

**MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**BNSF RAILWAY COMPANY**

**AND**

**UNITED TRANSPORTATION UNION**

**Former GN (road), C&S and SP&S (road and yard)**

The intent of this Memorandum of Understanding (MOU) is to resolve and codify ebb and flow procedures between the ground and engine service crafts in conjunction with the application of Article XIII of the UTU 1985 National Agreement and subsequent understandings.

It is therefore understood:

1. UTU (GO-386) agrees to withdraw their existing jurisdictional grievance with BNSF Railway Company (BNSF) concerning the promotion of junior demoted engineers into the engine service quota ahead of senior demoted engineers as contemplated in the current application of Memorandum of Agreement between BLET and BNSF Railway Company, effective March 15, 2005 (commonly referred to as the BLET Primary Recall Agreement).
2. The parties further agree that the entrance into and eligibility for the ground service crafts is under the sole jurisdiction of the UTU. Therefore, in an effort to establish a proper and consistent application of the aforementioned UTU agreements and/or understandings, the following provisions will govern these procedures.
  - A. If a promoted engineer possesses a fireman's seniority date prior to November 1, 1985, but can no longer hold any position or assignment in engine service as an engineer, fireman or hostler (if employee has a hostler date prior to November 1, 1985, a.k.a. hostler fixture) within the Zone, as defined in Attachment B of UTU Implementing Agreement No. 1, as amended October 22, 1969, between BNI and UTU-E and pursuant to the UTU 1972 National Manning Agreement, he/she is eligible to exercise his/her ground service seniority.

Note: An engineer working as a fireman under this provision who voluntarily chooses to forego subsequent promotion to engineer within the Zone in seniority order, will not be permitted to work in either the fireman or ground service crafts while in this non-promoted status.

- B. If a promoted engineer possesses an engine service seniority date after October 31, 1985, and he/she can no longer hold any position or assignment in engine service as an engineer, fireman on a designated passenger position within the Zone, as defined in Attachment B of UTU Implementing Agreement No. 1, as amended October 22, 1969, between BNI and UTU-E, pursuant to UTU 1985 National Agreement he/she is eligible to exercise his/her ground service seniority.
  - C. If an engineer assigned to the engine service quota is decertified under existing federal regulations and is not otherwise restricted from service, he/she is eligible to exercise his/her ground service seniority. Such decertified engineers will be eligible to remain in the ground service craft only through the expiration of the decertification time period defined in the federal regulations.
  - D. If an engineer assigned to the engine service quota is otherwise rendered not eligible to work in engine service, other than under the provisions of 2(C) above, he/she is not eligible to exercise his/her ground service seniority.
3. Engineers who have exhausted their engineer seniority and are eligible to exercise their ground service seniority pursuant to Article 2 herein, must exercise such displacement as follows:
- A. All displacement privileges granted herein are limited to the Zone in which the individual last performed service as an engineer (seniority permitting), and are subject to the exceptions of Article 2(B).

If the individual does not have sufficient seniority to hold any ground service position within the Zone, he/she will be afforded full displacement rights under existing schedule rules.

- B. Nothing in this Article can be construed to nullify or modify a ground service employee's obligations under either the road/yard tie down provisions of SBA Award 130 and SBA Award 396. Employees possessing both engine and ground service seniority who voluntarily exercise their ground service seniority thereby subject themselves to the above tie down provisions will remain subject to the tie down even if they are assigned to the engine service quota in the interim. In such cases, the tie down(s) will continue to be applicable and run concurrent with whichever craft assigned.

It is further understood that this MOU is limited in scope to the former GN (road), C&S and SP&S (road and yard property under the jurisdiction of UTU General Committee of Adjustment GO-386.

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This MOU is without prejudice to either party's positions and will not be referred to for any reason, in any forum, excepting in the adjudication of disputes emanating here from.

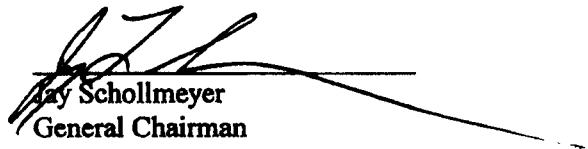
This understanding is signed on this 4th day of June, 2009 at Fort Worth, TX to be effective on July 1, 2009.

For BNSF Railway Company:

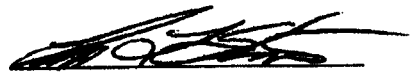
For United Transportation Union




M.H. Siegele, Jr.  
AVP, Labor Relations



Jay Schollmeyer  
General Chairman



G.L. Shire  
General Director, Labor Relations

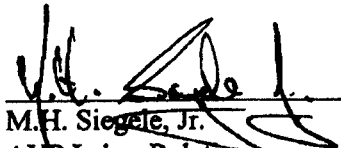


J.W. Babler  
Vice President

**Side Letter No. 1**  
**(Memorandum of Understanding - Ebb & Flow)**

The parties agree that all employees possessing both engine and ground service seniority who have exercised their ground service seniority subsequent to January 1, 2007, outside the provisions of Article 2 of this MOU, will not be eligible to remain in any ground service craft.

It will be incumbent on the UTU to furnish BNSF within thirty (30) days of the effective date of this MOU, a list of the names of engineers working in ground service who are not eligible under the terms of this Letter of Understanding. However, if an engineer can demonstrate that he/she would have otherwise been eligible to return and remain in the ground service craft pursuant to Article 2, he/she will be permitted to remain in ground service. In the event there is a dispute regarding whether or not an engineer properly flowed from the engine service quota to ground service, the parties agree to meet within thirty (30) days of receipt of the list of names and review the Crew records to determine the proper placement of the ground service employee(s) in dispute.

  
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M.H. Siegel, Jr.  
AVP Labor Relations

  
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Jay Schollmeyer  
General Chairman

## Consolidated Seniority Districts

### Section 1 – Consolidated Districts

On the effective date of this Agreement the seniority lists for UTU–E-represented employees from the seniority districts of the former Great Northern, Pacific Coast, Northern Pacific, and Spokane, Portland & Seattle Railway Companies, hereinafter referred to as GN, PC, NP and SP&S, respectively, shall be consolidated in such manner as to reflect the allocation of equity in the consolidated seniority territory commensurate with the percentage of work units contributed by the respective former districts, pursuant to Section 4 below.

- a.) The consolidated seniority districts shall henceforth be known and hereinafter referred to as:
  - i. Lake Superior District
  - ii. Minnesota District
  - iii. Montana – Dakota District
  - iv. Rocky Mountain District
  - v. Pacific District
- b.) For the exercise of employees' seniority therein, the consolidated districts shall be subdivided into Zones which correspond with the former seniority districts as set forth in Section 2 of this Attachment "B".

### Section 2 – Zones

- a.) For the purpose of this Agreement and the continued exercise of seniority in the consolidated districts, consolidated district employees, in line with the established principle of "Home Zone Rule", will be governed by conditions prevailing within the zone which seniority or conditions of the service place them.
- b.) Zones within the consolidated districts shall henceforth be identified as follows:

- i. Lake Superior District
  - Zone 1 Service out of Duluth-Superior (Former NP Lake Superior and Former GN Mesabi First)
  - Zone 2 Former NP St. Paul, East and Former GN Willmar Second -- (St. Cloud, First and Second Districts; Willmar, First and Second Districts)
  - Zone 3 Former GN Sioux City, Third
  
- ii. Minnesota District
  - Zone 1 Former GN Dakota, Fifth
  - Zone 2 Former GN Breckenridge, Fourth
  - Zone 3 Former NP St. Paul, West
  - Zone 4 Former NP Fargo, First
  
- iii. Montana - Dakota District
  - Zone 1 Glasgow-Williston portion of former GN Old Montana, Seventh
  - Zone 2 Former GN Minot, Sixth
  - Zone 3 Former NP Yellowstone (1st, 2nd, 3rd and 4th Districts)
  - Zone 4 Former NP Fargo, Second
  
- iv. Rocky Mountain District
  - Zone 1 Former GN Kalispell, Ninth
  - Zone 2 Former GN Butte, Eighth
  - Zone 3 Former GN Cut Bank-Glasgow portion of Old Montana, Seventh
  - Zone 4 Former NP Rocky Mountain
  - Zone 5 Former NP Old Montana
  
- v. Pacific District
  - Zone 1 Embraces all service for which Seattle will be source of supply-Former GN Cascade 11th, including former PC District "B" thereof; and former NP Seattle District.
  - Zone 2 Embraces all service for which Tacoma will be source of supply-Former NP Tacoma District.

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- Zone 3 Embraces all service east of Spokane for which Spokane will be the source of supply—Former Idaho East (including Camas Prairie) and former GN Spokane 10th East.
- Zone 4 Embraces all service west of Spokane for which Spokane or Pasco will be source of supply—Former NP Idaho West; former SPS 2nd and 3rd Sub-Division; and former GN Spokane 10th West.
- Zone 5 Embraces all service for which Portland—Vancouver will be the source of supply—SPS except 2nd and 3rd Sub-Division.
- Zone 6 Embraces all service for which Klamath Falls will be source of supply—Former GN Klamath 13th.
- Zone 7 King Street Station.