

MEMORANDUM OF UNDERSTANDING

BETWEEN

BNSF RAILWAY COMPANY (BNSF)

AND INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS (IAM)

This will confirm our discussions regarding the training of newly-hired employees represented by the International Association of Machinists and Aerospace Workers. Recently, the parties reached an agreement to create and implement a proficiency-based apprenticeship, where proficiency will be demonstrated by passing an exam designed to test the essential skills necessary to be a successful machinist in BNSF's Mechanical Department. This Agreement will apply to those employees covered by the May 1, 2014 Agreement covering Machinists in the BNSF Mechanical Department.

The parties agree that there exists a need for ensuring that new-hire employees acquire the proper training and knowledge to safely and successfully execute the work required of a machinist in BNSF's Mechanical Department, when those employees have little or no experience working with machines and systems unique to diesel engine locomotives. The parties recognize that an exam is currently being designed that will test the skills and knowledge of shop machinist apprentices, namely the Apprentice Proficiency Exam. The parties further recognize that the best method currently available to accomplish this shared goal is through instruction at the Technical Training Center (TTC) in Overland Park, Kansas.

The parties have determined that in order to begin administering the May 1, 2014 "Apprentice Proficiency Agreement," there may be a need for Local Coordinator positions at shops and in the zones of the Superintendents of Field Operations to coordinate the hiring of new Apprentices, training and testing between the TTC and the individual facility, and other tasks to support the development of the machinist craft as assigned.

As such, Machinist Trainer Coordinator positions may be established and if established, will be bulletined in accordance with the prevailing schedule rules. The positions will be awarded to the senior qualified applicant at each location, as determined by the Local Committee and Local Management. If the Local Committee and Local Management are unable to agree, then the General Chairman and AVP/CMO Mechanical, or their designees, will select the candidate. Employees awarded the positions will be compensated at five percent (5%) above the prevailing hourly Journeyman rate. The Machinist Trainer Coordinator position will have a starting time between 6:00 A.M. and 8:00 A.M., with work days of Monday through Friday, and rest days of Saturday and Sunday in order to coordinate with the TTC, but may be required to work other shifts and days at the straight time rate, as necessary. However, overtime (OT) and double time (DT) rates of pay will apply as if the employee was working his/her regularly scheduled shift, ie: If an employee goes to another shift and works longer than 8 hours on a regular work day he/she would be


paid OT at the appropriate rate/s. Furthermore, if he/she works a rest day or second rest day of the work week assigned, he/she would be paid the appropriate OT rate/s as provided for in the current Collective Bargaining Agreement (CBA).

All employees hired subsequent to this Agreement who demonstrate substantial mechanical experience within their first six (6) months of employment by providing supporting documentation, such as completion of an IAM Apprentice Program or significant previous work experience or military training, may be placed in Upgrade status immediately, allowing them to hold a Journeyman position while completing their training, and they shall also be required to complete a series of technical training courses at the TTC as determined by Manager Mechanical Training Support, or his designee within the first twelve (12) months of BNSF employment, subject to availability of scheduling. These employees shall receive the full journeyman's hourly rate of pay retroactive to their first day of employment. Nothing in this paragraph shall be construed to prohibit an applicant for employment from providing such documentation with his application or at his interview, so that, if hired, he may begin as an Upgrade at the full journeyman's hourly rate and eliminate the need for retroactive pay. If an employee fails to complete the prescribed course of training within the allotted time, the employee may be downgraded to regular Apprentice status and pay after the Manager of Locomotive Training or Manager Mechanical Training Support confers with the General Chairman or his designee to determine a course of action to rectify any deficiency(s).


At such time as the proficiency exam is finally put into use, Rule 51 of the September 1, 2013 Agreement will be considered modified to allow for this agreement and proficiency examination.

This Agreement shall be effective on October 29, 2014.

Agreed:



Ollie D. Wick
General Director Labor Relations

 10-29-2014

Jeff Doerr
IAM President, Directing General Chairman