

MEMORANDUM OF AGREEMENT

FINAL

Between The

BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

And The

UNITED TRANSPORTATION UNION

(Former GN, GN-Y, NP & SP&S Territories)

In order to standardize the implementation of Arbitration Board No. 559, Article XII, Section 1 (a) and (b), regarding the handling of employees, displaced or reduced from permanent positions, it is hereby agreed:

Section 1.

Displaced train and yard service employees, exercising seniority within the subdivided seniority district must exercise seniority placement within forty-eight (48) hours of formal notification.

Section 2.

Employees who fail to exercise seniority within forty-eight (48) hours of formal notification will be placed as follows:

Road Service Employees:

- a. Displace the junior regularly assigned road service employee at the location within the subdivided seniority district where the displaced employee last performed service on a regular assignment.
- b. If there is no junior road service employee, displace the junior regularly assigned employee working at the location.

Yard Service Employees:

- a. Displace the junior regularly assigned yard service employee at the location within the subdivided seniority district where the displaced employee last performed service on a regular assignment.
- b. If there is no junior yard service employee, displace the junior regularly assigned employee working at the location.

Section 3.

Employees electing to exercise seniority outside the subdivided seniority district must notify the appropriate crew office of their intent within the initial forty-eight (48) hour period, providing written confirmation within five (5) days. Seniority placement must be completed within five (5) days of the initial displacement notification. Failure to exercise seniority within the five (5) day period will result in placement described in Section 2 of this Agreement.

Section 4.

Train and Yard service employees with insufficient seniority to secure an assignment, an extra board position or the reserve board, within the subdivided seniority district, may be required to exercise seniority on their seniority district as stipulated within Section 3.

(Note: Employees will not be required to exercise seniority on the seniority district if such placement will result in the furlough of an employee on the new subdivided seniority district.)

a. An employee not required to exercise seniority on their seniority district may accept "voluntary furlough" in the event that individual has insufficient seniority to hold an assignment, extra board position or the reserve board on that particular subdivided seniority district.

b. An employee is "furloughed" if that individual has insufficient seniority to procure an assignment, extra board position or the reserve board on the seniority district.

c. Employees with sufficient seniority to obtain a position at another subdivided seniority district, may do so by written notification to the appropriate crew office, not less than forty-eight (48) hours nor more than five (5) days prior to the effective date of that seniority placement.

d. All employees must maintain current telephone numbers and addresses on file with the Carrier as required by current agreements and/or instructions.

Section 5.

Employees with insufficient seniority to hold a position on

their original subdivided seniority district, exercising seniority to another subdivided seniority district within five (5) days of displacement, will be allowed the use of company provided lodging at the new location, under the following circumstances:

- a. There is a BNSF provided lodging facility at the new location with surplus rooms.
- b. Surplus rooms at the lodging facility will be on a first-come, first-serve basis.
- c. If surplus rooms are not available, displaced employees may request the contract rate at the lodging facility. It is understood that employees will be responsible for room rental charges under such circumstances.

Section 6.

Furloughed employees will be recalled to service in seniority order to the subdivided seniority district(s) they have selected and registered with the appropriate crew office. If more than one location is listed, the employee will indicate the order of preference. Employees who fail to list preferences and are not working on another subdivided seniority district will be recalled to the location from which they were initially displaced.

(Note: Employees reduced from a subdivided seniority district, who have exercised seniority to another location will not receive a recall notice. Those individuals are entitled to exercise seniority placement to their original subdivided seniority district under the provisions of prevailing collective bargaining agreement.)

When a recall to service is initiated on a subdivided seniority district, a notice will be posted at all locations on the seniority district, notifying all train and yard service employees of the specifics of the recall.

- a. Formal notification of recall will be the date the notice is received or first attempted delivery of certified mail (return receipt requested), whichever is earliest. If delivery is unsuccessful, the designated UTU officer will be immediately provided the recalled employee's name, last known address, phone number and location from which furloughed.
- b. Failure to respond to recall within thirty (30) days will result in the forfeiture of all seniority. Should the Organization provide a verifiable explanation for the

employee's late report within six (6) months of the expiration of the thirty (30) period, the Carrier may opt to reinstate the employee with seniority unimpaired. Should the Carrier reject the explanation, an investigation will be scheduled to allow the employee an opportunity to show cause as to why his seniority should not be forfeited.

c. If recall to a particular subdivided seniority district location does not provide sufficient employees to fill the available work opportunities, furloughed employees at the nearest location on the same seniority district by highway mile will be recalled, in reverse seniority order, to the subdivided seniority district experiencing the employee shortage.

Except as specifically provided herein, nothing contained in this agreement shall be construed as modifying, amending or superseding any of the provisions of schedule agreements between the United Transportation Union and this Carrier.

This agreement will become effective as of the date signed. Either party may cancel this Agreement with thirty (30) days' written notice.

Signed at Fort Worth, Texas, this 15 day of October, 1998.

For: United Transportation Union For: Burlington Northern and
Santa Fe Railway Company

CM Vahldick

Milton Siegele