

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

The Twin Cities Division of the Burlington Northern Santa Fe Railway will establish commuter rail service under contract with the Northstar Regional Transit Authority between Big Lake and Minneapolis, Minnesota, with possible expansion to St. Cloud, Minnesota. The Carrier and the Organization agree to the following rates of pay and conditions to apply to this new service as follows:

It is agreed:

1. Under this present arrangement, the commuter passenger train crew will consist of one (1) conductor.

2. (a) Commuter passenger service crews operating between Big Lake and Minneapolis will be home terminated at Big Lake and/or Minneapolis.

Minneapolis and/or Big Lake will be the turnaround and layover point, dependent upon the specific crew assignment and scheduling.

- (b) When commuter passenger service is expanded to encompass the territory between St. Cloud and Minneapolis, commuter passenger crews may be home terminated at St. Cloud and/or Minneapolis.

Commuter passenger crews may be assigned to operate in short turnaround service, traversing the entire, or segments, of this territory with layover and turnaround points to be designated by the Carrier for each crew assignment.

- (c) Automatic release rules will not apply to commuter passenger crews.

3. To establish commuter passenger assignments, BNSF will issue a bulletin for one (1) Conductor which will contain the following information:
 - (1) The train number or designation.
 - (2) The home terminal of assignment and layover point.
 - (3) The days of the week service is to be performed.
 - (4) The rest day(s) of the assignment.
 - (5) The on-duty time of the assignment.
 - (6) The date assignment will be established.
 - (7) The territorial limits of operation identifying:
 - a) Direction and line segment
 - b) Turnaround point
 - c) Train schedule
4. Commuter passenger assignments may be established to perform daily service on five or six days during a calendar week. On five-day assignments, the rest days will be consecutive. The on and off-duty point for these assignments will be at the same point and location for each day operated.
5. Relief conductor assignments will be established in addition to the regular assigned positions established. Relief positions may be increased or decreased on an as needed basis based on the projected number of vacancy days due to layoffs, vacation and personal leave days.

If trains in this service exceed eight (8) passenger cars, the parties agree to meet to discuss the duties of a passenger conductor as contained in this Agreement. If trains in this service exceed ten (10) passenger cars, an Assistant Conductor will be added to that assignment and will be paid the same rate of pay as the Conductor.

When extra service is required by Northstar Transit, BNSF will notify the junior relief conductor ten (10) days in advance wherein his work week and rest days will be altered in order to protect the additional service at the straight time rate of pay. If a regular assigned conductor is used on his assigned rest day to protect extra passenger service, he will be paid at one and one-half times the daily rate of pay. If additional passenger service is required on the sixth or seventh day of the assignment and a buildup relief freight crew is used, then that crew will be paid at straight time rate of pay. If extra passenger service is required and no relief conductor is available, the vacancy will be filled in the following manner:

Employees desiring to work extra passenger service will make application to the appropriate Carrier Officer to have their name placed on the Extra Passenger Working List. When an extra passenger conductor is needed, the Carrier will call employees from this list on a first-in/first-out basis. The Carrier will determine the number of employees necessary to staff the Extra Passenger Working List. If an employee refuses to accept extra passenger service when called, the employee's name will be removed from the list and the employee will be restricted from the list for a period of thirty (30) days.

- 6 All positions, regular and relief assignments, will report for work on each work day. The relief assignments will fill any vacancy on a regular assignment that may occur due to layoff, vacation, or personal leave day. If no vacancies occur on the regular assignments, the relief conductor shall work with one of the regular assignments to assist the regular employees and to remain familiarized with each assignment. During a week when there are no vacancies, the relief conductor shall work varying assignments, splitting time equally with each assignment and assisting each conductor as specified in the Northstar Service Manual

In certain situations, due to training efforts, special projects, or emergencies, the relief conductor may occasionally work with the regular assignments or fill vacancies at other than his/her home terminal. For these infrequent, but necessary situations, the relief conductor must be notified of his/her assignment no later than the previous day. The provision to use a relief conductor at other than his/her home terminal is to be used only on an exceptional basis and is intended to protect emergency situations; thereby, enhancing the quality and safety of this passenger service.

Examples of situations whereby a relief conductor could be utilized at other than his/her home terminal:

- To assist with training programs
- To become familiarized with the entire Northstar commuter territory to prepare for future assignments which traverse St. Cloud to Minneapolis
- To assist with special projects such as multiple conductor fare inspection sweeps
- To fill vacancies on an emergency basis
- To remain territory qualified for emergency evacuation of Minneapolis in the event of terrorist activity
- Emergency service due to severe weather and/or landslide situations
- Disabled train assistance

- 7 All assignments, regular and relief, will have a one (1) year tie down period at the beginning of each new fiscal year commencing with October 1 as the start of a new one (1) year period. At the expiration of the one-year period, a conductor may exercise seniority to another class of service subject to the terms and conditions of the schedule agreement.

A conductor assigned a position in commuter passenger service under this agreement will hold the position for the period assigned provided the position is maintained during that period and will be immune from displacement under the seniority rules while occupying such position provided such conductor has sufficient seniority to remain in this commuter passenger service on a regular or relief assignment. Employees in another class of service cannot enter into this commuter passenger service until October 1 of a new tie down period or unless they are unable to hold a position on their entire seniority district.

Bids for each new one (1) year tie down period will end on August 31 and become effective on October 1 in order for new employees to the service to receive up to thirty (30) days training immediately prior to entering this commuter passenger service. Employees with prior experience in this commuter passenger service will receive training as deemed appropriate by the Carrier, if necessary. When conductors are being trained, they will be paid at the appropriate Conductors' Extra Board Guaranteed Daily Rate of Pay for each day in the training period. A conductor training another conductor in this service will be paid 1.1 times the regular daily passenger rate of pay.

Employees will be permitted to return to BNSF's freight service (road or yard) prior to the expiration of the one (1) year tie down only upon the condition of a hardship case, (i.e., a serious illness of a family member) or due to the employees' failure to discharge their duties in a manner which reflects a positive image to the Northstar Regional Transit Authority. Such cases will be handled locally by the Superintendent Commuter Operations and the respective Local Chairman. If the issue can not be resolved at this level, then it will be referred to Labor Relations and the respective General Chairman for disposition.

Conductors in this service may change assignments within the group every sixty (60) days via an internal bid process. Each assignment will be bulletined for seven (7) days taking effect on the tenth (10th) day.

8. Uniforms will be provided to all crew members, who will be responsible for their appearance and upkeep. Proper footwear will be required as part of the uniform requirements which consist of safety steel toe or fiberglass/composite toe shoes. Conductors will be expected to maintain and wear the prescribed uniform as defined in the Northstar Regional Transit Service Manual to assure that BNSF employees are professionally dressed and recognizable to the general public. To maintain a professionally laundered and pressed uniform, conductors will be allowed a daily laundry allowance of \$4.00.

Conductors will be allowed a daily meal allowance of \$3.50.

9. Passenger conductors will randomly check for valid passenger tickets and issue citations in event of fare violations. No passenger tickets will be sold nor fares collected by passenger conductors.
10. Passenger conductors will deploy and assist passengers, open and close doors on all cars prior to departure from each station. All employees, train or engine, in this passenger service shall perform their respective duties as required in connection with this passenger operation and will obey all rules applicable thereto.
11. Employees may, in addition to the above, perform the following work in connection with their assignment without additional compensation:
 - a) Handle any switches;
 - b) Move, turn, spot, and supply cars and locomotives;
 - c) Inspect all equipment plus remove debris from coaches;
 - d) Start or shutdown locomotives or other equipment;
 - e) Bleed cars;
 - f) Make walking test of all equipment;
 - g) Remove and/or place rear-end device on equipment;
 - h) Prepare required reports while on duty;
 - i) Operate any communication devices to include copying track warrants, bulletins, or other messages.
12. Computation of passenger conductor pay will be as described in Articles 3 and 4 contained in the former Northern Pacific Conductors Schedule Agreement. Once service have commenced, the parties will meet to discuss alternative compensation arrangements for this service consisting of trip rates or hourly rated assignments.

13. Special allowance payments contained in Article 16 of the December 5, 1980 Crew Consist Agreement, modified by the May 20, 1993 Crew Consist Agreement, will be paid to each passenger conductor (including Assistant Conductors) and will not be used in the calculation of Northern Lines Merger Guarantees.
14. Article 17 of the December 5, 1980 Crew Consist Agreement, modified by the May 20, 1993 Crew Consist Agreement, will also apply to this service, whereby, one (1) productivity fund share will be allowed to qualified employees for each tour of duty in this commuter passenger service; however, BNSF will not be required to make any \$48.25 payments into the productivity fund account.
15. Employees assigned to this commuter passenger service will be compensated for paid holidays which are observed by Northstar Regional Transit Authority. They will also be allowed to take personal leave days as provided in the December 5, 1980 Crew Consist Agreement; however, the number of personal leave days that each employee is entitled to shall be reduced by the number of paid holidays (or pay in lieu thereof) received by the employee from any source throughout the year. Employees entitled to ten (10) personal leave days will be allowed up to eleven (11) days total when personal leave days are combined with holidays in accordance with Award No. 14 of Public Law Board No. 4419 and Supplemental Award No. 2 of Public Law Board No. 4016.

Vacations will be assigned in seniority order with the selection of vacation periods made amongst the train service employees in this commuter passenger service.

16. Employees assigned to this commuter passenger service will be provided secure parking for their personal automobiles, at no expense, in the vicinity of their on- and off-duty points.

Individual lockers and adequate washroom facilities will be provided at the home terminal and the respective layover point for each conductor assigned to this service.

Employees tied up at the layover point for four (4) or more hours will be provided lodging as defined in BN Labor Agreement 7/16/80-OPS-27-80. When lodging is more than $\frac{3}{4}$ of a mile from the off-duty point, transportation will be provided in both directions. If employees are tied up at the layover point for less than four (4) hours, lodging will not be required; however, a ready room will be provided for the employees.

Until such time that Northstar crews commence regularly scheduled multiple round trips (2 or more) within a tour of duty, conductors will be

allowed a payment of \$5.00 in lieu of using the provided lodging facility in Minneapolis. The transportation/lodging allowance will cover the costs associated with operating an employee's personal vehicle between work and home to receive proper rest during the midday respite period.

17. Except as specifically provided herein, nothing contained herein shall be construed as modifying, amending or superseding any of the provisions of schedule agreements between UTU (C&T) or this Carrier, and the Merger Protection Agreements as implemented between this Carrier and the UTU (C&T).

Signed at Ft. Worth, Texas, this 25th day of July, 2007.

AGREED:

B.D. Kenley / GKV
General Chairman UTU

M.H. Siegel
Assistant Vice President Labor Relations

R.L. Luther
General Director Labor Relations

June 11, 2007

Side Letter No. 1

G. K. Virgin
Associate Chairman UTU
332 Minnesota Street, Suite W-952
St. Paul, MN 55101

Dear Mr. Virgin:

Reference to paragraphs 9, 10 and 11 of the Commuter Rail Service Agreement regarding the duties and responsibilities required by Northstar Regional Transit Authority. Listed below is a listing of those duties and responsibilities:

1. Report for duty in proper uniform (if applicable) as scheduled.
2. Inspect exterior, brake system, cables, or connections, lights, doors, destination signs, public address system, restrooms and report problems and defects on the appropriate forms.
3. Perform brake and other required tests.
4. Start or regulate air conditioning or heat.
5. On assignments where equipment is scheduled to make a subsequent revenue trip before being cleaned and serviced, crews will pick up newspapers and all litter which may be picked up by hand and will change destination signs as necessary.
6. Move and spot train at platforms for boarding.
7. Conductors are to be visible on platform unless duties require their presence elsewhere. They will observe passenger loading and unloading in addition to operating car doors for departure.
8. Conductors shall provide assistance to disabled passengers in accordance with Northstar Regional Transit policy, including laying manual boarding ramps for mobility impaired passengers.
9. Conductors shall make required announcements for station stops and for other conditions deemed appropriate to circumstances, including concerning safety, delays, unusual conditions and shall answer passenger questions in a courteous and informative manner as specified by Northstar Regional Transit Authority.

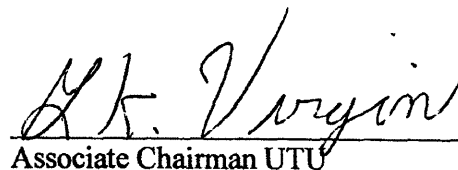
10. Conductors will perform passenger counts as required by Northstar Regional Transit Authority, including those required to satisfy federal, state or loading or reporting requirements.
11. Conductors shall verify fares and issue citations according to Northstar Regional Transit Authority policy.
12. Crew members will enforce Northstar Regional Transit Authority policies such as no smoking, noise, passenger behavior, bicycles, baggage, etc. Handling of disorderly passengers will be in accordance with policy agreed upon by Northstar Regional Transit and BNSF.
13. Crew members will report en route mechanical or electrical problems in a manner specified: by radio, telephone or orally to expedite repair arrangements as well as in writing on specified report and/or form.
14. Conductors shall walk through and inspect train to determine that: all passengers have detrained, mechanical and toilet problems have been identified, lost personal items are collected and doors are secured.
15. Train crews will position trains in train yards, secure the train and apply power if required.
16. Train crews will prepare trains for departure from train yards, including removal of standby power, if required.
17. Trains shall be operated in an expeditious manner, consistent with applicable operating rules, special or other instructions and employee timetable.
18. Trains shall not depart any station prior to the departure time published for the station in public timetables.

Sincerely,

Agreed:



R. L. Luther, General Director
BNSF Labor Relations



Associate Chairman UTU