



**JASON RINGSTAD**  
General Director  
Labor Relations

**BNSF Railway Company**  
2600 Lou Menk Drive  
P.O. Box 961030  
Fort Worth, TX 76161-0030

Telephone 817-352-1064  
Fax 817-352-7482  
Email Address  
jason.ringstad@bnsf.com

December 23, 2008

Mr. R.S. Knutson  
General Chairman UTU  
The Meadows Centre,  
8250 West 80th Ave, Units 7 & 8  
Arvada, CO 80005

Dear Mr. Knutson,

This is in regard to our recent discussions regarding the significant amount of employees that may be furloughed from the ground service ranks as a result of the current economic situation and the subsequent decline in business levels on portions of BNSF.

Letter of Understanding dated April 1, 1999, outlines an employee's obligation under existing agreements on the former CB&Q property to protect their seniority when they can no longer hold a position in active service on their subdistrict. It further provides that if the employee fails to satisfy any of the requirements in Items 1 or 2 within 48 hours of being notified of their displacement and furlough, such constitutes a forfeiture of seniority.

However, during our discussions, concern was expressed that due to the short tenure of many of the employees facing furlough, some of them may not have had the opportunity to become conversant with the Understanding or its obligations. In addition, many employees have relocated to the former CB&Q property following displacement in their former district and thus may not have had adequate time to become acquainted with the obligations that are unique to the former CB&Q.

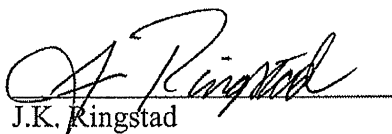
As such, it was agreed that retroactive to December 1, 2008, any employee that was unable to hold a position in active service on his/her subdistrict on former CB&Q property and failed to satisfy any of their obligations under the above Items, would not forfeit their seniority. However, such employees would thereafter be placed in furlough status and would only be subject to recall on that subdistrict. This understanding does not modify an employee's obligation to respond to recall within 15 days or the forfeiture of seniority if the employee fails to do so.

This understanding will remain in effect unless otherwise modified by the parties, subject to a 10-day cancellation notice served by either party on the other. Note that in the event a

cancellation notice is served, those employees afforded protection by virtue of this Understanding will not forfeit their seniority but will continue to stand for recall in seniority order within the subdistrict.

Sincerely,

AGREED:



J.K. Ringstad  
General Director – Labor Relations



R.S. Knutson  
General Chairman - UTU