

MEMORANDUM OF AGREEMENT  
Between The  
BNSF RAILWAY COMPANY  
And The  
UNITED TRANSPORTATION UNION  
(Applicable on the former NP portion of BNSF)

The parties agree that entrance into and eligibility to hold ground service positions is under the sole jurisdiction of the United Transportation Union (UTU).

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.

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 the effective date of this Agreement.

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 the implementation of this Agreement, 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 May 15, 2012.

For the United Transportation Union:

Paul Tibbit RAB  
Paul Tibbit, Vice President

S. F. Green  
S. F. Green  
General Chairman

For the BNSF Railway:

Milton H. Siegele Jr.  
Milton H. Siegele, Assistant Vice President RAB

Roger A. Boldra  
Roger Boldra, General Director

GSSU Side Letter # 1 - Initial Implementation of this Agreement

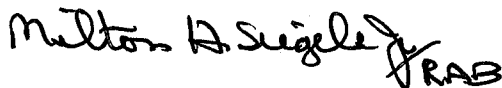
Dear Mr. Green:

In reference to the May 15, 2012 NP Ground Service Seniority Utilization Agreement, the parties recognized that the realignment of employees brought about by this Agreement will result in several displacements occurring after implementation. Therefore, the parties agreed to use the following process:

1. All Dual Craft employees working in ground service on the effective date of this Agreement will have an initial status determination based on the criteria of Section 2.3.
2. After the initial status determinations are made, Single Craft employees who obtained ground service prior rights under this Agreement will be notified of their right to use their newly acquired ground service prior rights to displace an otherwise senior Dual Craft employee in "voluntary" status who is holding a ground service position on their Home Zone.
3. Single Craft employees so notified will have 24 hours from receipt of their notification to make their displacement. All subsequent displacements are also limited to 24 hours from notification.
4. The parties recognize that it could take up to 60-days, from the effective date of this agreement, to facilitate this equalization.
5. The Local Chairmen will assist in facilitating this process and will work with Crew Support during the transition (to include phasing in the change if necessary).

If this accurately reflects our discussion, please indicate by affixing your signature in the space provide below.

Sincerely,

 *Milton H. Siegele*  
RAB

Milton H. Siegele  
AVP - Labor Relations

Agreed:

  
S. F. Green, UTU General Chairman

Side Letter #2 - Determining Ground Service Status

Dear Mr. Green:

In reference to the May 15, 2012 NP Ground Service Seniority Utilization Agreement, it was understood that a determination of a dual-craft employee's ground service status would occur at the time of entry into ground service and on the first Tuesday of each succeeding month thereafter as long as the dual-craft employees remains in ground service. Pursuant thereto, it was also understood that the examination of a dual-craft employee's ability/inability to hold an engineer's position would be limited to;

For the initial move to the ground, the Zone, as defined in Attachment B of UTU-E Implementing Agreement No.1, on which he/she last worked as an engineer.

For all subsequent "first Tuesday" status determinations, the Zone, as defined in Attachment B of UTU-E Implementing Agreement No.1, on which he/she is working in ground service.

If this accurately reflects our discussion, please indicate by affixing your signature in the space provide below.

Sincerely,

*Milton H. Siegele Jr.*  
RAB

Milton H. Siegele  
AVP - Labor Relations

Agreed:

*S. F. Green*  
S. F. Green, UTU General Chairman

UTU Side Letter #3 – Claim Settlement

Dear Mr. Green

In consideration of the NP Ground Service Seniority Utilization Agreement signed on May 15,, 2012, it is agreed:

1. BNSF agrees to withdraw with prejudice any and all Claims listed in BNSF file number 00-06-0010G filed against UTU General Committee of Adjustment GO-001.
2. Full and final settlement of all claims of record filed on NP property in favor of various ground service employees pursuant to UTU's position that certain engineers were improperly holding ground service positions, will be resolved by payments to the various claimants as directed by UTU, which will not exceed a total cost to the Carrier of \$ 200,000.00.

If this accurately reflects our discussion, please indicate by affixing your signature in the space provide below.

Sincerely,

Accepted:

Milton H. Siegele  
Milton H. Siegele  
AVP – Labor Relations

S.F. Green  
Steve Green  
UTU General Chairman

Side Letter #4  
Downstream Displacements

Dear Mr. Green

This is in reference to the NP Ground Service Seniority Utilization Agreement signed this date, specifically displacements of dual-craft employees by prior-righted single-craft employees. It was agreed that dual craft employees so displaced will not be allowed to return to the same assignment until after they have exercised their seniority to another assignment.

If this accurately reflects our discussion, please indicate by affixing your signature in the space provide below.

Sincerely,

Milton H. Siegele Jr.  
Milton H. Siegele  
AVP - Labor Relations

Agreed:

S.F. Green  
Steve Green

## 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.

<b>ZONE</b>	<b>SOURCE OF SUPPLY</b>	<b>LOCATION</b>
<b>LAKE/SUPERIOR DISTRICT</b>		
Duluth/Superior Zone	Duluth/Superior	Duluth/Superior
		Grand Rapids
		Kelly Lake
Willmar Zone	Willmar	Willmar
		St. Cloud
		Watertown
Twin Cities Zone	Northtown	Northtown
Sioux City - Ferry Zone	Sioux City	Sioux City
	Sioux Falls	Sioux Falls
Aberdeen East Zone	Aberdeen	Aberdeen
<b>MINNESOTA DISTRICT</b>		
Grand Forks Zone	Grand Forks	Grand Forks
		Grafton
Fargo-Dilworth Zone	Dilworth	Dilworth
		Jamestown-East
<b>MONTANA-DAKOTA DISTRICT</b>		
Glasgow Zone	Glasgow	Glasgow
		Williston
Minot Zone	Minot	Minot
Mandan Zone (NP)	Mandan	Mandan
		Dickinson
		Beulah
		Jamestown-West
		Hettinger
Aberdeen West Zone	Aberdeen	Aberdeen
Glendive Zone (NP)	Glendive	Glendive
		Sidney
		Miles City
Forsyth Zone (NP)	Forsyth	Forsyth

<b>ROCKY MOUNTAIN DISTRICT</b>		
Whitefish Zone	Whitefish	Whitefish
Great Falls Zone	Great Falls	Great Falls
		Shelby
Havre Zone	Havre	Havre
Livingston-Laurel Zone	Laurel	Laurel
<b>PACIFIC DISTRICT</b>		
Seattle-Everett	Seattle	Seattle
		Everett
		Mt Vernon
		Burlington
		Sumas
		Bellingham
		Swift
Vancouver BC Zone	Vancouver BC	Vancouver BC
		New Westminister
Tacoma-Auburn Zone	Tacoma	Tacoma
		Auburn
		Easton
		Centralia
		Ellensberg-West
Spokane Zone	Spokane	Spokane
		Wenatchee
		Sandpoint
Pasco Zone	Pasco	Pasco
		Yakima
		Ellensberg-East
Klamath Falls Zone	Klamath Falls	Klamath Falls
Portland-Vancouver Zone	Vancouver	Vancouver
		Longview
Wishram Zone	Wishram	Wishram
		Bend