

MEMORANDUM OF AGREEMENT

Between

BNSF RAILWAY COMPANY

And The

BROTHERHOOD OF LOCOMOTIVE ENGINEER AND TRAINMEN

In recognition of the mutual benefits of expediting the movement of traffic between Alliance, TX and Amarillo, TX the following provisions are agreed to concerning the operation of California-Alliance intermodal/automotive trains with assignments headquartered at Alliance, TX. This freight pool may operate based on the following:

1. Interdivisional pool freight engineers will operate between Alliance and Amarillo, through the terminals of Wichita Falls and Quanah, with Alliance being the home terminal and Amarillo the away-from-home terminal:
 - 1.1. The district miles between Alliance and Amarillo shall be 352 miles.
 - 1.2. The Trip Rate for this pool will be established by using the existing elements in the Alliance to Childress pool and adding the overmiles at the rate provided for in paragraph 7 of this agreement.
2. Turns in the pool shall be allocated on the following basis:

Turns 1 through 15	Santa Fe
Turns 16, 18, 20 and so on	BN
Turns 17, 19, 21 and so on	Santa Fe

 - 2.1. As the equity in this pool may change with the addition or subtraction of trains from this pool, the parties commit to meet at least once each year to review the equity allocation in this pool.
 - 2.2. Additional adjustments may be made pursuant to Side Letter #1 to this agreement.
 - 2.3. In the application of the allocations set forth here, a turn shall be added when the pool miles increase by more than 4400.
 - 2.4. There will be no commingling of work or exchange of trains between the pool established herein and the Amarillo – Wichita Falls and Wichita Falls – Ft. Worth pools.
 - 2.5. If the Santa Fe allocations are not filled by the designated forces, the senior BN (FWD) district engineers and the senior Santa Fe engineers would have alternating rights to fill the position, starting with BN first. If BN allocations are

not filled by the designated forces, Santa Fe Slaton/Sweetwater/Alliance engineers could bid to fill the positions. If force assignment becomes necessary, Santa Fe Alliance engineers would be used.

3. The former ATSF Northern/Southern collective bargaining agreement will apply to this pool.
 - 3.1. This does not preclude the parties from negotiating other conditions that differ from, or are not a part of, the existing ATSF collective bargaining agreement.
4. The pool shall operate on a "first-in/first-out" basis at both the home and away- from-home terminals.
 - 4.1. Engineers working under the terms of this agreement will be positioned at the home terminal and at the away-from-home terminal based upon home-on-duty times.
 - 4.2. Employees in this service who lay-off, or who are for any reason unavailable to perform service, shall take their turn with them for the duration of the unavailability period. Upon marking up, the employee shall go last out on the home terminal board:
 - 4.2.1. Extra service (e.g., build up turns) at the home terminal shall be filled from the Alliance South extra board.
 - 4.3. Engineers working in this service will receive a two hour call at the home terminal and a 1.5 hour call at the away-from-home terminal.
 - 4.4. Except in cases of emergency, engineers in this service shall lay-off and report for service at the home terminal only. They will be permitted to ride a train to the home terminal provided they obtain a supervisor's approval in advance.
 - 4.5. Engineers may only exercise the foot of the board (FOB) option once during any layover. Additionally, engineers are required to exercise the FOB option prior to reaching a pre-determined number of times out on the board.
 - 4.5.1. The pre-determined number of times out will be based on the average number of trains called in a six-hour period and will be initially set at 3.
5. Hours of service relief in this service shall be performed pursuant to existing agreement provisions. This section does not preclude calling an engineer in this service out of either terminal to combine service and deadhead to a train operating between Alliance and Amarillo, in either direction, with the understanding that engineers shall not, except in case of bona fide emergency, be required to return to the initial terminal. When practicable, the following will govern:

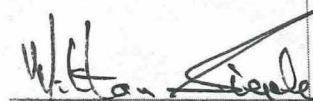
- 5.1. For Westbound trains at or West of Quanah, Extra Board 30 (FWD) at Amarillo will be used to provide hours of service relief for trains when necessary.
 - 5.2. For Eastbound trains at or East of Quanah, the Alliance South engineers' extra board at Alliance will be used to provide hours of service relief for trains when necessary.
6. Pool engineers called in the Alliance/Amarillo pool will not be tied up between terminals or turned back to the initial terminal, except when their movement is prevented (e.g., derailment of their train) or their route to destination is obstructed or impassable (e.g., wrecks and washouts). If the engineer is returned to their initial terminal for any reason, they shall be paid a minimum of a one-way trip, or actual miles traversed if greater, and be placed at the foot of the board.
7. All miles run in excess of the miles encompassed in the basic day shall be paid for at the current conductor-only over mile rate. Weight-on-drivers additives will apply to mileage rates calculated in accordance with this provision.
8. Suitable transportation: When an engineer is required to report for duty or is relieved from duty at a point other than the on and off duty points fixed for the service, BNSF shall authorize and provide suitable transportation for the employee. Suitable transportation includes BNSF owned or provided passenger carrying motor vehicles or taxi or airline, but excludes other forms of public transportation.
9. Employees shall be allowed a meal allowance, at the rate provided under National Agreements, after four hours at the away from home terminal and another allowance after being held an additional eight hours.
10. Employees in this service shall receive a Code 09 meal if on duty eight (8) hours or less, or a Code 72 meal if on duty in excess of eight (8) hours, for each service trip, or combined service trip.
11. Engineers may not trade trains with trains moving in the opposite direction, nor may long pool crews exchange trains with short pool crews:
 - 11.1. When an engineer is required to trade trains with trains that are operating in the same direction, the engineer shall be paid one hour at the basic through freight rate, for each occurrence, in addition to all other earnings for the trip.
12. When an engineer in this service is tied up under the Hours of Service Law or required to give up a train, the engineer shall be promptly deadheaded to the destination terminal.
13. Engineers in this pool who are tied up for rest at Amarillo will be paid continuous time for all time held after the expiration of sixteen hours from the time relieved from previous

duty, at the rate paid for last service, until called for service or ordered to deadhead, in which case HAFHT time shall cease at the time pay begins for such service.

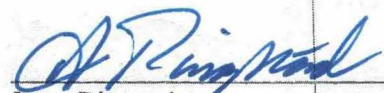
- 13.1. This same understanding will apply to the Amarillo – Wichita Falls pool when engineers are tied up at the away-from-home terminal.
14. When an engineer in this pool is called and released, after time of going on duty, but before road trip commences, such engineer will be paid a basic day and stand first out, after receiving legal rest. When an engineer in this pool is called and released before going on duty (released one hour or more prior to on-duty time), such engineer will be paid one-half of a basic day and stand first out:
 - 14.1. No payment is due when there is a documented call attempt to release the engineer at least one hour prior to the on-duty time.
 - 14.2. If an engineer is called and released at the away from home terminal, held time will not be broken. However, there will be no duplicate payment for held time and time on duty.
15. Wait time: When a crew is tied up under the Hours of Service Law en route to the final terminal, the time waiting for transportation will be paid on a minute basis:
 - 15.1. Wait time is measure from the time the engineer expired under the Hours of Service Law until the arrival of transportation to the final terminal.
16. The former ATSF N/S Division Schedule Agreement will apply to engineers required by BNSF to attend a formal investigation; however, engineers in this service who are ordered by BNSF to appear for a formal investigation at a location other than their home terminal will qualify for mileage reimbursement whether or not the crew member receives discipline. However, to the extent feasible, formal investigations will be held at the home terminal of the employees involved.
17. Every employee adversely affected either directly or indirectly as a result of the implementation of this Agreement shall receive the protection afforded by Sections 6, 7, 8, 9, 10 and 11 of the Washington Job Protection Agreement of May 1936, except that for the purposes of this Agreement, Section 7(a) is amended to read 100% (less earnings in outside employment) instead of 60% and extended to provide period of payment equivalent to length of service not to exceed 6 years and to provide further that allowances in Sections 6 and 7 be increased by subsequent general wage increases.
18. Except as modified by this Agreement, all other Agreement provisions and understandings remain unchanged.

Signed at Ft. Worth, TX on March 30, 2017 and effective March 1, 2017.

FOR THE BNSF RAILWAY CO.:

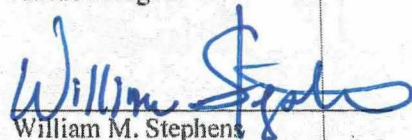


Milton H. Siegel, Jr.
Assistant Vice President Labor Relations



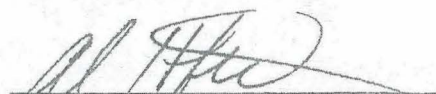
Jason Ringstad
General Director
Labor Relations

Acknowledged:



William M. Stephens
General Manager

FOR THE BLET:



Alan Holdcraft
General Chairman



Bobby Brown
General Chairman

Side Letter #1 – Equity in Alliance/Amarillo Pool

The parties agree that the former Santa Fe (i.e., Alliance, Sweetwater and Slaton) Engineers have an equal share of the trains that are being diverted to the Alliance-Amarillo Pool. In order to equalize the number of assignments over time, the order of selection for those positions will be rotated on an annual basis each January 1 as follows:

2016: 1st – Sweetwater
 2nd – Alliance
 3rd – Slaton

2017: 1st – Alliance
 2nd – Slaton
 3rd – Sweetwater

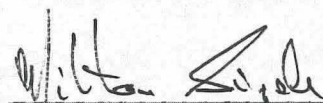
2018: 1st – Slaton
 2nd – Sweetwater
 3rd – Alliance

This will have no effect on the allocation of BN (EN11) assignments as outlined in Section 2 of this agreement.

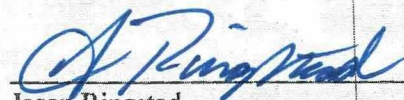
Side Letter 1 of the "Texhoma" Agreement will continue to apply as follows:

From October 1 through March 31 of each year, the highest numbered Cleburne allocated turn in the Alliance/Amarillo pool (Alliance Board 101) shall be converted to a Sweetwater turn.

FOR THE BNSF RAILWAY CO.:



Milton H. Siegle, Jr.
Assistant Vice President Labor Relations



Jason Ringstad
General Director
Labor Relation

FOR THE BLET:



Alan Holdcraft
General Chairman



Bobby Brown
General Chairman

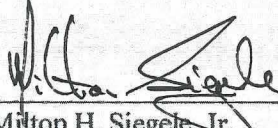
Side Letter #2 – Equity in Amarillo/Belen and Amarillo/Clovis pools

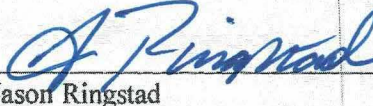
The parties understand that the establishment of the Alliance-Amarillo pool will result in a sustained diversion of traffic from the existing Clovis-Childress Pool to the Amarillo-Belen and Amarillo-Clovis pools. Slaton engineers currently have equity in the Clovis-Childress pool and, accordingly, they have the right to bid for and be awarded positions in the pool(s) to which these trains are being diverted. In order to accomplish this, we have determined that the following changes will be made to the allocations in the Amarillo-Belen and Amarillo-Clovis pools.

1. Amarillo-Belen pool: Clovis engineers will be allocated 70% and Slaton engineers will be allocated 30% of the number of turns added as a result of the addition of trains previously operated in the Clovis-Childress pool:
 - 1.1. If a Slaton position goes no-bid, then the Amarillo engineers may bid for and be awarded such positions.
 - 1.2. The 221 roster at Amarillo will be the source of supply for any force assignments necessary to fill Amarillo or Slaton positions in this pool.
2. Amarillo-Clovis pool: Slaton engineers will be allocated 100% of the number of turns added as a result of the addition of trains previously operated in the Clovis-Childress pool:
 - 2.1. If a Slaton position goes no-bid, then the Alliance engineers may bid for and be awarded such positions.
 - 2.2. The 221 roster at Amarillo will be the source of supply for any force assignments necessary to fill this pool.

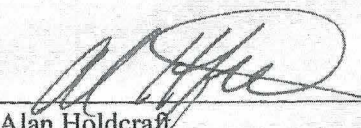
Current and historical data indicates that Slaton engineers will be entitled to four (4) positions in the Amarillo-Belen pool and two (2) positions in the Amarillo-Clovis pool. The parties understand that future changes may affect the number of allocated positions and, in all cases, the affected Local Chairmen will be responsible for determining the number of turns to be allocated as outlined above. These allocations will be reviewed at appropriate intervals, but not less than 6 months, in an effort to assure equity is properly distributed.

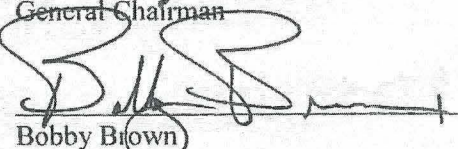
FOR THE BNSF RAILWAY CO.:


Milton H. Siegel, Jr.
Assistant Vice President Labor Relations


Jason Ringstad
General Director Labor Relations

FOR THE BLET:


Alan Holdcraft
General Chairman


Bobby Brown
General Chairman

Side Letter #3 – Relocation

In lieu of the benefits provided in Section 17 of this agreement, it was agreed that up to 15 engineers, assigned to the Clovis – Childress pool on April 5, 2016, who bid for and are awarded a position in the Alliance-Amarillo, Amarillo-Belen or Amarillo-Clovis pools would be eligible for a relocation package as set forth in this Side Letter #3:

1. Any engineer making a bona fide move to Alliance or Amarillo (or nearby location) would be eligible for a \$35,000 moving package as outlined below:
 - a. \$25,000.00 when the engineer reports to the new location
 - b. \$5,000.00 after performing 18 months of actual service at that location
 - c. \$5,000.00 after performing 36 months of actual service at that locationThe relocation package does not require the sale or purchase of real estate but does require a permanent residency address (actual physical address) at the new location.
2. In lieu of any benefits provided above, a \$15,000 allowance payable in three (3) payments of \$5,000 payable at 12 months, 24 months and 36 months after the employee makes this election; provided, however, that the employee must, seniority permitting, hold a turn in this pool.

If the engineer receives a relocation package in Section 1 or 2 above and subsequently leaves the Alliance or Amarillo terminal voluntarily prior to the expiration of the 36-month period, they will forfeit future relocation payments and will be required to repay all previous relocation payments.

If the engineer receiving the relocation package becomes eligible to retire under the terms of the Railroad Retirement Board (RRB) less than 36 months from their relocation, they will not be eligible for any additional payments subsequent to their retirement.

Engineers relocating under this provision shall be afforded BNSF provided lodging at Alliance or Amarillo for a period not to exceed 30-days.

Engineers awarded a relocation package to Alliance or Amarillo may not be displaced by another Slaton Engineer for three years (measured from the effective date of this agreement) unless that engineer cannot hold any position to which he/she is entitled (otherwise furloughed).

Engineers awarded a relocation package to Alliance or Amarillo and later displaced from the pool due to normal business fluctuations and/or mileage regulation cannot be force assigned back to their former seniority district for a period of three years, calculated from the date of relocation. This does not preclude an engineer from voluntarily bidding to an engineer's position on the former seniority district if they are unable to hold a position in the pool to which they relocated. However, they must exercise seniority back to the pool when the position becomes available.

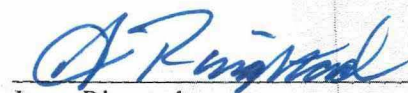
The total number of packages available pursuant to the terms of this letter shall be limited to 15 relocation packages.

If an engineer currently occupying the Clovis-Childress pool does not accept a relocation package, the remaining packages will be offered to Slaton engineers in seniority order.

FOR BNSF RAILWAY CO.:



Milton H. Siegel, Jr.
Assistant Vice President
Labor Relations



Jason Ringstad
General Director

FOR THE BLET:



Bobby Brown
General Chairman




Alan Holdcraft
General Chairman

Side Letter #4 – Amarillo – Belen Relocation Packages


This will confirm our understanding that the relocation packages offered under this Agreement will have no impact on the relocation packages offered in connection with the Amarillo – Belen ID Agreement.


FOR BNSF RAILWAY CO.:


Milton H. Siegel, Jr.
Assistant Vice President
Labor Relations


Jason Ringstad
General Director

FOR THE BLET:



Bobby Brown
General Chairman



Alan Holdcraft
General Chairman

Side Letter #5 – Future Equity Considerations


The parties understand that future changes such as increased train length, train rerouting and/or other operational changes, may require readjustment of work equity. Therefore, the parties commit to meet at reasonable intervals to consider readjustment of work equity when necessary.

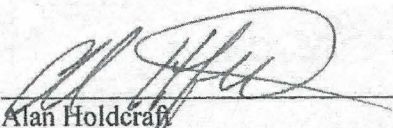
FOR BNSF RAILWAY CO.:


Milton H. Siegele, Jr.
Assistant Vice President
Labor Relations


Jason Ringstad
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FOR THE BLET:


Bobby Brown
General Chairman


Alan Holdcraft
General Chairman