

MEMORANDUM OF AGREEMENT
Between
BNSF Railway
And
BROTHERHOOD OF LOCOMOTIVE ENGINEERS & TRAINMEN

In order to increase crew flexibility and utilization at Dilworth, the Parties agree, on a non-referable basis, to the following at Dilworth, MN under a 120-day pilot:

PART I – Establishment of New Service

Two pools of engineers will be established at Dilworth to protect ID freight service between Dilworth, the home terminal, and the following away-from-home terminals: Mandan, ND/Minot, ND/Superior, WI/Northtown, MN.

The Dilworth East Pool will protect service between Dilworth and Superior/Northtown.

The Dilworth West Pool will protect service between Dilworth and Mandan/Minot.

1. East Pool – Dilworth to Superior/Northtown

A. This ID pool will protect freight service, in all directions, within this territory and includes all routes and side trips. Dilworth will be the home terminal for this operation, and Superior and Northtown will be the away-from-home terminals.

NOTE: This includes Dilworth to Northtown via the Morris and Wayzata Subdivisions, also known as Route C.

B. Dilworth engineers in this service may operate through Dilworth, without release, to or from any location within 30 miles of the Dilworth general switching limits (“GSL”) on a continuous operation.

NOTE: In addition, Dilworth engineers may operate, without release, to or from Breckenridge.

C. This pool will operate under NP Agreement Rules.

2. West Pool – Dilworth to Mandan/Minot

A. This ID pool will protect freight service, in all directions, within this territory and includes all routes and side trips. Dilworth will be the home terminal for this operation, and Mandan and Minot will be the away-from-home terminals.

NOTE: This includes Dilworth to Minot via the Hillsboro and Devils Lake Subdivisions, also known as Route B.

- B. Dilworth engineers in this service may operate through Dilworth, without release, to or from any location within 30 miles of the Dilworth general switching limits (“GSL”) on a continuous operation.

NOTE: In addition, Engineers may operate, without release, to or from Breckenridge.

- C. Engineers in this service may operate through Mandan, without release, to or from New Salem on a continuous operation.

- i. See Side Letter No. 3

- D. Engineers in this service may operate through Minot, without release, to or from Tagus on a continuous operation.

- i. See Side Letter No. 3

- E. This pool will operate under GN Agreement rules.

PART II – Additional Terms

The following terms will apply to all ID service established in Part I:

1. Through Freight Service – Additional Terms

- A. Except as otherwise provided in this agreement, engineers will be called first-in, first-out in each pool provided that the first-out engineer has had rest under the Hours of Service Act. Should there be no engineer who is rested, then an engineer from the other pool shall be called to operate for one round trip under the provisions of this agreement
- B. If no engineer in the other pool is rested, an extra board engineer may be called to operate for one round trip under the provisions of this agreement.
- C. Engineers working under the terms of this Agreement will be positioned at the home terminal based upon their tie-up times.
- D. Engineers working under the terms of this Agreement will be positioned at the away-from-home terminals based upon home-on-duty times.

- E. When two pool engineers are to be called for the same train (one to work and one to deadhead) if one of the engineers is not rested and the other one is rested, the rested engineer will work the train and the unrested engineer will deadhead. Otherwise, applicable BLET rules apply.
- F. Pool engineers called in this service will not be tied up between designated terminals, except when their movement is prevented (e.g., derailment of their trains), or their route to destination is obstructed or impassable (e.g., wrecks or washouts).
- G. Engineers in this service may be deadheaded via van or train, unless emergency conditions warrant another mode of transportation.

NOTE: Emergency conditions includes acts of God, wrecks, washouts, derailments, fires, floods and mudslides which interferes with the operation of trains.

2. Hours of Service Relief and Turnaround Service

- A. All necessary relief work as a result of the Hours of Service Law will be conducted pursuant to existing agreements and practices, subject to BNSF's continued right under existing agreements, to use yard, shuttle or extra board engineers to perform such work.
- B. Nothing contained in this agreement is intended to prohibit these ID pool engineers from being used on trains that traverse only part of the specified territory, provided engineers are then handled forward to the opposite terminal, or paid as if they had been. Likewise, nothing in this agreement is intended to prohibit these engineers from combining trains or exchanging trains with other engineers destined to the same terminal.

3. Called and Released

- A. When an engineer in this unassigned pool is called and released, such engineer will be paid a one-way trip rate for the route called for and stand last out on the board.
- B. If a engineer is called and released at the away-from-home terminal, they will be paid a basic day and stand first out on the board. If rest is required, the engineer may be runaround without penalty until legally rested.

NOTE: If the engineer was on pay for held-away-from-home terminal time prior to being called and released they will remain on held-away until being called to perform service to the home terminal.

- C. The above provisions do not apply to extra board engineers called for this service at the home terminal (i.e., "cut in" turn) and those employees will be handled in accordance with existing schedule rules.

4. Vacancies and Lay Offs

A. When engineers in this pool layoff or a turn is unoccupied and thereby create a temporary vacancy, their turn will be removed from the board. When the engineer returns from layoff, their turn will be placed at the bottom of the working board.

NOTE: Layoffs resulting in permanent vacancies as defined by applicable CBA's (i.e., vacations of 7 days or more) will continue to be handled by the terms outlined in those CBA's.

- B. If there are no available rested pool turns in either pool, BNSF will call an extra board engineer on a "cut in" turn that will operate for one round trip and then be removed from the pool upon tie-up at the home terminal.
- C. If the extra board is exhausted, vacancies will be filled consistent with the applicable agreement.

5. Pool Regulation

A. Unless otherwise agreed to, these pools will be regulated between 16-20 starts per month to those assigned to the pools.

6. Compensation

A. All miles run in excess of the miles encompassed in the basic day shall be paid for at a rate calculated by dividing the basic daily rate of pay in effect on May 31, 1986 by the number of miles encompassed in the basic day as of that date. Car scale and weight-on-drivers additives will apply to mileage rates calculated in accordance with this provision.

B. Engineers headquartered at Dilworth will be allowed the following trip rates which will remain subject to future GWIs and COLAs:

	<u>Straight</u>
Dilworth – Mandan	\$376.98
Dilworth – Minot Route A	\$440.22
Dilworth – Minot Route B	\$530.15
Dilworth – Superior	\$470.19
Dilworth – Northtown Route A	\$441.66
Dilworth – Northtown Route C	\$495.92

C. Engineers will be compensated for any side trips or lapbacks not included in the current trip rates in accordance with the applicable BLET Schedule Rules.

D. When Engineers are utilized to operate through Dilworth, Mandan or Minot(as outlined in Part I), they will be compensated for all miles traversed (including van miles) at the

applicable daily rate from their departure from switching limits until their return. If traveling via van, calculation of miles will start upon departure and/or end upon arrival at tie-up location. This payment will be made over and above the trip rate and will not extend the current overtime threshold of this pool accordingly.

E. Engineers in this pool will be afforded continuous held-away after 16 hours at the away-from-home terminals.

F. For the initial sixty (60) days following implementation, any required familiarization trips will be compensated at the Engineer trip rate of the assignment for which called to familiarize.

a. This provision only applies to Dilworth Engineers as of January 10, 2018.

b. After the initial sixty (60) days of operation, and for all other engineers not covered in 6(F)(a), any subsequent familiarization trip will be paid under the current CBA.

G. When Engineers are called to supplement, they will be paid for the trip called for.

9. Lodging and AFHT Meals

A. Suitable lodging (as defined by the 8/1/80 CPS-30-80 BN/BLE Lodging Agreement) shall be provided for engineers tied up at their away-from-home terminal.

B. ID pool engineers who are performing this ID pool service will be allowed payment for meals at the away-from-home terminal in accordance with national agreement provisions, as amended.

10. Equity

A. Handling of equity is addressed in Side Letter #1 appended hereto.

11. Protection

Every employee adversely affected either directly or indirectly as a result of the implementation of this Agreement shall receive the protection afforded by Article IX, Section 7 of Arbitration Award No. 458 dated May 19, 1986.

12. Savings Clause

Except as specifically provided herein, nothing contained herein shall be construed as modifying, amending or superseding any of the provisions of agreements or schedule rules as implemented between BNSF and BLET.

This agreement shall take effect on _____, 2018, and shall remain in effect for a minimum of 120 days. After the initial 120 days, either Party may cancel this pilot by giving 15 days' advanced written notice to the other Party. The Parties agree to discuss this pilot every 30 days for the duration of the pilot.

For BNSF Railway Company:

For BLET

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

E.G. LaPrath
General Chairman, BLET

Jason K. Ringstad
General Director, Labor Relations

Melissa Beasley-Coke
General Director, Labor Relations

J.M. Murphy
Director, Labor Relations

Side Letter No. 1 – Equity

For the purpose of equalizing the mileage and the distribution of work in this intradivisional service, management of that equity will be the responsibility of BNSF Crew Management.

Where equity management exists, the pool will be governed utilizing the “pure pull” equity arrangement:

1. At each terminal, a crew board having a "primary" and "secondary" list will be maintained in the manner described below:
 - a. The "primary" list at each terminal will be the list from which pool crews will be called in turn, to work or deadhead to the other terminal (except as provided in Section 1(i) and 1(j) below).
 - b. The "secondary" list will be a list of pool crews who are at their home terminal and have not been advanced to the primary list pursuant to the provisions of Section 1(f).
 - c. Each pool crew arriving at their home terminal will be placed at the bottom of the “secondary” list except when entitled to restoration of turn.
 - d. Each pool crew arriving at their "away-from-home" terminal will be placed at the bottom of the "primary" list except when entitled to restoration of turn.
 - e. Each "primary" list will have a "quota" which will be established in the following manner: Initially the designated BNSF Officer and the Local Chairmen (or their designees) will coordinate to specify the number of crews which should normally be on the primary list.

NOTE: This quota will include only the number of crews that should be on the primary list at any given time and shall not include crews on line-of- road or crews at the away-from-home terminal.

- f. Once the "primary" count for a specific home terminal is below the designated "quota", a home terminal pool crew on the secondary list will be moved to the bottom of the primary list.

EXAMPLE #1:

At Terminal "A", there are twenty pool crews assigned. The number of pool crews designated for the "primary" list (the quota) is five and there are five pool crews with Home Terminal "A" on the primary list.

Once a home-terminal crew is called on duty, the first out pool crew on the "secondary" list would be immediately moved to the bottom of the "primary" list since, if this were not done, there would be only four home terminal pool crews in "primary" status which would not fulfill the quota.

EXAMPLE #2:

The same scenario as Example #1 except the quota has been reduced from five to four. In this case, in order to achieve the new quota of four, a home terminal crew is not moved from the secondary list to the primary list when a home-terminal crew is called.

EXAMPLE #3:

The same scenario as Example #1 except the quota has been increased from five to six. In this case, in order to achieve the new quota of 6, a home-terminal crew is immediately moved from the secondary list to the primary list without waiting for a home-terminal crew to be called.

- g. The designated BNSF Officer and Local Chairmen (or their designees) will review the starts attributable to each terminal at least once each week and make arrangements for equalization.

NOTE: It is understood that these reviews and adjustments may, by necessity, need to occur more often than once per week.

- h. The maximum number of pool crews (i.e., "quota") that will be on the primary lists at both Terminals will be initially determined and later changed (from time to time as service requirements and crew availability changes) through negotiations between proper BNSF Officers and the Local Chairman or their designated representatives. This quota may be different at each terminal.
- i. Pool crews may be called to deadhead "out of turn" from the away-from-home terminal, at any time after arrival, regardless of their standing in relation to home terminal pool crews and the normal pool rotation, except that pool crews must be called first-in/first-out in relation to other ID pool crews with the same home terminal.

- j. Pool crews may be called to deadhead out of the home terminal "out of turn", regardless of their standing in relation to away-from-home terminal pool crews and the normal pool rotation, except that pool crews must be called first-in/first-out in relation to other ID pool crews with the same home terminal.
- 2. Total trip miles, both working and deadheading, will be treated as equals in the equalization.
- 3. If a deficit occurs as a result of one crew base not protecting their equity (e.g., excessive layoffs), the mileage will be forfeited. Before any forfeiture occurs, the parties will meet and discuss.

Side Letter No. 2 – Fatigue Mitigation

Unless otherwise agreed to, the following fatigue mitigation systems will apply:

A. Predictive Work System:

Some percentage of the total turns needed to protect service in this multidirectional pool will be under a Predictive Work Schedule (PWS). The exact number of PWS turns will be determined by BNSF after consultation with the designated BLET representative, and may change to reflect traffic conditions.

- i. Approximately half of the PWS turns identified in Section 3(A)(i) may be designated as “adjustment turns”.

NOTE: Adjustment turns will be removed or added on the agreed upon board adjustment day to reflect a change in traffic conditions. The bulletin for the PWS pool will specify which turns are adjustment turns.

- ii. PWS engineers will be provided a schedule of their on-duty times for 8-12 weeks in advance, unless otherwise agreed to. BNSF retains the right to call the PWS engineer to report for service up to two (2) hours prior to their scheduled on-duty time or two (2) hours after their scheduled on-duty time. If the PWS engineer receives no call from BNSF, they are to report for duty at the end of this four (4) hour window.

Example: PWS Engineer Jones has a scheduled on duty time at 1500 hours on August 1, 2017. PWS Engineer Jones is responsible for protecting any calls for service with an on-duty time between 1300 and 1700 hours.

If no call for service is received, PWS Engineer Jones is required to report for duty at 1700 hours on August 1, 2017.

- iii. These engineers will not be subject to call until their next PWS on-duty window, except for in emergency.
 - a. In case of emergency or obstructions (which includes acts of God, wrecks, washouts, derailments, fires, floods, and mudslides which interfere with the operation of trains), the Division General Manager (or their designee, i.e.

Superintendent or Terminal Manager) will immediately notify all relevant parties that an emergency has affected the PWS assignments. BNSF will notify those immediately affected and discuss with the relevant parties that adjustments will need to be initiated to suspend PWS turns until service is restored and PWS can be reinitiated.

- iv. When displacing to PWS service, the displacing engineer must displace the junior engineer in PWS service.
- v. Engineers are required to work at least one compensated trip prior to being allowed to bid off. The vacated position will be filled consistent with BLET rules.
- vi. Engineers assigned to PWS turns may not bid to other PWS turns.
- vii. A PWS engineers can bid out of the PWS service and later bid back into the PWS service to fill subsequent vacancies.
- viii. When a PWS engineer in this pool lays off and thereby creates a temporary vacancy, that temporary vacancy will be filled by the first-out UTF engineer.

NOTE: Layoffs by PWS or UTF engineers resulting in permanent vacancies as defined by applicable CBA's (i.e., vacations of 7 days or more) will continue to be handled by the terms outlined in those CBA's.

B. Unassigned Through Freight (UTF) Service

- i. The remaining non-PWS turns needed to protect service in the Dilworth East/West pools will be in unassigned through freight (UTF) service. The exact number of UTF turns will be determined by BNSF following consultation with the designated Local Chairman and may change to reflect traffic conditions.
- ii. UTF engineers will be called first-in, first-out at each terminal provided that the first-out engineer has had full rest under the Hours of Service Act. Should there be no engineer who are fully rested, then an extra engineer may be called to operate for one round trip under the provisions of this agreement.
- iii. When a UTF engineer in this pool lays off, their turn will be removed from the board. When the UTF engineer returns from layoff, their turn will be placed at the bottom of the working board.

NOTE: Layoffs by PWS or UTF engineers resulting in permanent vacancies as defined by applicable CBA's (i.e., vacations of 7 days or more) will continue to be handled by the terms outlined in those CBA's.

- iv. Any UTF engineer who accumulates four (4) consecutive starts will be afforded the option of booking twenty-four (24) or forty-eight (48) hours of rest.

NOTE 1: Any layoff event, paid or unpaid, that takes place will result in the engineer's start count being reset to zero (0).

NOTE 2: It is understood that if the engineer is at the away-from-home terminal following their fourth (4th) start then they will be afforded the option of twenty-four (24) or forty-eight (48) hours of rest at the home terminal after their fifth (5th) start.

Side Letter No. 3 – West Pool

The Parties agree that when BNSF intends to utilize the West Pool to operate through Mandan/Minot as described in Part I 2(C & D) of the Agreement, it will first serve thirty (30) days advanced written notice to BLET. During the 30 days following the notice, the parties will meet and discuss.