MEMORANDUM OF AGREEMENT Between The BNSF RAILWAY COMPANY And The SMART – Transportation Division (Applicable on the former GN Yard portion of BNSF)

The parties agree that entrance into and eligibility to hold ground service positions is under the sole jurisdiction of the SMART Transportation Division (SMART-TD).

This Agreement will serve as an interpretation of Article XIII of the UTU 1985 National Agreement as it pertains to the utilization of ground service seniority by employees who hold both ground service and engineer seniority on this property, and does not in any way attempt to address the utilization of engineer's seniority. The adoption of this Agreement on a location by location basis supersedes the application of the GN Yard "Flowback" Agreement dated June 4, 2009, at the location(s) so adopted and identified in Attachment A.

1. Definition of terms.

1.1. "Dual Craft Employees" are employees holding seniority as an engineer and seniority in one or more ground service crafts.

1.2. "Single Craft Employees" are employees holding seniority in one or more ground service crafts, but do not hold seniority as an engineer.

1.3. "Prior Rights Ground Service Employee" as used in this Agreement pertains to Single Craft employees who bypassed promotion to Engineer prior to .

1.3.1. Such ground service prior rights are extended to single craft employees so long as they remain single craft employees as defined in 1.2 above.

1.4. "Voluntary Status" is applied to a Dual Craft employee who is working in ground service at times when he or she can hold an assignment as engineer.

1.5. "Natural Status" is applied to a Dual Craft employee who is working in ground service at times when he or she cannot hold a position as engineer.

2. The utilization of ground service seniority by dual-craft employees is subject to the following restrictions:

2.1. Single Craft employees, who have bypassed promotion to engine service prior to May 15, 2012, will be considered prior-rights ground service employees who cannot be displaced by Dual Craft employees who utilize the "voluntary" provision of this Agreement to obtain ground service positions. BNSF will assist the Organization in identifying these prior rights ground service employees.

2.2. The prior rights provision of Section 2.1 above applies only when a Dual Craft employee is able to hold a position as engineer and is therefore using the

"voluntary" provisions of this Agreement to obtain and/or hold a ground service position, and do not apply at times when a Dual Craft employee is unable to hold a position as engineer and is therefore "naturally" demoted.

2.3. A Dual Craft employee's "voluntary" or "natural" status will be determined at 0730 hours (local time) on the first Tuesday of each calendar month. If the employee has sufficient engineer's seniority to hold a position as an engineer, the employee will be designated "voluntary." If the employee does not have sufficient engineer's seniority to hold a position as an engineer, the employee will be designated "natural."

3. Crew Consist protected Dual Craft employees working ground service assignments in voluntary status shall be treated as "non-protected" employees, ineligible for any form of payment (including "protective condition" guarantees, signing bonuses, or productivity fund payments and/or buyouts) or any other benefit otherwise available to crew consist protected ground service employees under any applicable crew consist agreements.

> NOTE: This exclusion does not include short crew payments which are payable to all ground service employees regardless of Crew Consist protective status.

3.1. Conversely, Crew Consist protected Dual Craft employees working in ground service in natural status shall be treated as "protected" employees, eligible for all forms of Crew Consist payments they would otherwise be entitled to.

4. If unforeseen problems arise in the future regarding any of the provisions of this Agreement, the parties will promptly meet to resolve any such problems.

5. This agreement shall become effective on $\sqrt{23}$, 2014.

For SMART Transportation Division:

R.S. Knutson General Chairperson GO001

For BNSF Railway:

M.H. Siegele, Jr.

AVP, BNSF Labor Relations

ATTACHMENT A

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1. Great Falls, MT