MEMORANDUM OF AGREEMENT Between

BNSF Railway And

SMART - Transportation Division

Pursuant to the Carrier's notice dated April 17, 2013 and in accordance with Article IX of UTU 1985 National Agreement, the parties agree that interseniority district service may be established between Amarillo, Texas and Enid, Oklahoma with the home terminal at Amarillo. The following conditions will apply:

Section 1. Pool Rotation

Subject to the exceptions contained in this Agreement Conductors will be called on the recognized first-in, first-out basis.

Conductors will maintain their position in the pool if runaround at the initial terminal, en route, or at the away-from-home terminal. Pool Conductors working under the terms of this Agreement will operate utilizing the Carrier's "Home on Duty" process. The Home on Duty process provides that employees will be positioned on the board at both the away-from-home and home terminals based upon their time on duty from the previous home terminal call time.

Conductors arriving at the home terminal of Amarillo shall be placed to the bottom of an "inactive" board for that pool.

At 4 a.m., 8 a.m., noon, 4 p.m. 8 p.m. and midnight, BNSF shall "activate" Conductors from the "inactive" board to the "active" board. When Conductors are activated, their order of call shall be determined and shall govern the order of Conductors called for the service. BNSF shall endeavor, to the extent possible, to activate only those number of Conductors that BNSF believes are to be used during the eight-hour period following the four-hour period contemplated as set forth below. So-called "cut-in" Conductors may be eliminated from the active list at activation time.

Activation must be accomplished and published within thirty (30) minutes after the previous activation and thirty (30) minutes after the effective activation listed as the activation times stated above. In other words, BNSF can activate a Conductor between 0430 a.m. and 0830 a.m. for the 0800 a.m. activation time. In any event, the activation must take place within this four hour window.

Once a Conductor is activated at the home terminal, that Conductor shall not be subject to receiving a call for service until the expiration of four (4) hours. For example, at locations where the calling time" is 1 and ½ hours, a Conductor at the home terminal could not have an on-duty time prior to 5 and ½ hours after being activated.

When a "cut-in" Conductor stands to be called from the active board, rested home terminal Conductors in this service shall be offered the opportunity to work the turn. If a turn on the

active board accepts the work, the "cut-in" turn shall replace the slot held by the turn accepting the work. If a turn on the inactive board accepts the work, the "cut-in" turn shall be eliminated.

An "active" or "inactive" turn declining the opportunity to work shall retain its position on the board.

Once activated, BNSF must place the Conductor on duty within 13 hours and 30 minutes of the activation time (4 hour no-call window + 8 hour call window + 90 call time). For example, a Conductor is notified at 8:00 am that he/she is activated. BNSF must then place the Conductor on duty no later than 9:30 pm. If BNSF fails to place the Conductor in this example on duty by 9:30 pm, the Conductor is due a basic day penalty but must still protect service in this pool.

The basic day penalty payment contemplated above shall not be due under circumstances where BNSF can document that the excessive activation was due to circumstances beyond their control, e.g., line obstruction, derailment, flood, fire or act of God.

Section 2. Pool Regulation

The number of pool Conductors shall be regulated between 4700 to 5200 miles per month, which includes indexing.

Pool regulation will utilize the Carrier's automated pool regulation program which uses trip rate miles to calculate regulation miles. The interested Local Chairmen will have access to that report and calculation giving them the opportunity to question and discuss the automated regulation calculation.

Section 3. <u>Mileage for Terminal to Terminal Operation</u>

Conductors working in this pool will be allowed 276 actual miles operated. This pool will operate between Amarillo and Enid via Waynoka.

Section 4. Equity

The Enid Zone of the Midwest Seniority District will be entitled to 20% of the pool turns in this pool. Notwithstanding the exception provided for the initial assignments in Section 4 below, when advertised, Enid positions will be awarded pursuant to Midwest Seniority and Enid Zone prior rights. If no Enid Zone Conductor applies, the senior employee with Midwest Seniority who bids on the position will be assigned.

Section 5. Protection of Employees

The provisions of Article IX of the UTU 1985 National Agreement providing protection to the employees adversely affected by the inauguration of this run are deemed to be satisfied by the following:

For the purpose of providing protection to Enid Zone employees adversely affected by the inauguration of this run, the protected class at Enid shall be the Enid Home Zone Conductors who were working on the Enid Zone on April 17, 2013.

First preference in the initial assignment to the Enid Zone positions at Amarillo will go to protected Enid Home Zone employees, in seniority order.

Beginning on the date assigned and continuing for 3 years thereafter, Enid Home Zone employees who are assigned to one of the initial Enid Zone positions at Amarillo, and who elect to receive one of the relocation benefits packages specified below, cannot be displaced from that position by an otherwise senior employee from another Midwest Zone or non-Midwest Seniority District, unless the senior employee;

- Is a protected Enid Home Zone employee, or
- Is an Amarillo employee who is unable to hold any other position at Amarillo, or
- Is from another Midwest Zone and is unable to hold any other position on their District and would otherwise be furloughed, or
- Is from outside the Midwest District and is unable to hold any other position on their District and would otherwise be furloughed.

Benefits Packages

It was agreed that up to 6 protected Enid Home Zone Conductors would be eligible for one of the benefits packages below.

Option #1

A \$30,000 relocation package. Conductors accepting this relocation package are required to establish new residency within 35 miles of the city of Amarillo, Texas. Furthermore, these employees will be required to protect service at Amarillo, seniority permitting, for a period of 36 months.

This relocation package will be disbursed as follows:

- 1, \$20,000.00 when the train service employee reports to the new location.
- 2. \$5,000.00 after performing 18 months of actual service at that location.
- 3. \$5,000.00 after performing 36 months of actual service at that location.

This relocation package does not require the sale or purchase of real estate but does require a permanent residency address at the new location.

If the employee receives this relocation package and subsequently leaves the Amarillo terminal voluntarily prior to the expiration of the 36-month period, s/he shall forfeit future incentive payments, and will be required to repay all previous relocation payments.

If the employee receiving this relocation package retires under the terms of Railroad Retirement Board (RRB) less than 36 months from their relocation, they will not be eligible for any additional payments subsequent to their retirement. In addition, should such an employee retire less than two (2) years after relocating, they will be required to repay the initial \$20,000 payment and the \$5,000 interim payment (paid at the 18-month interval).

Conductors relocating under this provision shall be afforded Carrier-provided lodging at Amarillo for a period not to exceed 60 one-night stays.

Option #2

Modified Relocation Package. Conductors accepting this benefit package will receive \$15,000 up front, plus a stipend of \$35 per one-way trip for 36 months (concurrent with the hold down).

Conductors accepting one of these Option 2 packages will be required to protect service at Amarillo, seniority permitting, for a period of 36 months. If a Conductor subsequently leaves Amarillo <u>voluntarily</u> prior to the expiration of the 36-month period, s/he will be required to repay the \$15,000 lump-sum payment.

Additional relocation packages will be offered to protected Enid Home Zone Conductors commensurate with the expected growth in this pool.

NOTE: It was agreed that additional relocation packages would be offered for each Enid pool turn (at Amarillo) which has existed for six (6) consecutive months, on a one-for-one basis.

Section 6. Compensation

Conductors in this pool will be allowed a trip rate of \$500.20, including the Car Scale that can be removed with a 15 day request, when deadheading or working between Amarillo and Enid. It was further agreed that the Conductors, regardless of seniority or miles traversed, will be allowed overtime after 12 hours on duty. In addition, Conductors required to deadhead in excess of 8 hours on duty will be allowed the trip rate plus actual time consumed in the deadhead over 8 hours (at the pro rata rate), in accordance with the UTU 1985 National Agreement, Article VI. Conductors will not qualify for short Conductor allowance under the former BN Crew Consist Agreement dated November 1, 1993.

Brakemen, when called, will be allowed \$458.35 trip rate, including the car scale, for working or deadheading between Amarillo and Enid. It was further agreed that the Brakemen, regardless of seniority or miles traversed, will be allowed overtime after 12 hours on duty. In addition, Brakemen required to deadhead in excess of 8 hours on duty will be allowed the trip rate plus actual time consumed in the deadhead over 8 hours (at the pro rata rate) in accordance with the UTU 1985 National Agreement, Article VI.

Conductors and Brakemen in this service who are held at the away-from-home terminal in excess of sixteen (16) hours shall receive continuous held-away-from-home terminal pay until placed on duty and under pay for such service.

Section 7. Returned to Initial Terminal

Pool Conductors called in the Amarillo/Enid 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 Conductor is returned to their initial terminal for these reasons, they shall be paid continuous miles for the trip, terminal until return (but not less than the straightaway mileage terminal to terminal), or hours, whichever is greater, and the Conductor shall be restored to first-out position after they are rested.

Section 8. Trading Trains

Conductors will not be required to trade trains in opposite directions. Amarillo/Enid Conductors can trade trains in the same direction with other Conductors in the Amarillo/Enid pool.

Amarillo/Enid Conductors can also trade trains with westbound Amarillo/Wellington Conductors between Waynoka and Amarillo, not including Waynoka. When an Amarillo/Enid Conductor trades trains with an Amarillo/Wellington Conductor as described above, each Conductor member will be paid an additional one hour at the basic daily rate, subject to future wage increases. This payment will be payable to employees with seniority dates before and after November 1, 1985.

NOTE: The February 2, 1996 MHS Letter clarifying eligibility for the payment specified above remains in effect.

Section 9. HOS Relief

In connection with relieving pool freight Conductors in this service tied up under the Hours of Service Law, the following will prevail when it is necessary to call a road Conductor out of the terminal:

Eastbound trains between Amarillo and Shattuck, including Shattuck – The pool freight Conductor standing first out at Amarillo from the Amarillo/Enid Pool.

Eastbound trains between Shattuck and Enid -- Extra Board Conductor at Enid,

NOTE: Enid Conductors will be kept territorially qualified to perform the HOS work they are entitled to under this Section.

Westbound trains between Enid and Shattuck, including Shattuck – The pool freight Conductor standing first out at Enid from the Amarillo/Enid pool.

Westbound trains between Shattuck and Amarillo - Extra Board Conductor at Amarillo.

In the event that no Enid Conductor is rested and available to perform the HOS work specified above and it is necessary to use an Amarillo Conductor at the away-from-home-terminal to perform such work in short turn service, upon completion of the short turn service, the Amarillo Conductor will be immediately deadheaded to their home terminal of Amarillo. They will be paid for any time or miles spent on the short turn service with a

minimum of a basic day and then a trip rate for the deadhead home. There will be no run arounds for Amarillo Conductors tied up at Enid for the working and deadhead combined service into and out of Enid.

Section 10. En Route Meal Period

In order to expedite the movement of trains operating on this territory, the Conductors will not stop their train to eat. The current trip rate includes the historical meal allowances and there is no additional compensation due.

NOTE: This does not preclude a Conductor from seeking food items at retail locations in close proximity to where they may be standing in the clear of the main track awaiting other rail traffic, or for unforeseen reasons; so long as this does not create undue delay to the operation. It is understood that the Conductor will be required to obtain permission from the Dispatcher prior to leaving the train to obtain food. Should this request be denied, no penalty is due.

Section 11. Called and Released

Employees called for duty and released after the time of going on duty but before road trip starts, shall be paid a basic day at the rate of the service for which called and stand first out on the active board, after receiving ten hours rest, regardless of whether actual service has or has not been performed. This does not prohibit the holding of such employees on duty and under pay on a continuous time basis to protect later trains.

In cases where employees are released prior to leaving their calling place, no payment will be allowed; but when released after leaving their calling place and before going on duty will be allowed 50 miles at the rate of service for which called, and will maintain their standing on the board.

NOTE: If the Carrier attempts to cancel the call within 30 minutes from issuance, the Conductor is "assumed" to have been notified prior to leaving his residence and/or lodging facility.

Section 12. Lay Off

Conductors in this pool will lay off at their home terminal, except in case of emergency, such as illness or injury, and will report to home terminal only. They will be permitted to ride a train to the home terminal provided they notify the dispatcher and Supervisor in advance when laying off at their away-from-home terminal.

Section 13. On/off Duty Points

Conductors working in this long pool service will have a fixed point for going on and off duty in Amarillo and Enid. The fixed points may be changed by the Carrier by giving ten (10) day advance written notice to the interested Local Chairmen.

Section 14. Deadhead Transportation

Conductors who are required to deadhead over the expanded district under the provisions of this Agreement will be provided with reasonable comfort while so deadheading. Conductor is required to deadhead on a freight train, seating for both the working Conductor of the train and the Conductor being deadheaded will be provided.

Section 15. Familiarization

Conductors who become assigned to this pool or the Amarillo Conductor Extra Board as well as Conductors who are unable to hold a position at Enid as the result of implementation of this Agreement, will be allowed compensation for any required familiarization at their new location. In the event there is no formal agreement for familiarization compensation at their new location, these employees will be compensated one day at the Conductor board extra board rate of pay for each day they are required to familiarize. During familiarization, Conductors will also be eligible to receive held away-from-home terminal allowances and all applicable meal allowances.

Section 16. **Modification Clause**

Except as specifically provided for herein, the ATSF Schedule will apply to Conductors working in this service. This Agreement supersedes the current ID Agreement for service between Amarillo and Enid.

This Agreement shall take effect on ______, 2014, and shall remain in effect until modified or changed in accordance with the provisions of the Railway Labor Act, as amended.

For BNSF Railway Company:

M.H. Siegete, AVP. Labor Relations

General Director, Labor Relations

For SMART - Transportation Division:

Rex Pence

General Chairman, SMART - TD

R S. Knutson

General Chairman, SMART - TD

2014 Amarillo-Enid ID Agreement

Side Letter No. 1

RE: Former BN Productivity Fund

In connection with the 2014 Amarillo-Enid ID Agreement, it was agreed:

The Carrier shall make Productivity Fund contributions for 20% of the total working trips made in this pool to Enid Productivity Fund (19), regardless whether worked by an Enid Conductor or not.

For Productivity Fund purposes, each trip made in this pool by a Conductor Consist protected Enid Zone Conductor shall be considered the same as if it were made on the Enid Zone.

M. N. Siegele, Jr.

AVP, Labor Relations

R. S. Knutson

General Chairman, SMART - TD

Agreed-to Questions and Answers

Section 4

- Q1: Section 4 provides a 36-month limited immunity from displacement for Enid Home Zone employees who are awarded initial Enid-allocated assignments at Amarillo. Is such immunity given to any employees who subsequently take one of these assignments?
- A1: No. The 36-month limited immunity from displacement is only for the specified employees who are awarded the initial Home Zone assignments.
- Q2: If the immune employee in the previous question is displaced from his Home Zone pool turn prior to 36 months, does his immunity from displacement end?
- A2: If the immune employee voluntarily vacates his Home Zone assignment prior to 36 months, the answer is yes. However, immune employees do not lose their displacement immunity if they are involuntarily removed from their Home Zone assignment (can't hold), but they must return to a Home Zone assignment at first opportunity in order to keep the remainder of their 36 month displacement immunity.
- Q3. In such cases, is the immune employee's 36-month displacement immunity extended for the length of time they are involuntarily away from their protected assignment?
- A3. No. It was intended that the displacement immunity run concurrent with the 36-month hold down contained in Section 5 and both continue to run whether immune employees are on or off their protected assignment.

Section 5

- Q1. Are the relocation benefits in Section 5 in lieu of all relocation benefits under Washington Job Protection?
- A1. Yes.
- Q2. Are the relocation benefits in Section 5 also in lieu of other protective benefits under Washington Job Protection?
- A2. Yes. These payments are in lieu of any displacement or dismissal allowances resulting from the application of Article XIII of the UTU 1972 National Agreement, and will not be used for other calculations like vacation or Productivity Fund payment. Likewise, this payment will not be used for guarantee calculation or offset.

Section 14

- Q1: Do the provisions of Section 14 (Familiarization) apply to extra board positions and equalization turns?
- A1: Yes.

- Q2: Do the provisions of Section 14 (Familiarization) modify or change the current ATSF Agreement for familiarization compensation?
- A2: Yes, but only for the initial implementation of the ID service. It does not change the former Agreement when Conductors are required to make familiarization trips any time after complete implementation.