CBA territories will be identified in advance. However, the parties understand that advance information concerning the schedule of work is informational and subject to change during the work season for various reasons, and that such changes made during that work season, if any, will not be cause to modify the ratio allocation of Mechanics initially established.
4. If the THS 2000 is not scheduled to work both CBA territories covered by this Agreement in a work season (IAM/BMWED-former SLSF), this Agreement has no effect. However, if it later becomes necessary to perform work on both CBA territories in that work season, the Mechanics originally assigned will be allowed to continue working with the THS 2000 while it works on the unplanned CBA territory. During this time, one additional Mechanic from the CBA territory on which the unanticipated work occurs will be assigned to the THS 2000. If the unanticipated work is expected to exceed thirty days, or there are no available Mechanics to assign, the General Director Work Equipment (or designee) and the General Chairmen will promptly meet to resolve the temporary ratio imbalance.
5. This Agreement establishes no precedent whatsoever, it applies only to the THS 2000 equipment consist the Carrier has been currently operating and maintaining with contractor employees for several years, it is without prejudice to any positions the parties may have, nor will it be referred to in any other forum or proceeding except to the extent necessary to enforce its terms.

AGREED on December 1, 2005

(Signatures not reproduced)