

D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 1

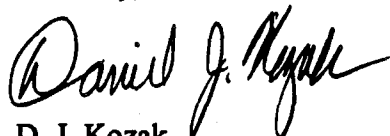
Gentlemen:

This refers to the agreement providing for a formal conductor/foreman/ hostler training program dated March 3, 1997.

The purpose and intent of this Agreement is to provide for a partnership between the United Transportation Union and Carrier's Technical Training Group in order to provide the best possible training to new employees entering the ground service craft. This Agreement has granted significant authority and responsibility to UTU represented Training Coordinators and Craft Instructors. The parties recognize that in the interest of consistency, the Technical Training Center will work with the United Transportation Union in order to develop general guidelines as to the skills to be covered during the orientation and the on-the-job training portions of the program. These guidelines shall not address specific items such as distribution of road or yard on the job training time; rather, the intent is to assure that each trainee is exposed to certain fundamental aspects of railroad ground service employment.

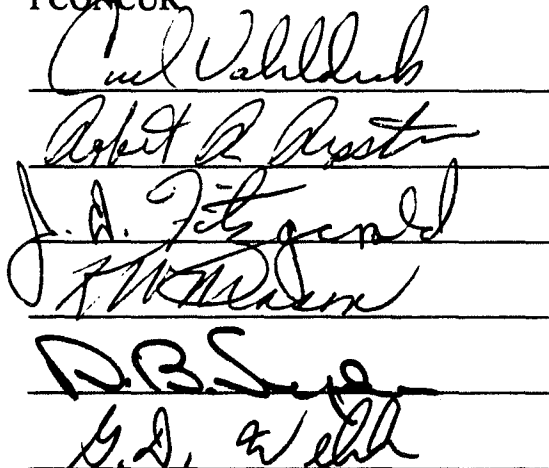
We agreed that, from time to time, UTU Training Coordinators and Craft Instructors may be required to receive information from, or participate in program design with, members of the Technical Training Center team. When this is required, the involved Training Coordinator and/or Craft Instructor will be paid lost wages, based upon the position held immediately prior to the training, as well as reimbursement for actual, necessary, and reasonable expenses.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



Carl Valdehob
Robert R. Rosta
J. A. Fitzgerald
J. W. Menden
D. B. Suen
G. D. Welch

D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 2

Gentlemen:

This refers to the agreement providing for a formal conductor/foreman/ hostler training program dated March 3, 1997.

This is to advise you that the Carrier will not assign trainees to Craft Instructors (conductors/foremen/hostlers) who do not wish to work with trainees, so long as there are sufficient conductors/foremen/hostlers, who volunteer to work as Craft Instructors.

The UTU will provide the Carrier with a list of local UTU officials to contact in connection with the selection of a Training Coordinator and Craft Instructors. These officials will provide the Carrier with the name of an employee willing to act as a Training Coordinator for each location trainees are assigned. The UTU will also provide the Carrier with a list of employees willing to act as Craft Instructors. The UTU will update the list from time to time, as necessary.

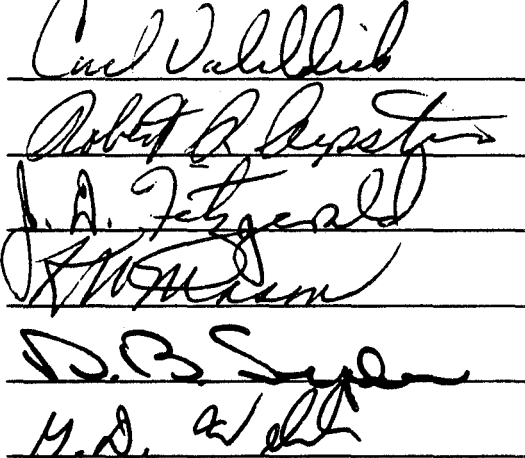
If there are not sufficient volunteers on the list provided, to meet the Carrier's need for Craft Instructors at a given location, the Carrier may designate additional employees as Craft Instructors. Before the Carrier makes such additional designations, a local Carrier officer will meet with designated UTU officers and the Training Coordinator to discuss the selection of additional Craft Instructors.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 3

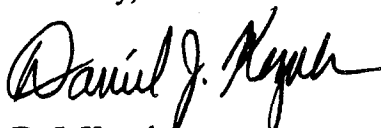
Gentlemen:

This refers to the agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

Presently locomotive engineer trainees assigned to work jobs at a source of supply other than the source of supply where normally assigned are allowed to utilize lodging facilities provided for regular crews. These trainees are also allowed actual, reasonable, and necessary meal allowances while assigned to training on an assignment protected from another source of supply, as well as travel expenses to the location of the other assignment and back to the normal source of supply.

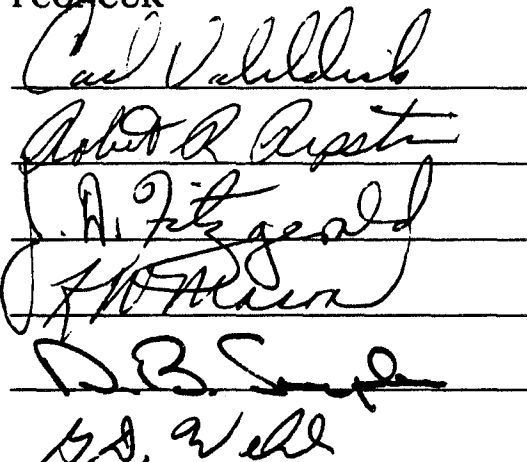
Trainees in this training program will be treated the same as trainees in the UTU engineer training program in this regard.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 4

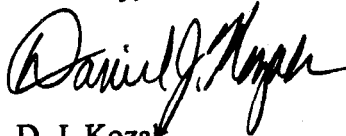
Gentlemen:

This refers to the agreement providing for a formal conductor/ foreman/hostler training program signed March 3, 1997.

In discussing the agreement, it was understood that employees who had already established ground service seniority on the effective date of the agreement are not subject to the agreement. However, we agreed that employees who have not yet been promoted to conductor would, if they request it, be allowed to attend the classroom portion of this program, before being required to accept promotion to conductor. Employees who request such classroom training will be paid for each week of classroom training on the same basis as if they were on vacation, and they will be covered by the same provisions relating to travel, meal and lodging expenses that cover trainees under the agreement signed this date.

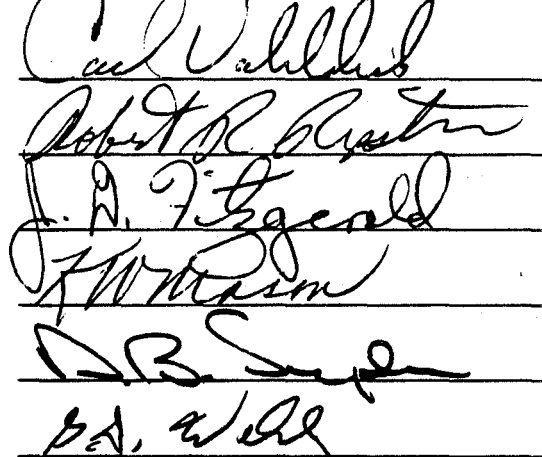
It was also understood that, once such employees who are not subject to the agreement signed this date successfully complete the requirements for promotion to conductor, they will rank ahead of any employee hired after the effective date of this agreement.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 5

Gentlemen:

Section 2 sets forth a training schedule covering a total of fifteen (15) weeks up to and including the first promotion test.

It was discussed and agreed that the training schedule may need adjustment and that such adjustment could be made during periodic meetings between UTU and Carrier representatives.

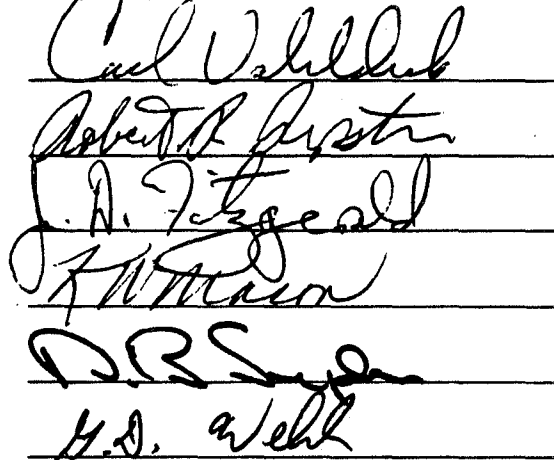
Additionally, as we discussed, representatives of the UTU will meet annually with those BN officers responsible for the training program to review experience under the program and discuss how the program may be changed to improve it. Unless agreed otherwise, the annual meeting will be held on the second Tuesday of September of each year.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



Carl Valldub
Robert R. Foster
J. A. Fitzgerald
J. W. Mason
D. R. Sorenson
H. S. Welch

D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

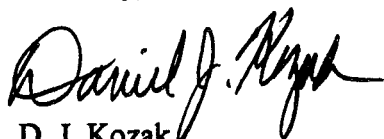
SIDE LETTER NO. 6

Gentlemen:

This refers to the agreement providing for a formal conductor/ foreman/hostler training program signed March 3, 1997.

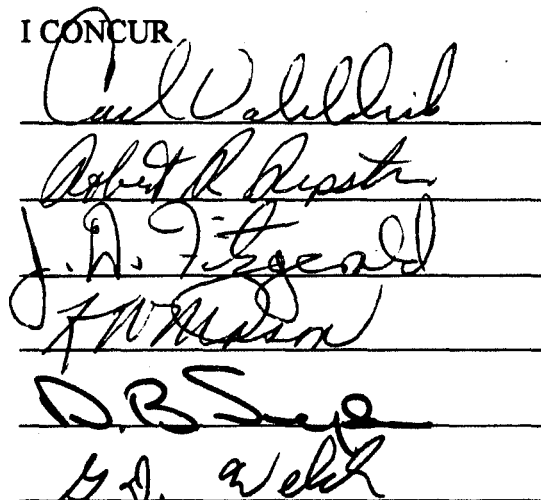
While it is understood that Craft Instructors working with trainees are responsible for acquainting the trainees with their duties, we agreed that the Craft Instructors involved in training will not be held responsible for actions of the trainees that are unavoidable or beyond the Craft Instructors' control.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



Carl Valldub
Robert R. Ripstein
J. A. Fitzgerald
J. W. Hanson
D. B. [unclear]
G. D. Welch

D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 7

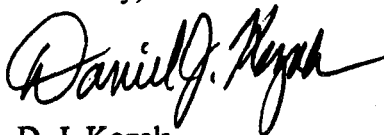
Gentlemen:

This refers to the agreement providing for a formal conductor/ foreman/hostler training program signed March 3, 1997.

In discussing the agreement, it was understood that employees who have already established conductor seniority may desire an opportunity to receive the classroom training which has been known as "conductor update class." We recognize that the introductory classroom portion of this training program was not designed for existing BN conductors, and agreed that employees with BN conductor seniority may volunteer to attend classroom training sessions held at the Technical Training Center, that are designed and intended to enhance their existing conductor work skills. We further agreed that such conductors will be reimbursed for expenses incurred while engaged in that training under the provisions of Section 6(a) of this agreement which applies to new employees. In addition to such expenses, they will be compensated for "lost wages" based on the earnings of the position the individual employee was holding prior to reporting for that training.

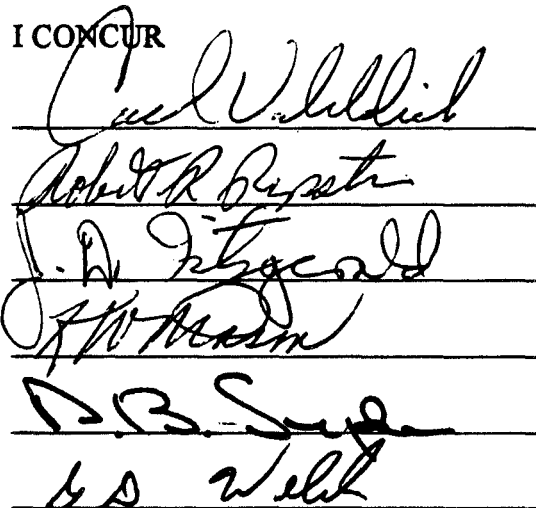
It is understood and agreed that the foregoing is also without prejudice to the Carrier and Organization's respective positions regarding existing agreement requirements, if any, which may either obligate the Carrier to provide or the employees to attend training classes, or regarding compensation for employees that attend such training classes.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 8

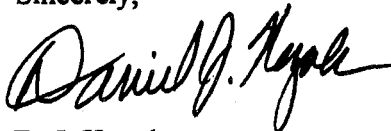
Gentlemen:

This refers to the agreement providing for a formal conductor/ foreman/hostler training program signed March 3, 1997.

It was agreed that the following entry will apply:

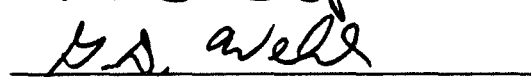
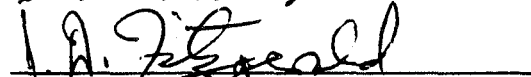
Notwithstanding the provisions of Article IV, Section 6 of the October 31, 1985 UTU National Agreement and Article IV, Section 5 of the November 1, 1991 UTU Implementing document "A" (PEB 219), employees who establish seniority subsequent to October 31, 1985, will not be covered by said articles when working or assigned as a conductor, engine foreman (foreman includes herder) or hostler.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 9

Gentlemen:

An employee who becomes a locomotive engineer after the effective date of this agreement will, upon promotion to engineer, be considered as having passed the conductor/foreman promotion examination. Such employee will not be able to exercise seniority as a conductor/foreman until such time as all senior trainmen/yardmen are afforded the opportunity to promote and he has satisfied the other criteria associated with promotion. At that time the promoted engineer will be assigned conductor's seniority in relative standing based on his seniority date.

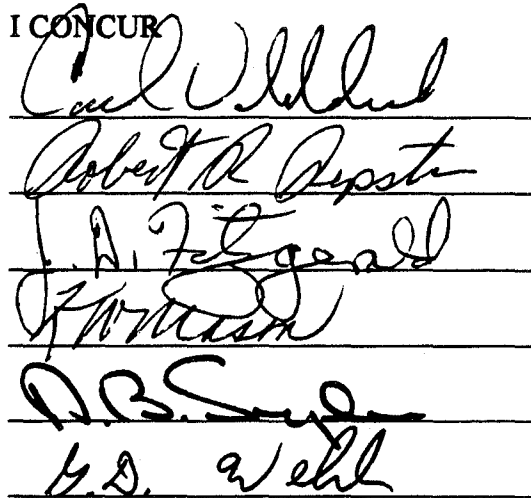
Note: "Other criteria for promotion to conductor/foreman" means such things as instruction, computer proficiency, physical plant familiarity and other skills as determined through development of this training program.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



Carl W. [unclear]
Robert R. [unclear]
J. A. Fitzgerald
[unclear]
D. B. [unclear]
G. D. [unclear]

D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

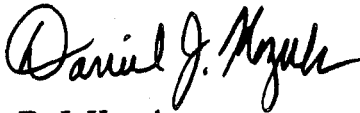
SIDE LETTER NO. 10

Gentlemen:

This is to confirm our understanding in connection with health care benefits for train service and UTU engine service employees who are suspended and their dependents.

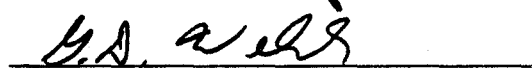
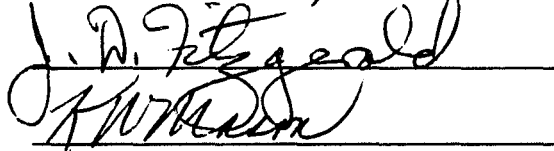
We agree that when an employee represented by this committee is suspended, the Carrier will continue to pay the premiums normally required of it to the appropriate insurance provider(s) so that the suspended employee and his dependents may retain health care coverage during the period of the suspension to the same extent which would be so if the employee were still in service.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 11

Gentlemen:

This is to confirm our understanding in connection with jury duty for train service employees.

ARTICLE XII - Jury Duty

(a) When a trainman is summoned for jury duty and is required to lose time from his assignment as a result thereof, he will be paid for actual time lost with a minimum of a basic day's pay at the straight time rate of his position for each calendar day lost less the amount allowed him for jury service for each such day, excepting allowances paid by the court for meals, lodging and transportation, subject to the following qualification requirements and limitations:

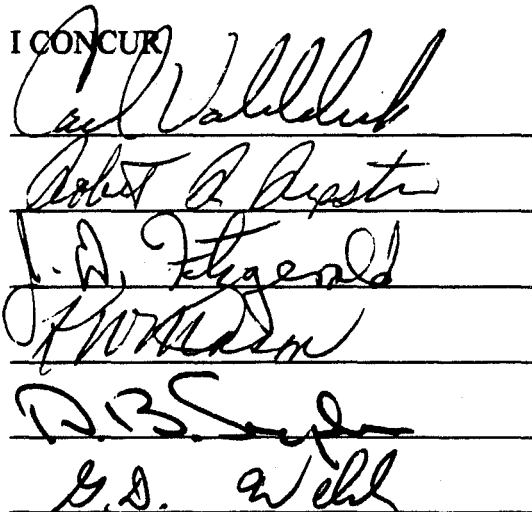
- (1) A trainman must furnish the Carrier with a statement from the court of jury allowances paid and the days on which jury duty was performed.
- (2) The number of days for which jury duty pay will be paid is limited to a maximum of 60 days in any calendar year.
- (3) No jury duty pay will be allowed for any day on which the trainman is entitled to vacation or holiday pay.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



Carl Valdeus
Robert A. Rysse
J. A. Fitzgerald
K. W. Alden
D. B. Sauer
G. S. Webb

D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 12

Gentlemen:

This refers to the agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

Throughout the above agreement, reference is made to a "Training Coordinator" and "Craft Instructors". It was discussed and understood that the "Training Coordinator" would be a qualified active ground service employee selected jointly by the Division Superintendent and the Local Chairperson(s) from applications for this position at each terminal or location where training will be done. Such choice will not be based solely upon seniority. Selection will be based, among other considerations, on experience, knowledge and ability. It is understood and agreed that the "Training Coordinator" will be made whole, as will the Craft Instructors when engaged in duties other than that of the on the job training of trainees on the Craft Instructor's assignment, for the assignment held immediately prior to the selection.

The "Training Coordinator" and the "Craft Instructors" will adhere to the curriculum set forth by the Division Superintendent (or his designee) and the training center. The "Training Coordinator" will work with the Division Superintendent (or his designee) to schedule trainees on appropriate training assignments with qualified Craft Instructors. He will assist Craft Instructors and trainees in their movement through the program on the property. He will receive and maintain daily evaluations from the Craft Instructors and monitor the trainees' progress.

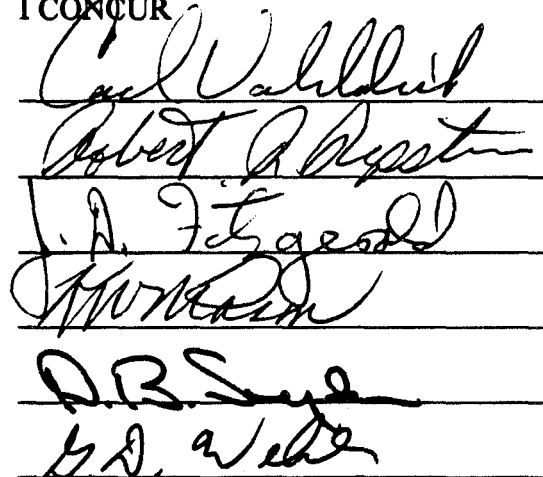
Any disputes arising between the Division Superintendent and the Training Coordinator concerning the proper scheduling of trainees or the general management of the program will be referred to and settled by the General Chairman with jurisdiction and the designated BN Labor Relations Officer.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 13

Gentlemen:

Section 9 of the Training Agreement signed this date, March 3, 1997, provides for an additional ten percent (10%) training payment for Craft Instructors and brakemen/helpers when trainees are assigned.


Such premium rate is established to ensure the trainee is given the appropriate and necessary training and also to ensure the required written evaluations are completed by the Craft Instructor (and brakeman/helper, where required) after each training trip.


Sincerely,

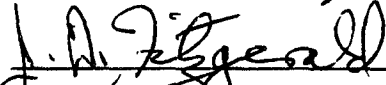



D. J. Kozak
Asst. Vice President
Labor Relations


I CONCUR














D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 14

Gentlemen:

This refers to the agreement providing for a formal conductor/ foreman/hostler training program signed March 3, 1997.

During discussion addressing the application of the 3-week classroom portion of the program, the question arose concerning handling of the so-called "revenue" students, or new-hires who had already been trained at the technical training center.

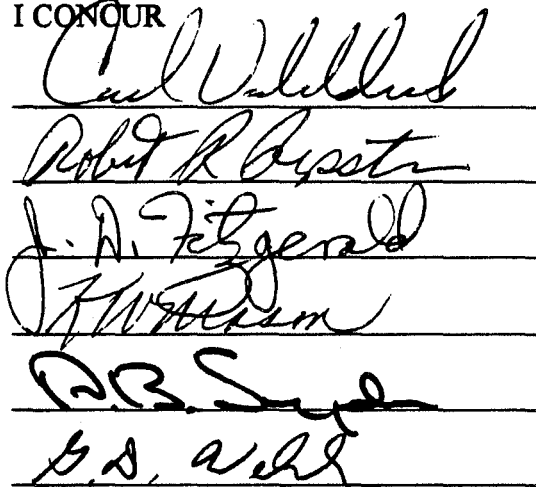
It was agreed that these employee candidates need not return to the Technical Training Center for the 3-week classroom portion of training and that this 3-week period would be utilized for additional OJT.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



Carl Valdez
Robert R. Byrnes
J. A. Fitzgerald
F. W. [unclear]
D. B. [unclear]
G. S. [unclear]

D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 15

Gentlemen:

This refers to the agreement providing for a formal conductor/foreman/hostler training program dated March 3, 1997.

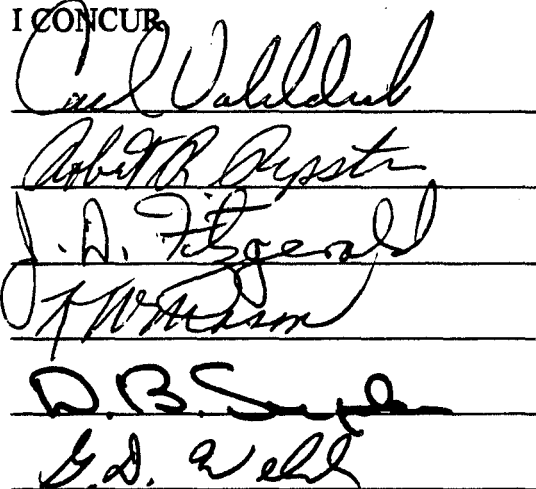
This will confirm our understanding that trainees will not be deemed to have successfully complete the program without completing at least eleven (11) weeks of on-the-job training provided in Section 2, unless they had previous experience as trainmen/yardmen on another railroad. Trainees with previous experience as a trainman/yardman may have their on-the-job training reduced by one month for each four months of previous experience on a railroad other than switching or terminal railroad. However, such experienced new hire will be required to pass the required examination and necessary minimum number of training trips over territory to which assigned, as determined by the "Training Coordinator" and the Division Superintendent (or his designee). The Carrier will provide the UTU with work history of any trainee whose on-the-job training is reduced due to previous experience as trainmen/yardmen.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



Carl Valledor
Robert R. Pappas
J. A. Fitzgerald
J. W. Harrison
D. B. Sorenson
G. D. Welch

D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 16

Gentlemen:

This refers to the agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

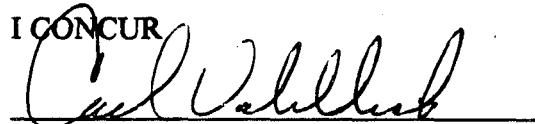
It was discussed and agreed during negotiations that the basic training period would be fifteen (15) weeks with eleven (11) weeks of OJT. If Carrier determines a need to extend the classroom training beyond the three (3) weeks allowed, such extension will not detract from OJT weeks. Such extension to classroom weeks will increase the length of the basic program from fifteen (15) weeks by the amount of time added to the classroom weeks at the Carrier's discretion.


Sincerely,

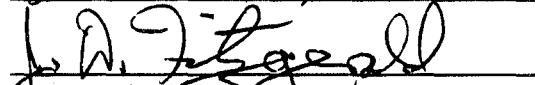



D. J. Kozak
Asst. Vice President
Labor Relations


I CONCUR














D. J. Kozak
Asst. Vice President-Labor Relations
Burlington Northern and Santa Fe Railway Company

2600 Lou Menk Drive
P. O. Box 961030
Ft. Worth, TX 76161-0030

SIDE LETTER NO. 17

Gentlemen:

This refers to the agreement providing for a formal conductor/foreman/hostler training program signed March 3, 1997.

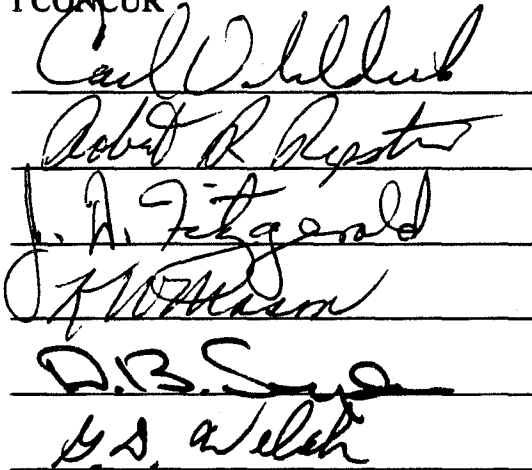
It was understood that when trainees deadhead with a trainer who is paid for the deadhead trip separate from service, and the trainer performs instruction or provides training, the trainer shall receive the premium payment provided under Section 9 of the Agreement for the deadhead trip.

Sincerely,



D. J. Kozak
Asst. Vice President
Labor Relations

I CONCUR



Carl W. Hildner
Robert R. Rypstra
J. A. Fitzgerald
J. W. Anderson
D. B. S. S. S.
G. S. Welch

MEMORANDUM OF AGREEMENT
BETWEEN THE
BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY
AND
UNITED TRANSPORTATION UNION

On October 18, and November 22, 1994, the Santa Fe Railway entered into a conductor/foreman training and promotion agreements with the three general committees of the United Transportation Union representing the Northern & Southern Divisions, the Eastern & Western Lines, and the Coast Lines.

Section 6 of these Conductor/Foreman Training Agreements will be modified, as follows:


"A trainee will establish a seniority date on the first day of compensated service in the training and promotion program (e.g. first day of orientation) in which the employee participated and successfully completed. They will be ranked by a random drawing of names which will take place during the second week of brakeman/helper training program. Upon successful completion of the training program, the employee will be added to the brakeman, yardman, and conductor seniority rosters for the seniority district to which assigned.

NOTE: For trainees who have previously established seniority in another craft with the BNSF and are merely transferring into the trainmen/yardmen craft, said individuals will be placed ahead of the rest of their class, and ranked in order of years of service in the other crafts."

This agreement will serve to modify the precise date upon which seniority is established, with such modification being retroactive to the Oct. 18, 1994 on Northern & Southern Division, Eastern & Western Lines, and November 22, 1994 on Coast Lines. This agreement shall not be binding on any party until such time as all of the general chairmen shown below accept the terms of this agreement and become party to this agreement as evidenced by their signatures.

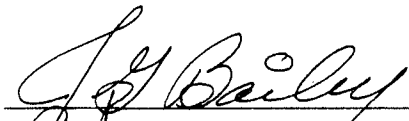
Signed this 31st day of December, 1997.

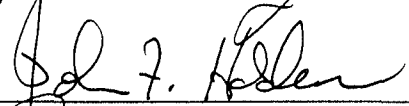
FOR BNSF RAILWAY:




Assistant Vice President - Labor Relations

FOR THE UNITED TRANSPORTATION UNION:







LETTER OF UNDERSTANDING
BETWEEN THE
BURLINGTON NORTHERN SANTA FE RAILWAY COMPANY
AND
UNITED TRANSPORTATION UNION

In 1995 on dates ranging from August 1 - December, 1995, the Burlington Northern Santa Fe Railroad entered into separate conductor/foreman/hostler training and promotion agreement with four general committees of the United Transportation Union representing the former Great Northern Yard, Chicago Burlington and Quincy, SLSF, Northern Pacific, Fort Worth and Denver, and the Joint Texas Divisions.

On March 3, 1997, the Burlington Northern Santa Fe Railroad entered into a conductor/foreman/hostler training and promotion agreement with the six general committees of the United Transportation Union representing the former Great Northern, Northern Pacific, Spokane Portland and Seattle, Chicago Burlington and Quincy, Colorado and Southern, SLSF, Fort Worth and Denver, and the Joint Texas Divisions. The 1997 conductor/foreman/hostler training and promotion agreement rendered the 1995 training agreements referred to in the above paragraph null and void.

Due to the fact the training agreements being utilized on former Santa Fe territories are not identical to those referenced above, there have been, and still are, many misapplications of seniority rankings on seniority rosters for employees on the former BN territories. In order to hopefully clear up all past and present seniority ranking disputes and give all employees a better understanding of the proper application of the training agreements on the former BN territories, the language of Section 4 of the March 3, 1997 Conductor/Foreman/Hostler Training Agreement will be modified as follows, with such modification being retroactive to the effective date of the first conductor/foreman/hostler training and promotion agreement consummated in 1995 on the four general committees of the United Transportation Union representing the former Great Northern Yard, Chicago Burlington and Quincy, SLSF, Northern Pacific, Fort Worth and Denver, and the Joint Texas Divisions and retroactive to March 3, 1997 on the Great Northern Road and Colorado and Southern Divisions:

"A trainee's seniority date will be established on the first day of orientation by any member(s) of the training and promotion class in which the employee participated and successfully completed. They will be ranked by a random drawing of names which will take place during the 3 week classroom training provided under Section 2(c). Upon successful completion of the training program, the employee will be added to the brakeman, yardman, and conductor seniority rosters for the seniority district to which assigned.

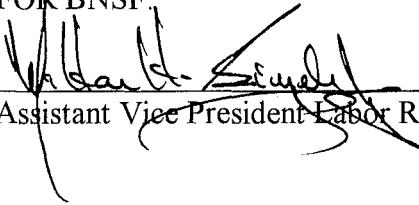
NOTE: For trainees who have previously established seniority in another craft with the BN and are merely transferring into the

trainmen/yardmen craft, said individuals will be placed ahead of the rest of their class, and ranked in order of years of service in the other crafts."

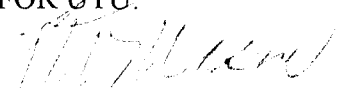
This letter of understanding shall not be binding on any party until such time as all of the general chairmen shown below accept the terms of this agreement and become party to this agreement as evidenced by their signatures.

Signed this 16th day of January, 1998

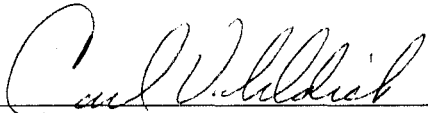
FOR BNSF:

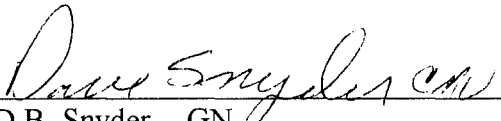

Assistant Vice President Labor Relations

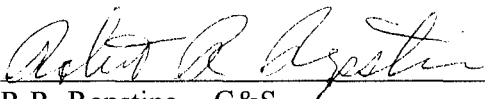
FOR UTU:

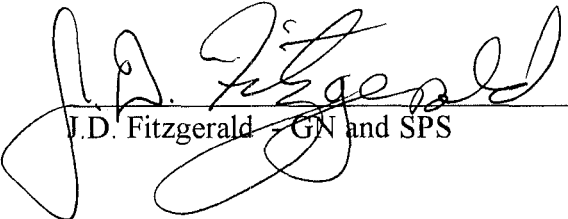

K.W. Mason - CB&Q


G.D. Welch - JTD


C.M. Vahldick - SLSF, NP, FW&D


D.B. Snyder - GN


R.R. Repstine - C&S


J.D. Fitzgerald - GN and SPS

SIDE LETTER NO. 1

January 16, 1998

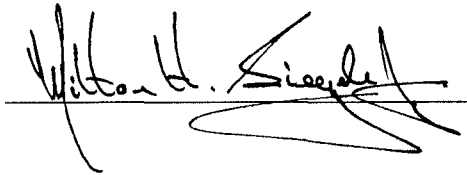
This refers Letter of Understanding signed January 16, 1998, concerning seniority ranking of employees entering conductor/foreman/hostler training.

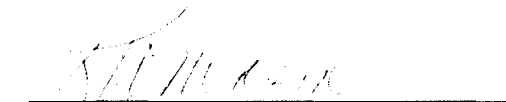
During the handling on property of this Letter of Understanding, it was recognized that one group of trainmen/conductors had inadvertently been overlooked. These trainmen/conductors are identified as those individuals who already had established seniority on property and subsequently permanently transferred to a seniority district which they did not have any previous seniority during a period of time when a new hire class was in the process of being trained and had not yet completed training and established seniority on property.

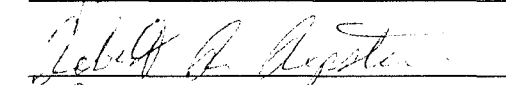
It was agreed that when such case is found to have existed, the employee(s) who executed the permanent transfer would be treated as if a member of the referenced class, and would be ranked immediately ahead of all members of said class.

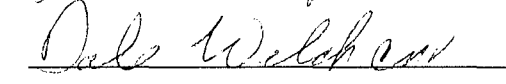
Sincerely,

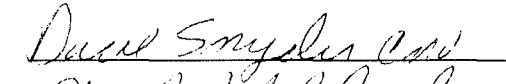
I CONCUR

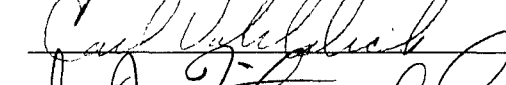


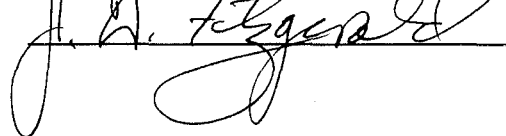












LETTER OF UNDERSTANDING

March 28, 2005

Mr. M. H. Siegele, Jr.
Assistant Vice President Labor Relations
BNSF Railway Company
P. O. Box 961030
Fort Worth, TX 76161-0030

Dear Mr. Siegele:

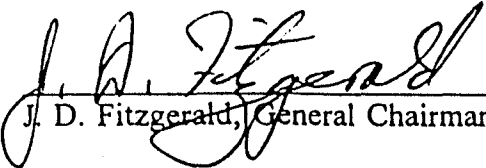
This refers to the January 16, 1998 Side Letter No. 1 attached to the former BN Conductor Training Agreement.

Due to the continuing problems and disputes that have arisen concerning the ranking of transferred Conductors in relation to ongoing Conductor Training Classes on former BN properties and the discrepancies between this arrangement under Side Letter No. 1 as opposed to the current agreements on former Santa Fe properties, all parties have agreed that a modification of Side Letter No. 1 is necessary for the sake of consistency and fairness.

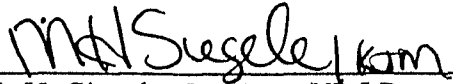
Therefore, effective immediately promoted Conductors who transfer to a seniority district where they do not have any previous seniority will establish a seniority date on their first date of compensated service, irrespective of any Conductor Training Classes which are in progress on that new seniority district.

Sincerely,

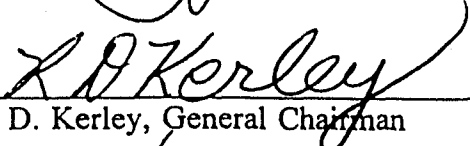
I CONCUR:



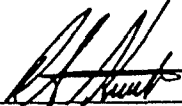
J. D. Fitzgerald, General Chairman



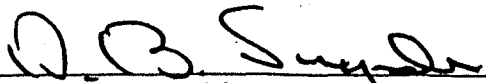
M. H. Siegele, Jr., Asst. VP-LR




R. D. Kerley, General Chairman



R. S. Knutson, General Chairman



D. B. Snyder, General Chairman



G. D. Welch, General Chairman