

MEMORANDUM OF AGREEMENT

between

THE BURLINGTON NORTHERN AND SANTA FE RAILWAY Co.

and

BROTHERHOOD OF LOCOMOTIVE ENGINEERS

1. The purpose of this agreement is to follow on the HBT Trackage Rights Implementing Agreement, addressing several additional issues.

IT IS AGREED:

1. The HBT territory is incorporated as a part of the Houston - Galveston seniority territories.

2. The Houston - Galveston and the HBT Engineers' rosters will be topped and bottomed. Employees hired or promoted on or after the effective date of this agreement will establish seniority on both rosters.

3. Former HBT employees will not be required to protect, or be force assigned to positions off the former HBT, and will have prior rights to service on the former HBT. Engineers with a date on the Houston - Galveston seniority district roster prior to the effective date of this agreement (and those who are in locomotive engineer training on the effective date but not yet promoted) will not be required to protect, or be force assigned to positions on the former HBT, and will have prior rights to service on the Houston - Galveston seniority district as it was configured prior to the date of this agreement.

4. Appropriate training will be afforded to former HBT engineers who are interested in taking road service positions on BNSF. If necessary, training slots will be open to seniority choice, and will be provided consistent with the needs of service on the former

HBT. The former HBT employees will have a 5-year window in which to establish their road qualifications by securing the necessary training.

5. This agreement will become effective 20 days after it is signed by the parties. It may later be changed by mutual agreement or in accord with applicable law.

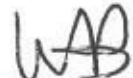
Signed and accepted at _____ this _____ day of _____, 1998

for BROTHERHOOD OF
LOCOMOTIVE ENGINEERS

for THE BURLINGTON NORTHERN
AND SANTA FE RAILWAY CO.



General Chairman



General Director - Labor Relations