

MEMORANDUM OF AGREEMENT
Between The
BNSF RAILWAY COMPANY
And The
SMART-TRANSPORTATION DIVISION

The following will apply to double-ended pool operating between Fresno, CA and Richmond, CA.

- 1) At each terminal a crew board having an "active" and "inactive" list will be maintained in the manner described below:
 - A. The "active" list at each terminal will be the list from which crews will be called, in turn, to work or deadhead to the other terminal (except as provided in Section 1.J and 1.K. below).
 - B. The "inactive" list will be a list of crews who are at their home terminal and have not been advanced to the "active" list pursuant to the provisions of Section 1.F.
 - C. Each pool crew arriving at their home terminal will be placed at the bottom of the inactive list except when entitled to restoration of turn.
 - D. Each crew arriving at their "away-from-home" terminal will be placed at the bottom of the active list except when entitled to restoration of turn.
 - E. Each active list will have a "quota" which will be established in the following manner: Initially the designated BNSF Officer and the Local Chairmen (or their designee) will coordinate to specify the number of crews which should normally be on the active list.

Note: This quota will include only the number of crews that should be on the active list at any given time and shall not include crews on line-of-road or crews at the away-from-home terminal.

- F. Once the active count for a specific home terminal is below the designated "quota", a home terminal crew on the inactive list will be moved to the bottom of the active list.

EXAMPLE 1:

At Terminal "A", there are twenty crews assigned. The number of crews designated for the "active" list (the quota) is five. There five crews with Home Terminal "A" on the primary list.

Once a home-terminal crew is called on duty, the first out pool crew on the "inactive" list would be immediately moved to the bottom of the "active" list since if this were not

done, there would be only 4 home terminal crews in "active" status which would not fulfill the quota.

EXAMPLE 2:

The same scenario as Example 1 except the quota has been reduced from five to four. In this case, in order to achieve the new quota of four, a home terminal crew is not moved from the "inactive" list to the "active" list when a home-terminal crew is called.

EXAMPLE 3:

The same scenario as Example 1 except the quota has been increased from five to six. In this case, in order to achieve the new quota of six, a home-terminal crew is immediately moved from the "inactive" list to the "active" list without waiting for a home-terminal crew to be called.

G. Except as otherwise provided in this agreement, ID pool crews will be called first-in, first-out, from the active list maintained at each terminal, provided that the first-out crew has had full rest under the Hours of Service Act. If possible and when no other trains would be delayed thereby, the first-out crew's call may be held up for as long as thirty minutes so that they may obtain full rest and depart in proper standing. If the first-out crew does not have full rest, the next following crew that is fully rested will be used. If there are no rested crews available on the active list, then the first-out rested crew on the inactive list will be called. Should there be no crews on either the active or inactive lists who are fully rested, then an extra board crew may be called at the home terminal to operate for one round trip under the provisions of this agreement.

H. The designated BNSF Officer and Local Chairmen (or their designees) will review the starts attributable to each terminal on a weekly basis and make arrangements for equalization.

NOTE: It is understood that these reviews and adjustments may, by necessity need to occur more often than once per week.

I. The maximum number of crews (i.e., "quota") that will be on the active lists at both Terminals will be initially determined and later changed (from time to time as service requirements and crew availability changes) by the Superintendent or designated BNSF officer, after conferring with the designated SMART-TD Local Chairpersons (or their designees), with immediate notification being given to the involved SMART-TD Local Chairmen. This quota may be different at each terminal.

J. Crews may be called to deadhead "out of turn" from the away-from-home terminal, at any time after arrival, regardless of their standing in relation to home terminal crews and the normal pool rotation, except that crews must be called first-in/first-out in relation to other ID pool crews with the same home terminal.

K. Crews may be called to deadhead out of the home terminal "out of turn", regardless of their standing in relation to away-from-home terminal crews and the normal pool rotation,

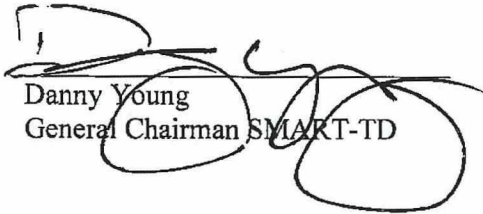
except that crews must be called first-in/first-out in relation to other ID pool crews with the same home terminal.

This "Pull Pull" equity management arrangement, along with the ability to deadhead home terminal and away-from-home terminal crews out of turn, provides BNSF a level of flexibility that the original rotation did not. The ability to fine tune the frequency of home and away from home starts by adjusting the quota is a tool that was also not available under the old method and a higher level of predictability of work scheduled is expected. It is also expected that properly adjusted quotas should result in the use of crews from the inactive board being the exception (emergency) rather than the rule. Should this or any other problem arise, the parties agree to promptly meet to resolve those problems.

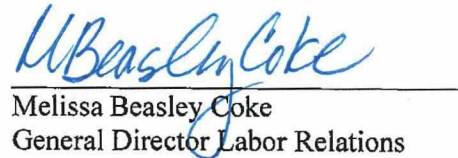
This trial agreement will become effective on July 10, 2017 and will run until July 31, 2017 unless mutually extended by agreement of the Parties.

For SMART-TD:

For BNSF Railway:



Danny Young
General Chairman SMART-TD



Melissa Beasley Coke
General Director Labor Relations