Memorandum of Understanding between BNSF Railway Company and

SMART – Transportation Division (FWD, GN-E, NP and SLSF)

This is in reference to our recent discussions concerning a modified handling of discipline cases, on a trial basis, at the local and General Committee level. Therefore, with respect to the handling of discipline claims only, the September 1, 1996 Uniform Time Limit Rule is modified to the extent set forth below:

- 1. Article IV of the Uniform Time Limit Agreement, as it applies to discipline cases, is suspended in its entirety.
- 2. Article VIII of the Uniform Time Limit Rule, as it applies to discipline, is amended to read:
 - "When progressing a discipline claim, the General Chairperson must appeal any discipline within 120 days from the date the notification of discipline is received or receipt of investigation transcript, whichever is later. If not appealed within this period, the claim(s) will be barred from further handling. (NOTE: The Organization's right to request reinstatement without pay in discipline cases, as provided for in Article I of the Uniform Time Limit Rule, is preserved.) If such appeal is to be declined, the highest designated officer will have 120 days from date of receipt of such appeal to do so, and if not declined to the appellant in writing within that period the claim will be allowed."
- 3. When issuing a notice of discipline, BNSF will send the original copy of the notice to the involved employee(s) as required by the Uniform Investigation Rule. In addition, in order to initiate the tolling of the time limit provisions provided for in Section 2 above, BNSF will send a copy of the discipline notice and investigation transcript to the involved General Chairman, and will also send a copy of both documents to the involved Local Chairperson.
- 4. It was understood that this did not change the Local Chairman's ability to meet with the local officers in an attempt to resolve the discipline at the local level. But, it was recognized that the local chairman did not have the authority to resolve any claim locally after the Carrier had issued the declination from the highest designated officer.
- 5. Nothing in the agreement is intended to alter or modify any existing agreements or rules unless specifically modified herein. Furthermore, this Understanding does not alter or modify the handling of merit claims or grievances pursuant to the Uniform Time Limit Rule, as amended by Memoranda of Agreement dated April 1, 2007 and April 1, 2011.

This Understanding shall become effective on September 1, 2013 and may be cancelled by either party serving a 25-day written notice upon the other party.

For SMART – TD

Randall S. Knutson

General Chairman, SMART - TD

For BNSF Railway Company

Roger a Boldra

R.A. Boldra

General Director, Labor Relations