

MEMOERANDUM OF AGREEMENT

between

BNSF Railway

and the

SMART TD

BNSF may establish interdivisional service between Phoenix, AZ., and Winslow, AZ., through Ash Fork, AZ., as set forth below:

1. A pool of conductors may be established and maintained at Phoenix, AZ, pursuant to current schedule rules, sufficient to man the service between the terminals of Phoenix and Winslow, AZ.
 - 1.1. For the purpose of this agreement, Phoenix, AZ is the home terminal and Winslow, AZ is the away-from-home terminal.
 - 1.2. Crews in interdivisional service will not be required to perform non-interdivisional service.
2. The Parties agree that the current FIFO pool rotation is agreed to (i.e., marked to the bottom of the board upon markup from layoff). This is without prejudice to either Party's position on this matter:
 - 2.1. Extra service (e.g., build up turns or temporary vacancy created by layoff) at the home terminal shall be filled from the Phoenix extra board.
 - 2.2. In the absence of an extra board employee to fill a vacancy in the pool the job may be offered to the senior available conductor who is not on the "No Call" list.
3. Except in cases of emergency, employees in this service shall only lay-off and report for service at the home terminal only.
 - 3.1. Temporary vacancies at the away-from-home terminal shall not be filled. The vacancy shall attach to the turn immediately ahead thereof and assume normal rotation at Phoenix.
4. All miles run in excess of the miles encompassed in the basic day shall be paid for at the current conductor-only overmile rate. Car scale and weight-

on-drivers additives will apply to mileage rates calculated in accordance with this provision.

5. At the initial and/or final terminal, when a crew is required to report for duty or is relieved from duty at a point other than the on and off duty points fixed for the service established hereunder, BNSF shall authorize and provide suitable transportation for the crew. Suitable transportation includes BNSF owned or provided passenger carrying motor vehicles or taxi, but excludes other forms of public transportation.
6. Conductors in this service shall be allowed a meal allowance, at the rate currently provided under National Agreements, after four hours at the away from home terminal and another allowance after being held an additional eight hours.
7. Conductors in this service shall receive the existing meal allowance applicable to interdivisional service.
8. Conductors in this service shall be permitted to advance their vacation period to coincide with the start of layover days.
9. In connection with relieving pool freight crews in this service tied up under the Hours of Service Law, the following will prevail when it is necessary to call a road crew out of the terminal:
 - 9.1.1. This ID pool and extra board may be used to provide hours of service relief for trains in this pool.
10. Winslow trainmen may also be used for service between Winslow and Drake (Phoenix Subdivision).
11. Trading trains: ID crews will not be required to trade trains in opposite directions, or trade trains with crews in the Needles – Winslow ID pool.
12. Held away from home terminal pay: Crews in interdivisional pool freight service held at their away-from-home terminal will be paid continuous time for all time held after expiration of sixteen hours from the time relieved from previous duty exclusive of any time resulting from any member of the crew calling for rest, at the rate paid for last service, until called for service or ordered to deadhead, in which case HAFHT time shall cease at the time pay begins for such service.

13. Relocation

13.1. Relocation benefits applicable to employees shall be as follows:

In lieu of the benefits provided by Article IX of the 1985 National Agreement, a \$20,000 lump sum payment upon proof of a change in residence, meaning a bona fide relocation. Relocation packages to Winslow trainmen shall be limited to the extent that the total number of afforded relocation packages shall not exceed the highest number of Winslow allocated turns in this pool and shall be applicable only in the case of a bona fide relocation.


13.2. In lieu of the benefits provided in 15.1, Winslow trainmen will be afforded a \$12,000 relocation allowance payable in three (3) payments of \$4,000; payable at 12 months, 24 months, and 36 months after the employee makes this election; provided, however, that the employee must, seniority permitting, hold a turn in this pool. In the event the employee fails to exercise seniority and hold the pool when seniority would permit, that employee shall forfeit any unpaid payments provided under this Section. Further, the calculation of packages as discussed below shall not be increased should an employee fail to fulfill the obligations contained herein.

13.3. The total number of packages available pursuant to the terms of this letter shall be initially limited to the total number of Winslow allocated turns in the pool on the date this agreement becomes effective.

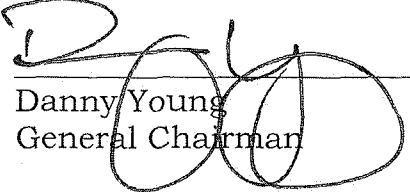
Except as specifically modified herein, all other Agreements and understandings remain in effect.

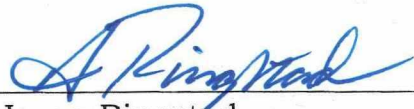
Signed at Ft. Worth, TX on July 17 2016 and effective August 1, 2016.

FOR BNSF RAILWAY CO.:


Milton H. Siegle, Jr.
Assistant Vice President
Labor Relations

FOR THE SMART TD:


Danny Young
General Chairman



Jason Ringstad
General Director
Labor Relations

Side Letter #1 – HOS Relief

Today we agreed to use the following general guideline for handling HOSL relief in this pool as follows:

1. Eastbound trains between Phoenix and Drake will be relieved by the first out pool in Phoenix.
2. Eastbound trains between and including Drake and Winslow will be relieved by the Winslow extraboard.
3. Westbound HOSL will be handled by the Phoenix extra board.
4. This general guide will not preclude the use of an ID crew to handle a train to the destination terminal.

We also agreed that any unit trains destined for Drake or originating at Drake will be handled by the Phoenix - Winslow ID pool manpower permitting. Work trains between Ash Fork and Phoenix will be handled by the Phoenix crew base.

This understanding may be cancelled by serving a written 15-day cancellation on party upon the other.

AGREED:

FOR BNSF RAILWAY CO.:



Milton H. Siegele, Jr.
Assistant Vice President
Labor Relations



Jason Ringstad
General Director
Labor Relations

FOR THE SMART TD:



Danny Young
General Chairman