

BNSF

MILTON H. SIEGELE, JR.,
Asst. Vice President - Labor Relations

Burlington Northern Santa Fe

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December 3, 2003

Dear UTU General Chairmen:

As we discussed with you over the last couple months, BNSF will modify the locomotive engineer training program beginning on January 1, 2004. We are very excited about our new competency-based program that should produce an even better qualified locomotive engineer than we produce today. As we get closer to the transition date, we have identified a few more tweaks that will be necessary to match up with the new, improved format. Following is a brief summary of these tweaks.

Under the existing training program, the second examination must be taken no earlier than thirty (30) days and not more than ninety (90) days following failure of the first examination. The second examination must be held at the same point as the first examination if practicable. Since the 1st attempt at final written exam will be given at the end of the 6th week of new competency-based program, we will have to interrupt the locomotive engineer candidate's on the job training (OJT). This just doesn't make sense because a locomotive engineer candidate could easily lose three or four days of valuable OJT.

On the former Santa Fe Eastern and Western Lines and former Santa Fe Coast Lines, locomotive engineer candidates are not allowed to remain in "paid" student status during this period. For them to receive compensation, they must exercise seniority to a ground position. To address these flaws, we intend to take the following approach with the new competency-based program:

The second examination must be taken no earlier than Monday and not later than Friday of the 21st week after the beginning date of the respective class. The second examination will be held at the same location as the first examination if practicable or unless otherwise mutually agreed upon.

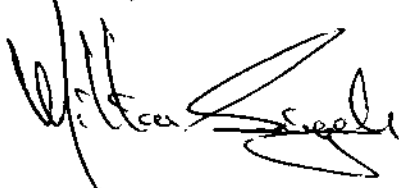
A second issue involves the skill performance evaluation. The current, time-based training program for locomotive engineer candidates, requires a passing evaluation score of 70% composite of four simulated runs. This will not be a requirement in the new, improved competency-based program. Instead, the respective Division Supervisor of Locomotive Engineers (DSLE) or the Road Foreman of Engines (RFE) will accomplish the final skill performance evaluation at a trainee's district territory location with an on-board train ride. The previous requirement for a 2nd attempt if the trainee failed his/her first simulator evaluation was the same as a written failure. It allowed for a 2nd attempt to be given no sooner than 30 days or longer than 90. The new competency-based program will require the 1st attempt by an on-board train ride to occur during the 20th week if practicable. Since we will not be utilizing a passing simulator score as part of successful criteria for passing, we will adopt the following approach:

An engine service trainee will be given an on-board skill performance evaluation by his/her respective DSLE or RFE during the 20th week of OJT if practicable. If the trainee fails the first attempt, he/she will remain in OJT and be given a second attempt no earlier than 30 days and not more than 90 days from the date of the first failure.

An engine service trainee's failure to pass written or skill performance examinations on the second attempt will result in the trainee's failure and termination from the training program.

Again, we are extremely excited about our new competency-based training program for locomotive engineer candidates. We greatly appreciate the significant input you have provided already, and we look forward to your on-going input as we move forward. As you have ideas about how to further improve our training program for locomotive engineer candidates, please feel free to contact John Quilty (817-352-1589) or Ron Toliver (913-319-3960).

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Stengem". The signature is stylized with a large, sweeping initial "G" and a long, horizontal flourish extending to the right.

Cc: Greg Stengem
John Quilty
Ron Toliver
Wendell Bell
Randy Luther
Gene Shire
Marka Hughes
George Smallwood
Roger Boldra
Rob Karov

FIREMAN TRAINING AGREEMENT

As Amended 11-20-93

A.T. & S.F. RAILWAY

WESTERN REGION (FORMER COAST LINES).

**UNITED TRANSPORTATION UNION
ENGINEMEN'S COMMITTEE**

**C.D. DAVIS
GENERAL CHAIRMAN**

**F.O. WADE
SENIOR VICE CHAIRMAN**

**J.R. ENGLAND
SECRETARY OF THE COMMITTEE**

This Training, Promotion and Seniority Agreement is entered into between The Atchison, Topeka and Santa Fe Railway Company and its Engine Service employees represented by the General Committee of Adjustment of the United Transportation Union (Enginemen).

I. Training and Promotion

The purpose of this Agreement is to modify and amend the formal program for the training and qualifying of locomotive engineers, which is in effect between the Carrier and the UTU(E) and to meet the immediate and continuing needs of the Carrier. The United Transportation Union (Enginemen's Committee) will cooperate in this program.

- A. A fireman ("engineer service trainee") shall be any person selected by the Carrier for the purpose of training to be a qualified locomotive engineer under existing collective bargaining agreements. Any employee who has entered or enters the engine service training program after October 31, 1985 will establish a fireman seniority date, strictly for purposes of an orderly transition to the craft of locomotive engineer. The use of this seniority date is strictly limited by and subject to the conditions set forth in Article XIII of the October 31, 1985 UTU National Agreement. Thus, employees who entered or enter engine service after October 31, 1985, shall have no right to work as firemen or to hold firemen's positions.
- B. Recruitment, selection, employment, and training will be without regard to race, creed, color, religion, national origin, age, sex, or handicap.
- C. Selection of engine service candidates will be made by the Carrier subject to the Carrier's legal obligations.
- D. Training Program
 1. The training program shall consist of classroom instruction and on-the-job training as determined by the Carrier. As necessary, classrooms, books, materials and instructions shall be furnished by the Carrier.
 2. Examinations will be prepared and administered by the Carrier.
 3. The training program and any intended substantial changes therein shall be reviewed from time to time by the designated carrier representative and the UTU(E) General Chairmen.
 4. The UTU(E) General Chairmen shall be furnished the name, address, and date placed in training of each engine

service trainee entering the training program, and upon a completion of the program, the UTU(E) General Chairmen will be furnished confirmation of promotion.

5. An engine service trainee, who after starting the training program is unable to continue the training due to illness which has been verified by a physician or approved leave of absence will not be regarded as having failed provided that upon return the candidate immediately reenters the training program. The decision as to whether the employee must start the program from the beginning or at another point in the training will be made by the designated carrier representative. The UTU(E) General Chairman will be advised of this decision.
6. Adequate records of engine service trainees' on-the-job and classroom training progress shall be maintained by the Carrier and reviewed with the UTU(E) General Chairmen on their request.

E. Expenses

1. If not otherwise provided for by the Carrier, engine service trainees will be reimbursed for reasonable and necessary travel, lodging and meal expenses incurred while they are engaged in orientation and classroom training prior to establishing engineer seniority, as follows:
 - a. Lodging
 - (1) Trainees will be eligible for lodging provided the home point of a new hire or regular employee's assignment and the point where the employee's residence is maintained each exceed a thirty (30) mile radius from the location where the training program is conducted.
 - (2) If the employee's residence or regular assignment is not outside the 30 mile radius, the Carrier still may provide lodging if in the opinion of the instructor the trainee would benefit scholastically. In that case, the Carrier will provide a meal allowance under section Eb(1) of this Agreement as well as lodging.
 - b. Meals
 - (1) A trainee provided lodging will be allowed \$18.00 per day meal allowance for each day in attendance in the classroom and simulator

portions of the training program unless lunch is provided by the Carrier. If lunch is provided, the meal allowance will be \$12.00 per day.

- (2) A trainee not provided lodging will be entitled to a meal allowance of \$6.00 per day for each day in attendance in the classroom and simulator portions of the training program unless lunch is provided by the Carrier.
- (3) Meal allowances are subject to future general wage increases.

c. Travel

- (1) A trainee provided lodging will be allowed the same rate per mile generally allowed other employees, calculated by the most direct route to and from the home point of the new hire or regular employee's assignment or extra board location to the location where the training program is conducted.
- (2) Trainees undergoing on-the-job training shall receive travel expenses, lodging accommodations or allowance in lieu thereof and meal allowance as provided under the applicable UTU(E) agreement.

F. Compensation

1. Employees entering operating craft service after October 31, 1985 will be compensated as follows:
 - a. For each week of training the employee will be paid a weekly rate of \$680.00 which will be subject to future wage increases. This payment shall cover all time consumed in the training program. To receive the full rate, the engine service trainee must be available a full seven (7) days per week. An engine service trainee may not be absent without permission from the designated local supervisor or classroom instructor. One seventh of the weekly training rate will be deducted for each day in the calendar week an engine service trainee is not available, provided that no deduction will be made for days on which training is not scheduled.
 - b. Engine service trainees in the training program will receive the benefits under the applicable Health and Welfare Program(s) as may be in effect

and under National Vacation Agreements currently in effect.

2. Employees who entered operating craft service prior to October 31, 1985 will be compensated as follows:
 - a. For each week of training the employee will be paid a weekly amount equal to 90 percent of the employee's regular average weekly earnings in the previous six months (excluding penalty payments, and any extraordinary payments such as signing bonuses, lump sums, and moving/real estate lump sums), but not less than \$800 per week. One seventh of the weekly training rate will be deducted for each day in the calendar week an engine service trainee is not available of his/her own volition, provided that no deduction will be made for days on which training is not scheduled.
3. Employees who enter engine service training who have vacation scheduled during the training program will be allowed to reschedule their vacations, if possible, following the training program. If there is insufficient time remaining in the year for vacation or if the demands of service require the employee to work, the employee will be paid for ungranted vacation.

G. Completion of the Training Program

1. An engine service trainee's failure to pass any of the initial examinations will result in the trainee's failure and termination from the training program.
2. If an engine service trainee fails either one or both of the required final examinations the employee will be given a second opportunity to pass the final examination(s).
 - a) The second examination must be taken no earlier than thirty (30) days and not more than ninety (90) days following failure of the first examination. The second examination will be held at the same point as the first examination if practicable or unless otherwise mutually agreed upon.
 - b) While waiting to make the second attempt at passing, the engine service trainee will not be compensated or allowed any expenses as an engine service trainee under this Agreement, but will be permitted to sit in on any classroom instructions given to other engine service trainees.

- c) While waiting for and taking the second examination, an engine service trainee may exercise seniority (if retained), in the trainee's prior craft.
 - d) An engine service trainee's failure to pass either of the final examinations on the second attempt will result in the trainee's failure and termination from the training program.
- 4. Upon successful completion of the final examinations, the engine service trainee will return to the home territory and at the discretion of the Carrier continue on-the-job training prior to making the home district territory qualification trip. If the employee is unable to qualify, the employee will be terminated from the engine service training program.
 - 5. Upon such certification, the Carrier shall supply the UTU(E) General Chairman with the names of the engine service trainees so certified and the date of the certification.

H. Establishment of Seniority

- 1. An engine service trainee who successfully passes both final examinations on the first attempt will be assigned a graduation date by the Training Center. This date will be the Saturday following the week in which the exams are passed. Provided that the employee successfully completes district territory qualification, this will be the employee's locomotive engineer seniority date.
- 2. An engine service trainee who fails to pass the final examination(s) on the first attempt and pass on the second attempt will be assigned a graduation date by the Training Center in relative seniority order among those making the second attempt and below all engine service trainees in the same class who passed both final examinations on the first attempt.
- 3. Employees who are certified locomotive engineers at the time they are employed and are subsequently promoted ahead of engine service trainee(s) their senior, will be considered to have established seniority dates as engineers below all senior engine service trainees who are in training at the time and subsequently pass promotion on the first or second attempt.

II. Exclusive Representation

The United Transportation Union (Enginemen's Committee) is and shall be recognized as the exclusive collective bargaining representative for employees in connection with the negotiation, interpretation, or administration of any agreement governing the engine service employee training program. This Agreement supersedes existing agreements relating to the training, qualifying and promotion of firemen represented by the UTU(E) only to the extent set forth herein.

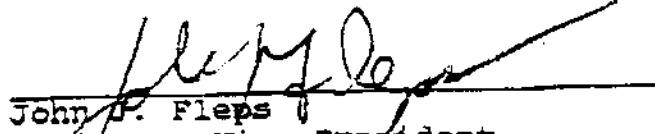
DATED this 20th day of November, 1993, at Schaumburg, Illinois.

For the General Committee
of Adjustment:

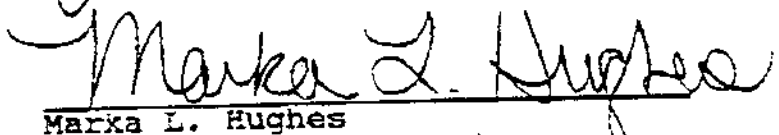


C. D. Davis
General Chairman
United Transportation Union (E)

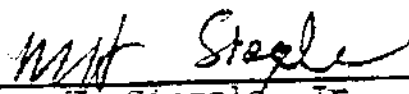
For the Carrier:



John D. Fleps
Assistant Vice President
Labor Relations



Marka L. Hughes
Manager - Labor Relations



Milton E. Siegel, Jr.
Manager - Labor Relations

Questions and Answers

1. Q. Is the seniority of fireman employed prior to October 31, 1985 affected by this agreement?
A. NO

2. Q. Does Section I(A) of this agreement change any portions of the UTU October 31, 1985 National Agreement, Article XIII, Section 3(1)?
A. NO

3. Q. Under Section I(F)(3) of the November 20, 1993 agreement, would a trainee be paid ungranted vacation earnings for vacation not taken in addition to other earnings?
A. YES

4. Q. When a trainee is in training at the time annual vacations for the following year are being scheduled, under what craft will the trainee be scheduled for a vacation?
A. The trainee will be scheduled in the last craft worked prior to commencing engine service training.

November 22, 1993

Mr. C. D. Davis, General Chairman
United Transportation Union(E)
1866 Wilson Avenue
Upland, California 91786

Dear Sir:

This confirms our understanding in connection with the Training, Promotion and Seniority Agreement between the parties dated November 20, 1993.

As we discussed, if a trainee in on-the-job training consistently works seven days per week, the trainee will be allowed to lay off without a deduction in pay. This to be accomplished by the trainee's general chairman contacting Labor Relations. Layoffs will not exceed one day per week or two days per half month.

Yours truly,



John J. Fleps
Assistant Vice President
Labor Relations

22\03

November 22, 1993

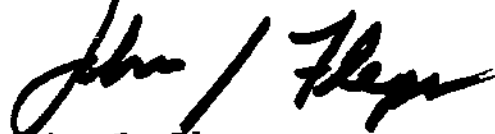
Mr. C. D. Davis, General Chairman
United Transportation Union(E)
1866 Wilson Avenue
Upland, California 91786

Dear Sir:

This confirms our understanding in connection with the Training, Promotion and Seniority Agreement between the parties dated November 20, 1993.

As we discussed, with the implementation of the agreement, we will adjust retroactively the seniority of Valley Division Engineer W. H. Trescott to conform with this agreement.

Yours truly,



John J. Fleps
Assistant Vice President
Labor Relations

22\03



The Atchison, Topeka and Santa Fe Railway Company



1700 East Golf Road
Schaumburg, Illinois 60173-5860

December 14, 1993
42-2200-60


Mr. C. D. Davis
General Chairman
United Transportation Union (E)
1866 Wilson Avenue
Upland, CA 91786

Dear Sir:

If the following accurately reflects what we agreed to in our discussions in connection with the UTU (E) Training, Promotion and Seniority Agreement between the parties dated November 20, 1993, please signify by signing below and returning to me:

Engine service trainees will be entitled to meals en route allowances as they apply to pre-November 1, 1985 locomotive engineers when participating in on-the-job training as a locomotive engineer. In order to be paid a meals en route allowance when one is due, an engine service trainee must claim the appropriate code, Code 09 or Code 41, as applicable on the regular working ticket.

Very truly yours,


John J. Fleps
Assistant Vice President
Labor Relations

ACCEPTED:


General Chairman, UTU (E)

MEMORANDUM OF AGREEMENT
between
THE BURLINGTON NORTHERN AND SANTA FE RAILWAY CO.
and the
UNITED TRANSPORTATION UNION
(COAST LINES)

1. The purpose of this agreement is to provide a uniform selection method for promotion of trainmen/yardmen to the Locomotive Engineer Training Program ("LETP").

2. This Agreement covers such selection in territory of the BN and Santa Fe where seniority has been topped and bottomed pursuant to the BNSF Merger Implementing Agreements and the parties' other recent agreements consolidating seniority.

3. This Agreement is necessitated by the fact that the former BN and former Santa Fe each have had different methods of selection for LETP classes, which would, if carried forward, present increasing difficulties of proper selection, potential run-arounds, forcing people into engineer slots hundreds or thousands of miles from home and so on.

IT IS AGREED:

Article 1 - Voluntary Bidding

A. Voluntary bidding will be the primary vehicle for filling vacancies in LETP classes.

B. Selection among bidders will be made in the following order:

1. Trainmen/yardmen, in seniority order, from the prior rights district seniority roster(s) where the LETP class position arises (for example, former Valley Division).

2. Trainmen/yardmen, in seniority order, from the expanded seniority district(s) where the LETP class position arises (for example, Coast Lines Grand Seniority District).

3. Trainmen/yardmen, in seniority order, on the expanded district roster created by Agreement dated February 26, 1997, that combined the Grand Seniority Districts on the former Santa Fe property.

4. Trainmen/yardmen, in seniority order, who have secured dates on the expanded district roster after September 22, 1995.

Article 2 - Force Assignment

A. 1. If a sufficient number of trainmen/yardmen do not make application for engine service to meet the carrier's needs, such needs will be met by requiring trainmen/yardmen, who established seniority on or after November 1, 1985 (based on their hire-out date in the ground service crafts on either the former BN or the former Santa Fe) to take engine service assignments (and successfully complete engineer training).

2. For example, a former BN conductor has a seniority date of October 31, 1985 on the BN, but has a September 22, 1995 date on the Santa Fe by virtue of topping and bottoming the seniority rosters. This employee could not be forced to take engine service assignments even if he has exercised his acquired seniority to work on former Santa Fe territory. Wherever this employee is working, he is considered to be a pre-November 1, 1985 employee.

B. Force assignment selections will be made by assigning trainmen/yardmen who established seniority on or after November 1, 1985 (based on their hire-out date in the ground service crafts on either the former BN or the former Santa Fe), in reverse seniority order, working in the prior rights district(s) where the LETP class position arises, except an employee who has transferred for the sole purpose of continuing to work and not be furloughed on the prior seniority district will not be required to accept locomotive engineer training on the new seniority district provided that the employee has a request in to return to his prior seniority district when seniority permits. (It is understood that this exception will only apply to employees who would have otherwise been furloughed and not to

employees who, under nonfrivolous circumstances, exercise their expanded seniority. It is also understood that an employee who has transferred under these circumstances may choose to enter the LERP at the new location.)

Article 3

This agreement shall be immediately effective upon its full execution, and may thereafter be changed by consent of all signatory parties (or their successors or designees) or in accord with the mechanism set forth in Section 6 (and related Sections) of the Railway Labor Act, dealing with the handling of "major disputes."

Signed and accepted at Fort Worth, TX this 1ST day of December 1998

for UNITED TRANSPORTATION UNION for THE BURLINGTON NORTHERN AND SANTA FE RAILWAY CO.

L. F. Holden 11-23-98
General Chairman UTC

M. Howard Spake 10/25
Assistant Vice President - Labor Relations

[Signature]
General Director - Labor Relations

BNSF



GENE L. SHIRES
General Director Labor Relations

Burlington Northern Santa Fe

2600 Lou Menk Drive
P.O. Box 961030
Fort Worth, Texas 76161-0030
(817) 352-1076

Mr. J.F. Holden
General Chairman UTU
Suite 112
2110 East First Street
Santa Ana, CA. 92705

November 12, 1998

Dear Mr. Holden,

This is in response to our conversation earlier this week concerning my interpretation of the term "reverse seniority order."

Traditionally and historically, we have handled employees that you represent in "seniority order." That is to say, for example, the "senior" applicant for a job, for a vacation period, etc., would be selected. Therefore, "seniority order" means that the senior employee goes first, the next senior next and so forth. In my estimation, then, "reverse seniority order" means the reverse of seniority order. For example, in seniority order, the senior applicant is chosen, in reverse seniority order, the junior employee is chosen.

This seems to be a fairly basic tenant in labor relations. I have to wonder why anyone would question it or take an opposite position.

Sincerely,