

**MEMORANDUM OF
AGREEMENT BETWEEN
BNSF
RAILWAY
AND
SMART – TRANSPORTATION DIVISION**

The purpose of this agreement between BNSF and SMART – TD is to standardize the movement and handling of the off-in-force-reduction (OIFR)/furlough process as well as the process of recalling employees to active service.

On a pilot basis, the following will apply:

1. DEFINITIONS

1.1 For purpose of this agreement, the following terms are defined:

- a. **Assignment**: A position in assigned or unassigned road service, yard service, and on an extra board.
- b. **Trainman**: A conductor, brakeman, or yardman.
- c. **Furlough Location**: The location where an employee is placed in furlough status.
- d. **Voluntary Furlough Status**: An employee who can hold an assignment at their furlough location, or at other locations, but chooses to remain OIFR at the location they are currently furloughed.
- e. **Involuntary Furlough Status**: An employee whose seniority does not allow them to hold an assignment at any location.

2. BEING PLACED IN OIFR/FURLOUGH STATUS

2.1 Trainmen who are unable to hold an assignment at their assignment location (including outside assignments protected by that location), may:

- a. Use their seniority to displace to another location within the 48-hour displacement period.
- b. If a trainman becomes unable to hold an assignment at their current location, they will be placed in involuntarily furlough status immediately following the 48-hour displacement period.

- c. When placed in furlough status, trainmen will have the ability to designate the location at which they wish to be showing OIFR/Furlough. This designation must be made within seven (7) days of being placed in furlough status and cannot later be changed. If a location has multiple furlough boards (i.e., Kansas City or Houston), the trainman must designate the exact board on which they wish to be placed.

Note 1: Trainmen must have seniority at any terminal they designate as their furlough location. In other words, a trainman at Minot, ND ("03" seniority) could not designate Los Angeles, CA ("NH99" seniority) as their furlough location since they do not have seniority at Los Angeles, CA.

Note 2: Trainmen cannot designate a location for OIFR/Furlough status if they are able to hold a position at that location at the time of the request.

3. RECALL FROM OIFR/FURLOUGH STATUS

Employees will have three options available in order to be returned to active status:

3.1 Self-Recall:

- 3.1.1** When an assignment becomes open at any location at which the trainman has seniority; or if a junior employee is working at any location at which the trainman has seniority, a trainman can submit a request to be placed to that assignment. Until such time as this process can be automated, this request will need to be placed via phone call to the Crew Support Center.

Once the request for Self-Recall is accepted, the trainman will be placed on the assignment and then immediately be moved to the training board for any necessary Return to Service (RTS) items (i.e., certification; medical) or familiarization/qualification trips. The trainman must report for service on that assignment no later than the end of the 5th calendar day following notification of their accepted Self-Recall. This time frame includes travel time.

Example: A trainman in OIFR/Furlough status at Galesburg, IL submits a request for Self-Recall to be placed on an assignment at Bakersfield, CA. That request is accepted on May 1st. The trainman must report for service in Bakersfield, CA by no later than 2359 on May 6th.

- 3.1.2** Once the trainman has reported for service at the new location, they must contact the local supervisor and complete any required RTS items and/or familiarization/qualification trips prior to working their new assignment. The trainman being displaced by this process will continue to hold the assignment in question until such time as the displacing trainman is fully qualified.

3.2 Voluntary Recall to Active Service:

3.2.1 Trainmen in OIFR/Furlough Status who wish to return to service as quickly as possible can indicate such by electing "Y" in their Furlough/Recall Options Screen in TYE Mobility or TSS. These trainmen will be the first to be recalled to service at their furlough location, and will be recalled in seniority order from within the group of employees who have indicated Voluntary Recall to Active Service.

Once recalled to service, the trainmen will be placed to an open assignment and then immediately be moved to the training board for any necessary Return to Service (RTS) items (i.e., certification; medical) or familiarization/qualification trips. Trainmen who elect Voluntary Recall to Active Service must report for service on that assignment no later than the end of the 15th calendar day following notification of recall. This time frame includes travel time.

3.2.2 Once the trainman has reported for service at the new location, they must contact the local supervisor and complete any required RTS items and/or familiarization/qualification trips prior to working their new assignment prior to working their new assignment.

3.2.3 Any trainman electing Voluntary Recall to Active Service who fails to report for service with fifteen (15) days will forfeit their seniority.

3.3 Mandatory Recall to Active Service:

3.3.1 Trainmen in OIFR/Furlough Status who wish to remain in furlough status can indicate such by electing "N" in their Furlough/Recall Options Screen in TYE Mobility or TSS. These trainmen will not be recalled to active service until such time as there are no employees desiring Voluntary Recall to Active Service (as indicated in Section 3.2 above). Once recalled, these employees will have thirty (30) days to report for service.

Once recalled to service, the trainmen will be placed to an open assignment and then immediately be moved to the training board. Trainmen who elect Mandatory Recall to Active Service must report for service on that assignment no later than the end of the 30th calendar day following notification of recall. This time frame includes travel time.

3.3.2 Once the trainman has reported for service at the new location, they must contact the local supervisor and complete any required RTS items and/or familiarization/qualification trips prior to working their new assignment prior to working their new assignment.

3.3.3 Any trainman electing Mandatory Recall to Active Service who fails to report for service with thirty (30) days will forfeit their seniority.

3.4 Notification of Recall to Service:


Formal notification of recall will be the date the notice of recall is received, or first attempted delivery of notification. BNSF retains the right to choose the method of mail, but must be able to produce tracking records upon request from the Organization.

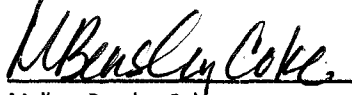
3.5 Savings Clause

All pre-existing agreements that conflict with the terms of this agreement are superseded to the extent of the conflict. All pre-existing agreements that do not conflict with the terms of this agreement remain in effect.

This Agreement will become effective on September 13, 2016 and remain in effect for a minimum of 120 days.

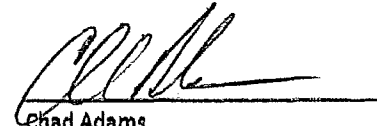
For BNSF Railway:


Milton H. Siegel, Jr.
AVP BNSF Labor Relations



Melissa Beasley Coke
General Director BNSF Labor Relations

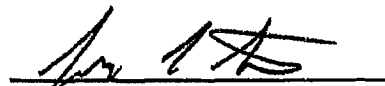
For SMART-TD:

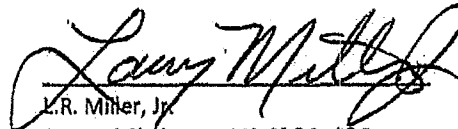

Danny Young
General Chairman ATSF Coastlines


Chad Adams
General Chairman ATSF NS


Joe Lopez
General Chairman ATSF EW


T.R. McAdams
General Chairman JTD


J.M. LaPresta
General Chairman CBO, SLSF, FWD, NP,
GNY


L.R. Miller, Jr.
General Chairman GN, SP&S, C&S

Side Letter #1

For the initial 30 days of this pilot agreement, any TYE employee who is currently in OIFR/Furlough status may elect to change their OIFR/Furlough location by accessing their Furlough/Recall Options via TYE Mobility or the CCTM menu in TSS.

Agreed to Q&A's

Q.1. Can a senior furloughed employee elect to remain in furloughed status?

A.1. Yes, so long as there are junior furloughed employees who have elected to turn their "Voluntary Recall" flag to "Y". (Section 3.2 above)

Q.2. If an employee chooses to change their flag to "Y" under Section 3.2 above to indicate their desire for "Voluntary Recall", when does that change become effective?

A.2. Immediately. Once the employee's flag is switched to "Y", they will immediately be eligible for "Voluntary Recall."

Q.3. What will be the default recall setting for employees in their Furlough/Recall Options?

A.3. By default, all employees' recall setting will be "N" (indicating only mandatory recall). However, an employee may change this setting to "Y" (indicating voluntary recall) at any time and it will be immediately effective.

Q.4. If the senior furloughed employee wishes to return to active work status at a later time, may they do so?

A.4. Yes, the senior furloughed employee can submit their "Self-Recall" request as discussed in Section 3.1 above.

Q.5. Does a vacancy have to be present for an employee to request "Self-Recall"?

A.5. No. So long as there is a junior employee in active service at the desired location, a senior furloughed employee can elect to "Self-Recall" to that location.

Q.6. Where would employees being recalled to service under Section 3.2 or 3.3 above be placed?

A.6. Employees being recalled to service would be placed to the extra board at the terminal they are being recalled to.

Q.7. Will BNSF be required to bulletin the XBD positions added to accommodate the recalled employees?

A.7. No. This answer applies only to positions added under these circumstances. CBA handling will still apply to all other situations.

Q.8. Will employees in the RTS process be allowed to bid on other bulletined assignments?

A.8. Yes, employees in RTS process will have the right to bid on bulletined assignments, however, they would not be released to that assignment until after the completion of their RTS process.

Q.9. If an employee in RTS is the successful bidder on an assignment, but gets displaced from that assignment prior to the completion of the RTS process, how will they be handled once they are released to service?

A.9. Any employee displaced during the RTS process would have displacement rights for 48 hours once the RTS process is completed.

Q.10. In section 3.1.2, it states “The trainman being displaced by this process will continue to hold the assignment in question until such time as the displacing trainman is fully qualified.” Can the original owner, can he still be bumped by a senior employee?

A.10. Yes.

Q.11. The agreement states that it will “remain in effect for a minimum of 120 days.” What happens at the end of 120 days?

A.11. At the end of 120 days, the Parties will endeavor to reach a permanent agreement. If, at the end of 120 days that has not been accomplished, the Parties can agree to continue the pilot until a permanent agreement can be reached; or any of the Parties can serve 15 days’ notice on the other Party to cancel the pilot agreement.