

MEMORANDUM OF AGREEMENT

Between

BURLINGTON NORTHERN SANTA FE RAILWAY COMPANY

And

UNITED TRANSPORTATION UNION

In recognition of the mutual benefits of expediting the movement of traffic through the Galesburg area, the following provisions are agreed to concerning the operation of through freight assignments headquartered at Galesburg for Shuttle Service. These assignments may be assigned based on the following:

1. The limits of this service will be:
 - a. Barstow line, MP 36
 - b. Mendota line, MP 128
 - c. Chillicothe line, MP 148.5
 - d. Peoria line, MP 28
 - e. Colchester West Quincy line, MP 212
 - f. Ft. Madison line, MP 217
 - g. Ottumwa line, MP 203

2. These crews can shuttle cars within these limits operating into and out of Galesburg encompassed within the above limits without penalty. The term "cars" in this agreement represents a block of cars or a train. The only limitation is that these specific crews cannot move cars from one location or track within the general switching limits to another location or track within the terminal general switching limits without traversing road territory with the involved cars or train.

3. These crews will have no mileage limitation and will be paid on an hourly basis at the daily rate of pay of \$201.03 for conductor and \$193.14 for brakemen, when called. These conductors will be allowed a trip rate of \$295.22, which includes 8 hours straight time, 2 hours overtime, and Code NE in lieu of meal. These brakemen will be allowed a trip rate of \$283.63, which includes 8 hours straight time, 2 hours overtime, and Code NE in lieu of meal. Crews will be expected to carry a lunch and the Carrier will not be obligated to provide a real meal; however, the Code NE will be payable whether the crews are instructed to take a meal or not. All other rules and agreements not specifically addressed in this agreement remain undisturbed and are still payable under the appropriate CA code. Crews in this service on duty more than 10 hours will be paid overtime accordingly. Examples: 1) crews on duty 8 hours will be paid a trip rate, which includes 2 hours overtime. 2) crews on duty 12 hours will be paid a trip rate, which includes 2 hours overtime, plus 2 hours overtime.

4. These crews will work five days per week and will have an established on duty show-up time. Vacancies and extra jobs will be filled from the Galesburg Prior Right BN conductor extra board (currently board #12). Extra jobs in this service can be called at any time. BNSF will bulletin a regular assignment if extra jobs are worked with an on duty time within a four hour window for four consecutive days. It was understood that a relief assignment will only be established to protect the rest days of regular assignments. If an assigned conductor is not rested for his next assignment due to overtime worked on his own job, the assigned conductor will show for work on his rest.
5. The parties agree that relief shuttle assignments with varying starting times may be bulletined and assigned. Four (4) day relief assignments may be bulletined, but in the event the assignment goes no bid, it will not be filled by force assignment. Instead, it will be filled from the Galesburg Prior Right BN conductor extra board (currently board #12).
6. Crews in this service will not be required to perform yard switching but can perform permissible moves under PEB 219. Because these crews may handle more than one set of cars, the permissible moves set forth herein are calculated based on the following. If the crew handles cars out of the terminal, that move is considered the crew's initial terminal and the conductor can perform three allowable moves in connection with those cars in accordance with PEB 219. If the crew handles cars into the terminal, that move is considered the crew's final terminal and the conductor can perform the three allowable moves in connection with those cars in accordance with PEB 219. If the crew handles the same cars into and out of the terminal, Galesburg will be considered as an intermediate location for that train, and the crew is limited to one pick-up and/or one set out within the Galesburg switching limits with those cars.
7. These crews may operate in any of the seven directions and equity will be based on total territory belonging to each former road. All assignments will operate under former CB&Q Agreements. Based on the territorial limits, the equity would be 70% former BN (Ill-Wis.) and 30% former ATSF (Illinois 1 and 2) with assignments apportioned as outlined in Side Letter No. 2.
8. As part of discussions this date, it was understood that the Shuttle Service covered by this agreement would be considered assignments qualifying under the Holiday Pay Agreement but would be allowed to take Personal Leave Days. However, no crew covered by this Agreement shall receive more than eleven personal leave days and paid holidays in any calendar year.

Conductor Personal Leave Day and Holiday Pay - \$201.03 (8 Hour Daily Rate)
Brakeman Personal Leave Day and Holiday Pay - \$194.14 (8 Hour Daily Rate)

Overtime for working a Holiday will only be applicable to the first 8 hours of the day, calculated on the 8 Hour Daily Rate of \$201.03 for Conductors and \$194.14 for Brakemen. Overtime when working a Holiday will not be applicable to the other components in the Shuttle Service Trip Rate.


Conductor Annulment - \$275.19 (10 Hour Daily Rate minus meal)
Brakeman Annulment - \$264.33 (10 Hour Daily Rate minus meal)

9. Provisions contained in this agreement are agreed to on a strictly non-referable basis and will only be applicable to these outlined assignments. It was understood that this agreement would not establish a precedent applicable to future assignments.

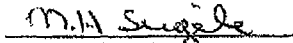
This agreement shall be effective on the date signed and remain in effect unless cancelled by any party with a twenty (20) day written cancellation notice.

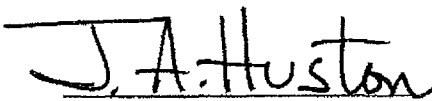
Signed at Fort Worth, Texas this _____ day _____, 2008.

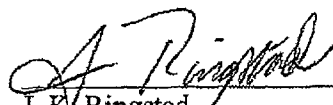
For:
United Transportation Union


R. S. Knutson
General Chairman UTU

For:
Burlington Northern Santa Fe
Railway Company


M. H. Siegele
Assistant Vice President
Labor Relations


J. A. Huston
General Chairman UTU


J. K. Ringstad
General Director Labor
Relations

Side Letter No. 1


During our discussions, it was decided that inasmuch as these assignments are "through freight", BNSF will bulletin them as conductor only. However, these crews will be subject to the provisions of the former CB&Q crew consist agreements and governed by the limitations of conductor only service when working without the benefit of a brakeman.

It should further be clarified that being governed by the provisions of the former CB&Q crew consist agreements while working on these assignments does not extend participation in the productivity fund to employees not otherwise eligible.

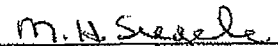
If you agree that the above set forth our discussion, please affix your signature below.

For:
United Transportation Union

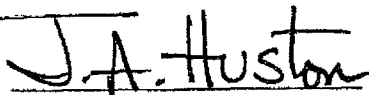
For:
Burlington Northern Santa Fe
Railway Company



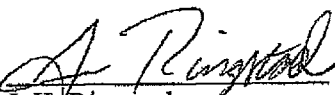
R. S. Knutson
General Chairman UTU



M. H. Siegele
Assistant Vice President
Labor Relations



J. A. Huston
General Chairman UTU



J. K. Ringstad
General Director Labor
Relations

Side Letter No. 2

It was agreed that the Carrier will initially establish three assignments. Two five-day assignments and one four-day relief assignment. Based on the mileage equity set forth in Section 7, prior right ATSF employees will have preference on the four-day assignment and prior right BN employees will have preference on the two five-day assignments. Solely within the prior right BN assignments, the individual prior right apportionment is as follows:

Galesburg Prior Right:	44%
Aurora Prior Right:	28%
West Ottumwa Prior Right:	14%
East Ottumwa Prior Right:	14%

The respective former BN Local Chairmen will determine how this equity is to be divided among the established former BN prior right assignments. Should they fail to reach a consensus on the matter, the decision will be deferred to the former BN (CB&Q) General Chairman's office.


Should BNSF establish more than the three assignments provided above or reduce assignments to less than three, the parties will immediately confer to determine the distribution of equity on the new or remaining assignment(s).

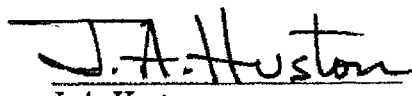
It should further be noted that in the event an assignment is not bid by an employee having the respective prior rights to the immediate apportionment, that equity is not forfeited for the remaining part of the apportionment. An employee possessing the respective prior rights may exercise proper placement to the assignment during that period.

After the crews have operated for three months, any Party may request a meeting to discuss any discrepancy in this work equity arrangement.

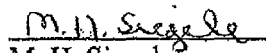
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Burlington Northern Santa Fe
Railway Company


M. H. Siegele
AVP Labor Relations


J. K. Ringstad
General Director LR

Side Letter No. 3


During our discussion, concern was expressed regarding which placement/displacement rules would govern movement to and from these assignments. It was therefore agreed that the rules governing placement/displacement in effect on the former CB&Q property would have application on the BN allocated assignments and those in effect on the former ATSF property would have application on the ATSF allocated assignments.

For example, an employee wishing to displace to a BN allocated assignment would need the equivalent of a Rule 79 bump. Such privilege is primarily granted employees working under form CB&Q rules only when they have completely exhausted their seniority in the pool or extra board to which assigned, or an employee who was displaced from assigned service (e.g., work train, road switcher, etc.). In other words, an employee working under former ATSF rules would be required to exhaust their seniority to the same extent as one working under former CB&Q rules before being allowed a displacement privilege to a BN allocated assignment.

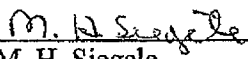
Further, an employee wishing to displace to a ATSF allocated assignment would need a bump as recognized under former ATSF Agreements.

For:
United Transportation Union

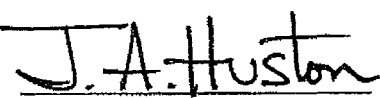
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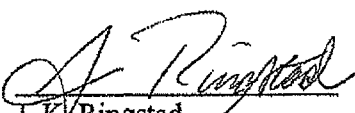
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