

AGREEMENT

BN OPS 94.08

between

BURLINGTON NORTHERN RAILROAD COMPANY

And The

UNITED TRANSPORTATION UNION (C&T&E)

(Former NP)

Pursuant to Article IX of the October 31, 1985 UTU National Agreement and the Carrier's notice dated March 4, 1988 to establish interdivisional seniority district through freight service between Bismarck/Mandan, North Dakota and Glendive, Montana, it is agreed that this service may be operated under the following conditions:

Section 1. A pool of crews will be established and maintained (with home terminal and automatic release point at Bismarck/Mandan and away-from-home terminal and automatic release point at Glendive) to handle overhead traffic between these terminals. The pool of crews will operate in the manner prescribed hereinafter.

Section 2.(a) The total number of crews in the pool will be regulated so that the pool will average between 4000 and 4500 line miles per crew per month. Crews will consist of a conductor and a number of brakemen as provided under the May 20, 1993 Crew Consist Agreement.

(b) When a brakeman is needed to assist a conductor only crew, an extra brakeman will be called from the extra board at Mandan. Such extra brakemen are restricted to working with Mandan conductors employed in the interdivisional seniority district service. Mileage tabulation will therefore be based entirely on the number of trips made by conductors employed in the freight pool headquartered at Mandan.

(c) On the 17th day of the month, the Carrier will furnish the local chairmen a statement showing the line miles run during the first 15 days of the month by the crews in this interdivisional pool. A similar statement will be furnished by the Carrier on the 2nd day of the following month showing the line miles run during the period from the 16th day to include the last day of the previous month. A copy of these statements will also be furnished to the General Chairman upon request.

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(d) The statements referred to above will be used as the basis for regulating the number of crews in the pool under the provisions referred to in paragraph (a) of this section. Such adjustments will be made prior to 11:00 a.m. on the 1st day and the 16th day of each month.

Section 3.(a) Crews will be called and run at each terminal (first in-first out), provided that the first-out crew has sufficient time remaining under the applicable Hours of Service Law to perform the service for which they stand. If possible and when no other trains would be delayed thereby, the first-out crew's call may be held up for as long as thirty minutes in order for the crew to obtain sufficient rest and depart in proper standing.

(b) If the first-out crew does not have sufficient time remaining, to deliver their train to either their home or distant terminal, under the Hours of Service Law, the next following crew which has sufficient time to perform the service in question will be used without penalty. If no crew having sufficient time to perform the service is available, then an extra crew may be set up to operate in the pool for one (1) round trip.

(c) Interdivisional service crews, who are not called to report for duty or deadheading in the order of their proper standing will be allowed a basic day at the rate of service performed for each occurrence and shall continue to retain their respective positions in the pool. Crews receiving this penalty payment will also be entitled to "restoration of turn" under the provisions of Section 4 of this Agreement. There will be no penalty for terminal runarounds, however a crew that departs the terminal behind another crew that was called for a later on-duty time will be entitled to "restoration of turn" under the provisions of Section 4 of this Agreement. It is understood that the Carrier will remove a crew from the train for which it was called and place the crew on a preceding train or deadhead the crew to avoid terminal runarounds except in situations which would result in delay to time sensitive shipments or otherwise impede the operating efficiency necessary to compete for available transportation business.

(d) When a crew in this service has been called and departs the terminal, it will be run or deadheaded to the opposite terminal, except in emergency (emergency hereafter defined to mean conditions such as acts of God, wrecks, washouts, floods and fires which interfere with the operation of trains on this route). A crew that does not depart the terminal will be restored to the relative position which it held with respect to other crews in the terminal. Crews called and not used under this paragraph will be compensated pursuant to Rule 65(b) of the Schedule for Train and Yardmen (former NP) with a minimum of a basic day's pay at the rate of service performed. Crews called and not used under this paragraph will not be entitled to runaround payments while securing rest.

- NOTE:
1. The provisions of this Section do not apply to individual extra employees when the call and release occurs at their extra board terminal; but, instead, such extra employees will be handled (and paid) in accordance with applicable schedule rules.
 2. When a crew has been called and released in a manner that did not interrupt their rest under the Hours of Service Act, the crew will retain its position in the pool and will not require an additional eight (8) hours rest before being subject to another call.

Section 4.(a) Upon arrival at the objective terminal, a crew runaround will be restored to its proper position in the freight pool (i.e., original rotation at time of call) with respect to other crews, if rested for its next tour of duty. If a crew is not returned to its proper turn at the away-from-home terminal, it will be placed in proper position upon arrival at the home terminal, except if not rested for the next tour out of that terminal it will establish a new position in the pool.

(b) It is intended that crews in this pool will not be deadheaded on freight trains when other means of transportation such as air, van, bus, passenger trains or taxi are available. Whenever crews are required to deadhead adequate seating will be provided for all crew members.

(c) When a crew in this pool is deadheaded, any question about being runaround or bypassed by a working crew, or vice versa, shall be determined on the basis of their proper order when called at the initial terminal.

Section 5.(a) When two crews in this pool are called for the same train, one for deadhead and the other for service, and the first crew lacks sufficient time under the Hours of Service Law to perform the service, the second crew may be used for the service trip while the first crew deadheads. Otherwise, the first out crew will work the train and the second out crew will deadhead.

(b) In order to address possible inequity between crews being called to deadhead resulting from current deadheading rules contained in Article VI of the October 31, 1985 UTU National Agreement, this provision recognizes and conveys the right to the UTU Local Chairman to enter into a Local Agreement, with the designated Local Carrier Officer, providing a conductor, who has deadheaded a specified number of times, the opportunity to move ahead in the pool. The Local Agreement covering this subject matter shall specify the number of deadheads which must be accumulated in order to become eligible for deadhead recovery and the number of positions a crew may be moved up or agreed upon placement in the pool to effect recovery.

(c) In the event the Local Chairman and the Local Carrier officer are unable to consummate a mutually acceptable Agreement to implement specific provisions relative to paragraph (b) above, avoidance of multiple deadheads by the same crew in a pay period will be in accordance with the following provisions:

A crew which has already performed a terminal to terminal deadhead during the current payroll period will not be called for a subsequent deadhead during the same payroll period if there is another crew available which has not performed a terminal to terminal deadhead during the current payroll period. The involved crews will be restored to their relative position (turn) upon arrival at their home terminal. It is understood that there will be no runarounds generated as a result of this handling and this agreement does not guarantee that any given crew will not be required to perform more than one terminal to terminal deadhead during any single payroll period.

Section 6. Conductors and trainmen will only be relieved (allowed to mark or lay off) at their respective home terminal, except in cases of emergency. Vacant positions occurring at the home terminal will be filled by an appropriate extra man called from the Bismarck/Mandan source of supply. Vacant positions occurring at the away-from-home terminal will be filled as stipulated below.

- (a) Interdivisional crews consisting of a conductor and one or more brakemen.
 - 1. Vacant positions of conductors and trainmen relieved at the distant terminal in such emergency will be filled by the second or (next out) available conductor or trainman assigned to another crew in the pool. Whenever an employee is moved up in accordance with this paragraph, appropriate extra list employee(s) from the source of supply at Bismarck/Mandan will immediately be called and deadhead to Glendive to fill the vacancies created by the employee(s) who were advanced in the pool.
 - 2. In the event there are no available Bismarck/Mandan conductors or trainmen at Glendive, vacant positions of conductors and trainmen relieved at the distant terminal in such emergency will be filled by the appropriate employees standing for extra service from the source of supply at the distant terminal. Such extra employees may request rest after completion of the trip, however they will deadhead back to their home terminal as soon as possible after arrival at Bismarck/Mandan.

NOTE: When conductors are advanced within the pool to fill vacancies as set forth in this Section, it is understood that such conductors will not carry more than one (1) turn with them, i.e., no "paper deadheading". It is further understood that conductors, who move up, will be restored to their proper position within the pool (the position held before being advanced) upon arrival at the home terminal.

(b) Interdivisional crews consisting of a conductor.

In conductor only service the vacant position of a conductor relieved at the distant terminal in such emergency will be filled by the first-out promoted brakeman who was called extra from the source of supply maintained at the home terminal of that Conductor and thereafter was separated from his crew at the distant terminal under provisions of the May 20, 1993 Crew Consist Agreement. If such promoted brakeman is not available the position will be filled by an extra conductor in line with the procedures set forth under Section 6, (a), above.

Section 7.(a) Crew members assigned to this service will not be used for short turnaround service between the two established terminals except in an emergency (emergency meaning conditions such as acts of God, wrecks, washouts, floods and fires which interfere with the operation of trains on this route) as previously defined. Short turnaround service (i.e. work, wrecking, snow plow, hours of service relief, etc.) in the territory between Mandan and Dickinson will be provided by crews in an unassigned short pool or from the extra list maintained at Mandan. Short turnaround service in the territory between Glendive and Dickinson will be provided by crews in an unassigned short pool or from the extra list maintained at Glendive. Interdivisional crews used in emergency under this paragraph will be relieved by a crew regularly entitled to the service as soon as possible.

(b) Crew members used in other service under the emergency conditions defined above, will receive not less than the earnings of their regular assignment (turn). Crew members used in other service when there is no emergency will be paid for such service under existing rules, or they will receive the monetary equivalent of two (2) one way trips Mandan-Glendive (416 line miles), whichever is greater. Crew members who are used for other non-emergency service will not be held for subsequent "other" service while waiting to assume their regular turn in the interdivisional freight pool. In the event a crew member is used for a succeeding trip or tour of duty, the employee will be paid the monetary equivalent of the above referenced two (2) one ways trips for each additional tour of duty.

EXAMPLE: Conductor or Brakeman assigned in this pool is called for a yard assignment account no other employee available for extra service (non emergency). The employee will be paid no less than 416 line miles at the applicable rate. In the event the employee is used for another trip or tour of duty before returning to his/her pool freight turn, the employee will be paid an additional 416 line miles for each additional tour of duty at the applicable car rate for unassigned freight service and corresponding over mile rate.

Section 8.(a) Nothing contained in this agreement is intended to prohibit crews in this interdivisional service from being used on trains that only traverse a segment of the territory between Bismarck/Mandan and Glendive. Such crews must either work or deadhead to their objective terminal and shall be compensated for deadheading and service under the provisions set forth in Article VI, Section 1(a) of the October 31, 1985 National Agreement. When a crew has been called for service and subsequently is required to deadhead (or otherwise performs a combination of deadheading and service during a tour of duty), the crew will receive not less than the actual 208 line miles of the assignment for the tour of duty.

Section 9.(a) Employees working in this service shall be paid under provisions of Article IX, Section 2 (b) of the October 31, 1985 UTU National Agreement.

(b) The mileage of this interdivisional seniority district service between the named terminals is 208.

Section 10.(a) Conductors assigned to this pool or who are on the extra list at Mandan, Dickinson or Glendive when this service is inaugurated will not be required to familiarize themselves with the new territory on their own time. The Carrier will determine the maximum number of familiarization trips necessary; however, conductors will be allowed a minimum of three (3) round trips unless the individual conductor is acquainted with the territory and informs the Carrier that three (3) familiarization trips are not necessary.

(b) The provisions of this section will be in effect for the first forty-five (45) days following the date this service is inaugurated (carrier may allow conductors to begin familiarization trips before implementation). Thereafter, any conductor exercising seniority to this pool will be compensated for familiarization trips under provisions of existing Schedule Rules and Agreements.

Section 11. Employees assigned to this service will be allowed a meal allowance of \$5.00 if tied up more than four (4) hours at the away from home terminal and another \$5.00 after being held an additional eight (8) hours. Crew members will also be entitled to a third away-from-home terminal meal allowance provided for in the Letter of Understanding dated November, 14 1974, if held off duty twenty eight (28) hours or more. If the meal allowance of \$5.00, now provided for in the National Agreement pertaining to expenses away from home is subsequently increased, the amount provided for in this paragraph will be increased to the same extent.

Section 12. Employees, working or deadheading by freight train in this service, who are not permitted to stop their train between terminals to obtain a meal will be allowed a meal allowance of \$5.00 for each trip or tour of duty. However, if an employee requests to be permitted to leave the train in order to eat enroute and is granted permission to do so, the employee will not be entitled to the \$5.00 specified allowance. If the meal allowance of \$5.00, now provided for in the National Agreement pertaining to expenses away from home is subsequently increased, the amount provided for in this paragraph will be increased to the same extent.

Section 13.(a) Suitable lodging, where applicable, will be provided by the Carrier pursuant to Memorandum of Agreement (Lodging Agreement) signed July 16, 1980, effective August 1, 1980.

(b) An individual employee who is regularly assigned in this pool service, but who resides at other than the home terminal, may reverse the lodging point and elect to use company paid lodging at the home terminal in lieu of such lodging at the away-from-home terminal. This privilege is limited as not to exceed, in any semi-monthly pay period, the number of daily lodging charges that the company incurred for the other members of the crew who used the away-from-home terminal lodging.

Section 14. Wash room facilities and individual lockers (21" x 18" x 72") will be provided for employees assigned to this interdivisional service at the home and away-from-home terminals.

Section 15. Crew members required to report for duty or to be relieved from duty at a point other than the on and off duty points fixed for the service established shall be authorized and provided suitable transportation pursuant to Article IX, Section 2(c) of the October 31, 1985 UTU National Agreement.

Section 16. Employees assigned to this interdivisional seniority district freight service who are entitled to take personal leave days pursuant to the provisions of the applicable crew consist agreement will be allowed to compact and be paid for up to four (4) personal leave days commencing at the time the crew is ordered at the home terminal until the turn is next again due to be ordered at the home terminal. This Section does not otherwise change any part of Article 20 of the December 5, 1980 Crew Consist Agreement.

Section 17.(a) Disciplinary hearings or investigations involving crew members in this interdivisional service will be held at their home terminal, except when the majority of the principals and witnesses who are to attend live at other locations. If the investigation is held at other than the home terminal, crew members will be paid for actual reasonable travel time and the time consumed by the hearing on a minute basis at the pro rata rate of pay which they received for the last service performed.

(b) Should a crew member lose a full round trip as a result of attending an investigation which does not establish a violation, which results in his record suspension, suspension, or discharge, he will be compensated under this Section only for the equivalent of the earnings of the appropriate crew member in whose place he would have worked.

(c) If it is established by the evidence heard that an employee charged is found guilty and he is assessed record suspension, suspension, or dismissed, no compensation under paragraphs (a) and (b) of this Section will be allowed.

NOTE: A letter of censure will not disqualify an employee from receiving the above referred to compensation.

(d) Should a crew member be tied up at the location where the investigation is held, the provisions of Article II (Expenses Away from Home) of the June 25, 1964 Agreement, as amended, will apply. Transportation to and from investigations held at other than home terminal will be provided by the Carrier.

(e) Travel to attend investigations will not be subject to payment under any rule applicable to deadheading.

Section 18.(a) Conductors, brakemen and firemen, who are affected as a result of this agreement shall, pursuant to Article IX, Section 7 of the October 31, 1985 UTU National Agreement, be afforded the protective conditions set forth in Article XIII of the January 27, 1972 UTU National Agreement. The "protective period" for any employee who is eligible for protection under Section 7 of Article IX of the October 31, 1985 UTU National Agreement will be equal to the time said employee has been employed by this Carrier in any of the operating crafts represented by the BLE or UTU on this Carrier.

(b) It is recognized that employees protected under the provisions of the Burlington Northern Merger Protective Agreements dated December 14, 1965, June 29, 1965, January 10, 1968 and January 15, 1968, who are affected as a result of this agreement, shall have the option to elect for the protective conditions provided therein, including those as defined under Section 6 of the applicable agreement, instead of those provided in Article XIII of the January 27, 1972 National Agreement.

(c) An eligible employee who once selects an option (a or b) under this paragraph shall not later be allowed to change that election.

(d) It is agreed that all of the applicable understandings and awards pertaining to the normal application of merger protective conditions will apply to a covered employee selecting protection under (b) above.

Section 19. Nothing in this agreement shall be construed as depriving any employee of any rights or benefits or eliminating any obligations which such employee may have under any existing job security or other protective conditions or arrangement; provided, that there shall be no duplication or pyramiding of benefits to any employees, and provided further, that the benefits under this agreement, or any other arrangement, shall be construed to include the conditions, responsibilities and obligations accompanying such benefits.

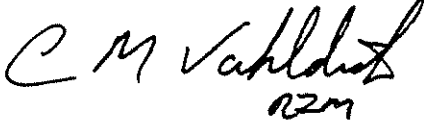
Section 20. This agreement does not supersede or modify the provisions of any rules or agreements, except as specifically provided herein.

Section 21. The Carrier may establish a Helper district and pool subject to the terms and conditions set forth in ATTACHMENT "A" of this Agreement.

Section 22. This agreement shall be effective upon the date signed and shall remain in effect until modified or changed in accordance with the provisions of the Railway Labor Act, as amended.

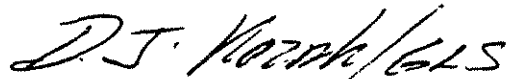
Signed at St. Paul, Minnesota this first day of June, 1994.

For the
UNITED TRANSPORTATION UNION:

Handwritten signature of C. M. Vahlstedt in cursive, with the initials "C.M." written below it.

GENERAL CHAIRMAN

For the
BURLINGTON NORTHERN RAILROAD:

Handwritten signature of D. J. Varrick in cursive, with the initials "D.J." written below it.

ASSISTANT VICE-PRESIDENT
LABOR RELATIONS

C. M. VAHLICK, Chairman

R. L. MARCEAU, Associate Chairman

J. W. FILTER, Associate Chair

UNITED TRANSPORTATION UNION

BURLINGTON NORTHERN - SANTA FE CONSOLIDATED GENERAL COMMITTEE (Former NP Lines)

332 MINNESOTA STREET, SUITE W-952
ST. PAUL, MINNESOTA 55101

PHONE (612) 227-0
FAX (612) 227-0

December 19, 1995

Mr. D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern Railroad Company
3000 Continental Plaza
777 Main Street
Fort Worth, Texas 76102

Attn: Ms. K. J. Johnson

Reference: CTA 95-10-02AA / E 486-30-95, CTA 95-10-02AB / E 486-31-95

Dear Mr. Kozak:

This will confirm conference with Ms. K. J. Johnson of your staff on December 13, 14, and 15, 1995 regarding claims submitted by Glendive helper crews for payment of allowances under provisions contained in Sections 1(d) and 1(g) of Attachment "A" to the Agreement covering the establishment and operation of Interseniority District Service between Glendive, MT and Mandan, ND.

We agreed that under existing Rules and Agreements, helper crews may perform the following duties as part of their helper assignments without payment of the additional allowances mentioned above.

Attach or remove their helper engines, handle the federal rear of train device and couple air hose between the train and helper engine or between the train and federal rear of train device, perform air brake inspections limited to what is required by the Carrier's operating rules when helper engines or a federal rear of train device is either added or removed from a train.

We further agreed that payments of the allowances provided under Sections 1(d) and 1(g) are required in circumstances when the helper crew is used to line back switches, or otherwise provides assistance to a road freight crew operating in road or yard territory.

Yours truly


Associate Chairman

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RECEIVED TIME MAR. 7. 6:54AM



FROM : UTU office of J. W. Filter PHONE NO. :

Mar. 06 1997 03:53PM P1

C. M. VAHLICK, Chairman

R. L. MARCEAU, Associate Chairman

I. W. FILTER, Associate Chair

UNITED TRANSPORTATION UNION

BURLINGTON NORTHERN - SANTA FE CONSOLIDATED GENERAL COMMITTEE (Former NP Lines)

332 MINNESOTA STREET, SUITE W-952
ST. PAUL, MINNESOTA 55101

PHONE (612) 227-07
FAX (612) 227-07

December 19, 1995

Mr. D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern Railroad Company
3000 Continental Plaza
777 Main Street
Fort Worth, Texas 76102

Attn: Ms. K. J. Johnson

Reference: CTA 95-10-02AA / E 486-30-95, CTA 95-10-02AB / E 486-31-95

Dear Mr. Kozak:

This will confirm conference with Ms. K. J. Johnson of your staff on December 13, 14, and 15, 1995 regarding claims submitted by Glendive helper crews for payment of allowances under provisions contained in Sections 1(d) and 1(g) of Attachment "A" to the Agreement covering the establishment and operation of Interseniorty District Service between Glendive, MT and Mandan, ND.

We agreed that under existing Rules and Agreements, helper crews may perform the following duties as part of their helper assignments without payment of the additional allowances mentioned above.

Attach or remove their helper engines, handle the federal rear of train device and couple air hose between the train and helper engine or between the train and federal rear of train device, perform air brake inspections limited to what is required by the Carrier's operating rules when helper engines or a federal rear of train device is either added or removed from a train.

We further agreed that payments of the allowances provided under Sections 1(d) and 1(g) are required in circumstances when the helper crew is used to line back switches, or otherwise provides assistance to a road freight crew operating in road or yard territory.

Yours truly


Associate Chairman

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RECEIVED TIME MAR. 7. 6:54AM

ATTACHMENT "A"

HELPER SERVICE

The Parties recognize that the exigencies of the business may require helper/pusher service in the territory between Glendive, MT and Dickinson, ND. The intent of this attachment is to provide for the establishment of a helper/pusher service district between Glendive, MT and Dickinson, ND and to further provide uniform conditions for the operation of this service.

Section 1.

- (a) A pool of Brakemen with home terminal at Glendive, Montana may be established to man helper/pusher assignments operating in the territory between Glendive and Dickinson, ND. The rate of pay for Helper Brakemen shall be the conductor's unassigned less than 100 mile local freight rate, including the car rate of trains they help. Crews will be compensated for actual miles run with a minimum of a basic day's pay for each tour of duty.
- (b) A Brakeman working in helper/pusher service will be provided a payroll period compensation guarantee or a prorated portion thereof under provisions of Article III, Section 2, of the May 20, 1993 Crew Consist Agreement, except that the payroll period compensation guarantee, as set forth in Section 2, (c), (iii) shall be an amount equal to the monetary equivalent of seventeen (17) basic days at the conductor's basic local freight (unassigned, less than 100 mile) rate of pay.
- (c) Helper Brakemen will be called and run first in and first out at Glendive.
- (d) Helper Brakemen will not be required to perform hours of service relief, station or industrial switching, work train, wrecking, snow plow, etc., or other road or yard service as part of their independent helper/pusher assignments, but shall assist the road freight Conductors employed on the trains they assist in the helper/pusher district in the performance of any station, industrial switching, air tests, coupling hose, or other duties associated with operation of the road train. Helper Brakemen who are used to assist Road Freight Crews, as provided above, shall receive payment of any allowances such as terminal delay, switching, etc. that apply when a Road Freight Crew is used to perform such services.

- (e) Helper Crews may pick up and move bad-order equipment (including bad orders which have been repaired on line) between locations in road territory and either Dickinson or Glendive without penalty to the Carrier.
- (f) Helper crews may handle high-wide, dimensional and/or oversize car or special shipments that are restricted for normal movement under system or division Special Instructions without penalty to the Carrier, provided not more than two (2) cars are handled at any time.
- (g) Helper Brakemen performing service under items (d), (e), or (f) as set forth above will be paid the special allowance provided in paragraph (b) of Article IX of the May 20, 1993 Crew Consist Agreement.
- (h) Automatic release Rule ⁸⁶~~89~~ will not apply at Dickinson.
- (i) Helper Brakemen who are required to transport, deadhead, etc. will be compensated under provisions of Article VI, Section 1 of the UTU October 31, 1985 National Agreement.

Section 2.

In recognition that this helper district and pool are established for the purpose of expediting the movement of trains operating in the interdivisional seniority district service established by the Agreement executed this date, it is intended that the parties shall meet and discuss any significant material changes in the operation of such service.

If this accurately sets forth our understanding, please indicate your concurrence by signing in the space provided below.

For the
UNITED TRANSPORTATION UNION:

C. M. Vahlstedt
GENERAL CHAIRMAN ^{RLM}

For the
BURLINGTON NORTHERN RAILROAD:

D. J. Kersh/LLS
ASSISTANT VICE-PRESIDENT
LABOR RELATIONS

SIDE LETTER NO. 1

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This is to confirm our various discussions concerning Section 18 of the Agreement signed this date for establishment of interdivisional service between Mandan/Bismarck and Glendive.

Montana Dakota Seniority District employees (whose principle residence is closer to Dickinson, ND than Mandan/Bismarck via the most direct highway route) who are in active service, furloughed, or are assigned to either a voluntary surplus or reserve status position will be afforded the change of residence benefits provided in Article XIII, Section 9 of the January 27, 1972 UTU National Agreement and Article IX, Section 7 of the October 31, 1985 UTU National Agreement. Such benefits are applicable to an employee if title to the home is solely in his/her spouse's name provided the home is the employee's principal place of residence and will also apply to employees whose principle place of residence is a mobile or modular home.

Employees who rent their residence may elect to accept a lump sum payment of \$3500 in lieu of all moving and real estate benefits contained in this Agreement.

The term "residence" as used herein means the single primary abode of the employee, consisting of not more than one dwelling unit utilized for residential purposes only and on a building site of not more than two acres (or the minimum site required by zoning regulations in the community, if greater).

If an employee owns a duplex and resides in one unit, the Carrier will be liable to the extent of one-half of the established value of the entire duplex. The remainder of the duplex is investment property which the Carrier has no obligation to purchase. Carrier's liability applies to making the employee whole (upon sale) to the value on one-half of the property and/or to paying applicable cash allowances based on one-half of the total property value.

If the foregoing correctly sets forth the understanding reached in conference, please sign in the space provided below.

Sincerely,

D. J. Kozak/625

D. J. KOZAK
AVP LABOR RELATIONS

AGREED:

C. M. Vahldick
GENERAL CHAIRMAN - UTU
BM

SIDE LETTER NO. 2

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This refers to the agreement signed this date for establishment of interdivisional seniority district freight service between Mandan and Glendive.

In recognition of the fact that Dickinson employees assigned to the Mandan source of supply may continue to reside at Dickinson while working other than extra board positions headquartered at Glendive or Mandan, it is agreed:

Employees (who reside at Dickinson North Dakota and are holding a regular position in service headquartered at Glendive or Mandan) will be given a three (3) hour "on-duty" call to report for service at Glendive or Mandan for a period not to exceed nine (9) months from the date this Agreement is implemented. When an employee has been called as provided herein, the employee will be considered to be on duty and under pay at the time the employee was directed to report, unless notified prior to leaving the place where call was received that the call is broken or changed to a later time.

Employees (who reside at Dickinson North Dakota and are holding extra board positions at Glendive or Mandan) will be entitled to stay at the Carrier's lodging facility in Glendive or Bismarck/Mandan for a period not to exceed nine (9) months.

The Parties will meet prior to the end of the nine (9) month period to determine if conditions warrant the continuation of provisions of this side letter.

If this accurately sets forth our understanding please indicate your concurrence by signing in the space provided below.

Sincerely,

Accepted:

D. J. Kozak / KLS

D. J. KOZAK
AVP LABOR RELATIONS

C. M. Vahldick
GENERAL CHAIRMAN - UTU
am

SIDE LETTER NO. 3

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This is to confirm our various discussions concerning Section 19 of the Agreement signed this date for establishment of interdivisional service between Mandan/Bismarck and Glendive.

During our discussions of this Section, it was agreed that if an employee lost time as a result of conducting union business and was entitled to protection as a result of the implementation of this interdivisional service, such time would be counted in the computation of their protection rates under this agreement. It further was agreed that the Organization would provide the Carrier a record of the lost earnings of such employees.

Sincerely,

D. J. Kozak/ALS

D. J. KOZAK
AVP LABOR RELATIONS

AGREED:

C. M. Vahldick
GENERAL CHAIRMAN - UTU
mm

SIDE LETTER NO. 4

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This is to confirm our various discussions concerning the Agreement signed this date for establishment of interdivisional service between Mandan/Bismarck and Glendive.

During our discussions of this agreement, it was agreed that employees transferring from Dickinson to Mandan/Bismarck or Glendive will receive a driving allowance (at the rate per mile approved by the Internal Revenue Service) for driving between their present residence and their new on duty point in Bismarck or Glendive. This driving allowance will be available commencing with the implementation of this agreement and shall continue until such time as the employee disposes of his/her former residence, but not to exceed nine (9) months from the date this agreement is implemented. The distance is agreed to be 100 miles (depot Dickinson-depot Mandan or Glendive). If there is a shortage of housing at Mandan/Bismarck, the allowance will continue until the time comparable housing becomes available at the new terminal.

As an alternative to driving, an employee would be entitled to utilize the Company provided lodging facilities in Bismarck for the same time period. An employee will not receive a driving allowance for dates when the employee uses Carrier provided lodging at Bismarck.

If the foregoing correctly sets forth the understanding reached in conference, please affix your signature in the space provided below.

Sincerely,

D. J. Kozak/LLS

D. J. KOZAK
AVP LABOR RELATIONS

AGREED:

C. M. Vahldick
GENERAL CHAIRMAN - UTU
CDM

SIDE LETTER NO. 5

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This is to confirm our various discussions concerning the Agreement signed this date for establishment of interdivisional service between Mandan/Bismarck and Glendive.

Article VIII - Road Yard and Incidental Work of the October 31, 1985 National Agreement provides in Section 1(d) that road crews may perform switching within switching limits without payment at times no yard crew is on duty except, on Carriers upon which the provisions of Section 1 of Article V of the June 25, 1964 Agreement are applicable, time consumed in switching under that provision "shall continue to be counted as switching time."

We discussed the performance of station switching at Dickinson, ND by the interdivisional service crews operating pursuant to Section 1. of the Agreement made this date and recognize that crews consisting of a conductor may not perform station switching at Dickinson, ND under provisions contained in the May 20, 1993 Crew Consist Agreement.

It is understood and agreed that crews consisting of a conductor and a number of brakemen may perform station switching at Dickinson, ND and that each crew member with seniority established prior to November 1, 1985 will be compensated for the actual time consumed with a minimum of one hour at road service rates as provided under the May 1 and May 15, 1969 Implementing Agreements.

Sincerely,

D. J. Kozak/ALS

D. J. KOZAK
AVP LABOR RELATIONS

AGREED:

C. M. Vahldick
GENERAL CHAIRMAN - UTU
mm

SIDE LETTER NO. 6

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This refers to the agreement signed this date for establishment of interdivisional seniority district freight service between Mandan and Glendive.

Crew members may be deadheaded via air only when the aircraft is operated by a regularly scheduled commercial airline, or its affiliate, holding a C.F.R. Title 14, Part 121 or 135 Certificate. It is understood that certain employees may have physical or psychological conditions which prevent flying. Such employees upon notifying the Carrier, in writing, that they are incapable of flying, will be permitted to decline a call for deadhead by air without being subject to discipline or reprimand for so doing.

Employees exercising their right to refuse to fly, will maintain their first-out position in the pool or on the extra board unless granted permission to lay off. The employee standing next out in the pool or extra board will be called for the deadhead trip. The employee declining to deadhead by air will be paid for the next tour of duty as if deadheaded. The employee who accepted the deadheading call will be paid as though working the next train which leaves the terminal (destined for the same terminal) following the deadhead.

An employee who is called at the away-from-home terminal to deadhead via aircraft will be permitted to return to the home terminal by train or another method of conveyance and shall be compensated for deadheading. Employees who miss calls account another employee declining a call to deadhead by air, will not be disciplined or reprimanded for such missed calls and will not be subjected to loss of earnings or position in the pool as a result thereof.

If the foregoing correctly sets forth our understanding, please indicate your concurrence by signing in the space provided below.

Sincerely,

D. J. Kozak/ALS

D. J. KOZAK
AVP LABOR RELATIONS

Accepted:

C. M. Vahldick

GENERAL CHAIRMAN - UTU
om

SIDE LETTER NO. 7

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This refers to the agreement signed this date for establishment of interdivisional seniority district freight service between Mandan and Glendive and will confirm our various discussions concerning board standings at the home and away-from-home terminals.

It was agreed that for board standing purposes only, crews would be placed on the board on a first-in, first-out basis according to the time the crew passed the terminal arrival point. Accordingly, terminal arrival points are designated as the switch at West Mandan (MP 0.8) for Mandan/Bismarck and the switch at East Glendive (MP-214.7) for Glendive. This does not change existing final terminal delay rules.

Crews deadheading into a terminal will be placed on the board at the time the crew arrives at the off-duty location.

If the foregoing correctly sets forth the understanding reached in conference, please affix your signature in the space provided below.

Sincerely,

D. J. Kozak/GLS
D. J. KOZAK
AVP LABOR RELATIONS

AGREED:

C M Vahldick
GENERAL CHAIRMAN - UTU
CM

SIDE LETTER NO. 8

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This refers to the agreement signed this date for establishment of interdivisional seniority district freight service between Mandan and Glendive.

During our discussions of this agreement, the issue of utilizing Company provided lodging facilities in Mandan/Bismarck was reviewed. It was agreed that commencing with implementation of this agreement, employees, changing their residence from Dickinson to Mandan/Bismarck, may utilize the lodging facilities when inclement weather makes it unsafe for the employee to drive to or from Dickinson. This arrangement will continue until such time as the employee disposes of his/her former residence.

Example: Because of snow or ice conditions, an employee could utilize the lodging facility in order to be available for call.

If the foregoing correctly sets forth the understanding reached in conference, please sign in the space provided below.

Sincerely,

D. J. Kozak/LLS

D. J. KOZAK
AVP LABOR RELATIONS

AGREED:

C M Vahldick
GENERAL CHAIRMAN - UTU
CM

SIDE LETTER NO. 9

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This is to confirm our various discussions concerning Section 19 of the Agreement signed this date for establishment of interdivisional service between Mandan/Bismarck and Glendive.

During our discussions, the subject of comparable housing allowances was considered. Previous UTU Agreements with BN, including the Merger Agreement, and ICC imposed protective conditions providing moving and real estate benefits have not included a requirement obligating the Carrier to furnish any financial assistance to employees who were relocated to an area where the average cost of housing was more expensive. In order to resolve the matter, it was necessary to first determine the difference between the average cost of real estate at Dickinson and the average cost of real estate at Mandan/Bismarck. We agreed to issue instructions to a team of certified real estate appraisers who made comparisons between Dickinson and Mandan/Bismarck and determined the cost of housing at Mandan/Bismarck exceeds the cost of housing at Dickinson by the average of forty-six (46) percent. It is evident that an allowance to assist in offsetting the cost of comparable housing at Mandan/Bismarck would be an item appropriate to include as part of this agreement. The following will confirm our understanding on the subject:

1. Carrier will provide a monetary allowance to the employees covered under Side Letter No. 2, to share and assist in offsetting the cost of obtaining housing in the Bismarck-Mandan area.
2. The housing allowance will be an amount equal to 23% of the appraised value of the employee's home which shall not be less than \$8,000 or exceed the amount of \$20,000.

Example 1: If the employee's home is appraised at \$45,000, the employee would be entitled to a \$10,350 housing allowance ($\$45,000 \times 23\% = \$10,350$).

Example 2: If the employee's home is appraised at \$70,000, the employee would be entitled to a \$16,100 housing allowance ($\$70,000 \times 23\% = \$16,100$).

Example 3: If the employee's home is appraised at \$87,000, the employee's housing allowance would be limited to the \$20,000 maximum payment.

Mr. C. M. Vahldick
General Chairman - UTU
Side Letter No. 9
Page 2:

3. In order to receive a housing allowance, the employee must first apply with the Carrier for relocation benefits by filing Form 12602E (Scheduled Employees Transfer Notice). The housing allowance will be paid immediately after the appraised value of the employee's home has been determined by the two certified real estate appraisers selected by the employee from the list supplied by the relocation company. It is understood that the employee will be required to eventually relocate to Bismarck in order to retain the housing allowance.
4. This housing allowance shall be paid in addition to the moving, real estate and all other protective benefits the employees are entitled to receive under terms of this agreement.
5. Employees who reside in Dickinson and are currently employed on regular or extra assignments at Hettinger North Dakota that may be abolished in the future, will be entitled to the provisions of this side letter, if otherwise qualified.
6. The parties recognize that there are unique circumstances associated with real estate and housing which relate exclusively to the situation existing between Dickinson and Mandan/Bismarck. It was understood and agreed that neither party would refer to this Agreement, in any forum, as being representative of acceptable terms and conditions for payment of comparable housing allowances in connection with other existing or proposed interdivisional service.

Sincerely,

D. J. Kozak/6LS

D. J. KOZAK
AVP LABOR RELATIONS

AGREED:

C. M. Vahldick
GENERAL CHAIRMAN UTU

SIDE LETTER NO. 10

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This is to confirm our various discussions concerning Section 6 and Section 20 of the Agreement signed this date for establishment of interdivisional service between Mandan/Bismarck and Glendive, and various UTU rules and practices covering the use of qualified ground service employees to fill "emergency" engine service vacancies.

We understand that engineer temporary vacancies in this pool will be filled in accordance with the provisions of Section 4 of the BN/BLE Agreement dated _____, 1994 which reads as follows:

Section 4.

(a) Unclaimed temporary vacancies occurring on turns at the home terminal of this pool will be filled by the engineer's extra list headquartered at Mandan. When it becomes necessary to use an emergency engineer because the engineer's extra list is exhausted, they will be called in the following manner:

- (1) Use the demoted engineer assigned to the turn on which the engineer vacancy exists.
- (2) If none, use the senior rested and available demoted engineer assigned to another turn in the same pool.
- (3) If none, use the senior qualified, rested and available demoted engineer assigned in other non-intra / inter seniority district road service at the headquarters point.
- (4) If none, use the senior qualified, rested and available demoted engineer who is assigned in yard service at the headquarters point.
- (5) If none, the next engineer in this pool may be shoved ahead to fill the vacancy with the understanding that such engineer will take only the vacant turn out, leaving his/her vacancy at the terminal to be filled in accordance with this provision as extra engineers (including demoted) become available.

Mr. C. M. Vahldick
General Chairman - UTU
Side Letter No. 10
Page 2:

(b) If an engineer in this pool lays off account sickness or other personal emergency at the away-from-home terminal, the vacancy will be filled in the following manner:

- (1) Use the engineer standing next out at the away from home terminal in this pool. Whenever an engineer is shoved up in accordance with this paragraph an extra list engineer from the extra board at Mandan is to be called and deadheaded to the opposite terminal to fill the vacancy created by the engineer(s) shoved up.
- (2) If the extra board is exhausted use the senior demoted engineer at Mandan.
- (3) If none, use the senior rested demoted engineer available at the vacancy point who is assigned on another turn in the same pool.

It is also understood that the reference to these provisions are not intended to and do not assert or imply any right or authority of the parties (BN or UTU) to make or amend Agreements concerning Engineer seniority or the filling of Engineer Vacancies. It is further understood that the provisions as contained in the BN/BLE Agreement, herein referred to, do not in any way set aside or modify the provisions of Side Letter No. 4 of the May 20, 1993 Crew Consist Agreement.

Sincerely,

D.J. Kozak/6LS

D. J. KOZAK
AVP LABOR RELATIONS

AGREED:

C M Vahldick
GENERAL CHAIRMAN - UTU
[Signature]

SIDE LETTER NO. 11

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This is to confirm our various discussions concerning Section 19 of the Agreement signed this date for establishment of interdivisional service between Mandan/Bismarck and Glendive.

We discussed the application of Side Letter No. 6 and Article II, Section 1, (d) of the May 20, 1993 Crew Consist Agreement pertaining to the establishment of interdivisional service through Dickinson, ND.

We agree that the subdivided seniority district at Dickinson, ND is eliminated as a result of this transaction and the Dickinson employees will be unable to hold a position on their subdivided seniority district after implementation of the transaction. Employees assigned to the Dickinson source of supply on the date this agreement is implemented may immediately exercise seniority to available assignments at their new Bismarck/Mandan terminal or they may request to be assigned to the reserve board at Dickinson under provisions of Article II, Section 2 (a), (b) until their services are required at a different location on the Montana-Dakota Seniority District. Such reserve board employees will not be entitled to receive the moving and real estate benefits contained in this agreement until such time as they are recalled to active service.

If a shortage of manpower exists at a different source of supply point on the Montana Dakota Seniority District, surplus employees at Dickinson, who stand to be force assigned in reverse seniority order to fill permanently vacant positions at a different location, will be notified by the Carrier prior to entering reserve board status and shall report for service at the location of such vacancies within the time provided under existing Schedule Agreements and practices. Dickinson employees who are force assigned to vacant positions, due to manpower shortages at other locations on the seniority district, prior to entering reserve status will immediately become entitled to receive the moving and real estate benefits contained in this Agreement, if they are otherwise qualified.

Sincerely,

D. J. Kozak/CLS

D. J. KOZAK
AVP LABOR RELATIONS

AGREED:

C. M. Vahldick
GENERAL CHAIRMAN - UTU
DM

SIDE LETTER NO. 12

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This refers to the agreement signed this date for establishment of interdivisional seniority district freight service between Mandan and Glendive.

During our discussions it was recognized that employees may be force assigned to Dickinson from other locations on the Montana Dakota Seniority District between the date of Carrier's notice dated March 4, 1994 and the actual implementation date of the subject interdivisional seniority district service. Therefore, it was understood that any employees force assigned to service at Dickinson during this period would be eligible for protective benefits (housing, relocation, compensation, etc.) to the same extent and subject to the same conditions as employees headquartered at Dickinson as of March 4, 1994. It is understood that this level of protection applies to the physical move from Dickinson to Bismarck/Mandan or Glendive and is not intended to suggest that these benefits would be applicable to a residence at a location other than Dickinson.

If the foregoing correctly sets forth our understanding, please indicate your concurrence by signing in the space provided below.

Sincerely,

D. J. Kozak/gls

D. J. KOZAK
AVP LABOR RELATIONS

Accepted:

C M Vahldick
GENERAL CHAIRMAN - UTU

SIDE LETTER NO. 13

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This refers to the agreement signed this date for establishment of interdivisional seniority district freight service between Mandan and Glendive.

We discussed application of provisions contained in Attachment 3 of the May 20, 1993 Crew Consist Agreement to this interdivisional seniority district service and agree that the mileage range as referred to in Section 1 of the agreement (4000-4500) may be indexed to account for the lost earnings resultant from the increase in the basic day pursuant to the October 31, 1985 National Agreement and similar provisions contained in Implementing Document "A".

The formula for indexing is:

4500 divided by the one way line mileage of the run which equals the average number of trips made by a turn in the pool. This number, times the amount that the current basic daily mileage exceeds 126, represents the amount to be added to 4500 to establish the top limit of the mileage regulation range.

EXAMPLE: When the current 126 mile basic day increases to a 130 mile basic day effective January 1, 1995, the following computation would result.

4500 divided by 209 (one-way line mileage of run)
= 21.5 (trips) X 4 (miles/basic day)=86 miles which
is maximum that can be added to 4500 to develop top
of mileage regulation range (4586)

It was further understood that upon request from the UTU Local Chairman the Carrier will agree to adjust the regulation parameters according to the Local Chairman's request, however, not to exceed the top of the range as calculated using the formula above.

If the foregoing correctly sets forth our understanding, please indicate your concurrence by signing in the space provided below.

Sincerely,

D. J. Kozak/ALS

D. J. KOZAK
AVP LABOR RELATIONS

Accepted:

C. M. Vahldick

GENERAL CHAIRMAN - UTU
am

SIDE LETTER NO. 14

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

We discussed the existing relationship between the terminals at Hettinger, ND and Dickinson, ND. Depending on seasonal fluctuations in business, employees who reside in Dickinson work assignments operating out of Hettinger, and employees residing in Hettinger work the Dickinson assignments that will be eliminated as a result of this Interdivisional Seniority District Service Agreement.

We agreed that the establishment of interdivisional seniority district service through the existing home terminal at Dickinson will affect the employees who work assignments operating in the vicinity of Hettinger. We also recognized that Dickinson will also be eliminated as a secondary source of supply for manpower requirements in the Hettinger zone.

It was therefore agreed that both the extra list and unassigned freight pool presently headquartered at Hettinger (which protect service requirements in the territory between Hettinger and Forsyth) will be abolished. Those assignments will be transferred and hereafter shall be headquartered at Forsyth, Montana. The UTU Local Chairman and local designated Carrier Officer at Forsyth will jointly determine if the service will be provided by:

1. A separate pool of unassigned crews, established at Forsyth to operate in the territory between Forsyth and Hettinger.
2. The existing unassigned freight pool currently providing service between Forsyth and Laurel.
3. The Forsyth extra board.

It was further agreed that employees residing or working in the vicinity of Hettinger, North Dakota are entitled to moving, real estate, and the other protective benefits contained in the Interdivisional Seniority District Service Agreement signed this date.

Sincerely,

D. J. Kozak/CLS

D. J. KOZAK
AVP LABOR RELATIONS

Accepted:

CM Vahldick
GENERAL CHAIRMAN - UTU
8/21

SIDE LETTER NO. 15

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This refers to the agreement signed this date for establishment of interdivisional seniority district freight service between Mandan and Glendive.

Relative to Section 2 of the agreement, it was understood that the local Carrier officer may agree to have the UTU Local Chairman regulate the number of turns in this pool with the understanding that such regulation will be in accordance with the provisions of this and other applicable agreements pertaining to mileage/pool regulation, and that the pool will be regulated in such a manner as not to generate additional guarantee payments.

If the foregoing correctly sets forth our understanding, please indicate your concurrence by signing in the space provided below.

Sincerely,

Accepted:

D. J. Kozak/6LS

D. J. KOZAK
AVP LABOR RELATIONS

CM Vahldick
GENERAL CHAIRMAN - UTU
DM

SIDE LETTER NO. 16

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This refers to the agreement signed this date for establishment of interdivisional seniority district freight service between Mandan and Glendive.

During our negotiations, the Organization expressed concern that when several crews have deadheaded during a pay period, the procedures established under Section 5.(b) or Section 5.(c) may produce conditions which would result in following crews becoming susceptible to miss-call. It was therefore agreed that the Organization may notify the Carrier in writing that the procedures established under Section 5.(b) or 5.(c) are canceled. Crews thereafter will be called and run in proper rotation as stipulated under Section 3.(a), regardless of the number of deadhead trips previously performed.

If the foregoing correctly describes our understanding, please signify in the space provided below.

Sincerely,

D. J. Kozak/ALS

D. J. KOZAK
AVP LABOR RELATIONS

Accepted:

C M Vahldick
GENERAL CHAIRMAN - UTU

SIDE LETTER NO. 17

Mr. C. M. Vahldick
General Chairman - UTU
227 E. Sunshine St.
Springfield, Missouri 65807

Dear Mr. Vahldick:

This is to confirm our various discussions concerning Attachment "A" of the Agreement signed this date for establishment of interdivisional service between Mandan/Bismarck and Glendive.

Certain employees currently residing at Dickinson may desire to relocate their residences to Glendive, Montana. We agreed that such employees would be entitled to the moving, real estate, and other protective benefits contained in this agreement under similar terms and conditions, with the exception of the comparable housing allowance covered under Side Letter No. 9.

We further agreed to issue instructions to a team of certified real estate appraisers who made comparisons between Dickinson and Glendive and determined the cost of housing at Glendive exceeds the cost of housing at Dickinson by the average of thirty (30) percent. It is therefore evident that an allowance to assist in offsetting the cost of comparable housing at Glendive would be an item appropriate to include as part of this agreement. The following will confirm our understanding on the subject:

1. Carrier will provide a monetary allowance to the employees who relocate their residences from Dickinson to Glendive, in order to share and assist in offsetting the cost of obtaining housing in the Glendive area.
2. The housing allowance will be an amount equal to 15% of the appraised value of the employee's home but shall not exceed the amount of \$16,000.

Example 1: If the employee's home is appraised at \$45,000, the employee would be entitled to a \$6,750 housing allowance ($\$45,000 \times 15\% = \$6,750$).

Example 2: If the employee's home is appraised at \$60,000, the employee would be entitled to a \$9,000 housing allowance ($\$60,000 \times 15\% = \$9,000$).

Example 3: If the employee's home is appraised at \$108,000, the employee's housing allowance would be limited to the \$16,000 maximum payment.

Mr. C. M. Vahldick
General Chairman - UTU
Side Letter No. 17
Page 2:

3. In order to receive a housing allowance, the employee must first apply with the Carrier for relocation benefits by filing Form 12602E (Scheduled Employees Transfer Notice). The housing allowance will be paid immediately after the appraised value of the employee's home has been determined by the two certified real estate appraisers selected by the employee from the list supplied by the relocation company. It is understood that the employee will be required to eventually relocate to Glendive in order to retain the housing allowance.
4. This housing allowance shall be paid in addition to the moving, real estate and all other protective benefits the employees are entitled to receive under terms of this agreement.
5. Employees who reside in Dickinson and are currently employed on regular or extra assignments at Hettinger North Dakota that may be abolished in the future, will be entitled to the provisions of this side letter, if otherwise qualified.
6. The parties recognize that there are unique circumstances associated with real estate and housing which relate exclusively to the situation existing between Dickinson and Glendive. It was understood and agreed that neither party would refer to this Agreement, in any forum, as being representative of acceptable terms and conditions for payment of comparable housing allowances in connection with other existing or proposed interdivisional service.

Sincerely,

D.J. Kozak/CLS

D. J. KOZAK
AVP LABOR RELATIONS

AGREED:

CM Vahldick

GENERAL CHAIRMAN - UTU

CPM