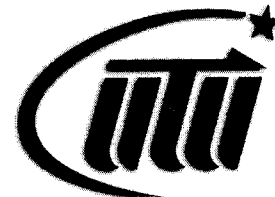


***united transportation union***  
*Burlington Northern & Santa Fe Railway General Committee of Adjustment GO-245*



K.E. Trauernicht, 1st Vice Chairman  
J.A. Scott, 2nd Vice Chairman  
B.M. Drummond, 3rd Vice Chairman

8250 West 80th Avenue  
The Meadows Centre, Units 7&8  
Arvada, Colorado 80005  
Phone: (303) 420-1848

S.M. Waller, Secretary

July 3, 2007

**TO: GO-245 Local Chairpersons**

**RE: Agreement Revising Merit Claim Handling Process and Time Limits**

Dear Brothers and Sisters,

Please find enclosed a copy of the new claims handling and time limit agreement. The intent of this agreement is two-fold: 1) to accelerate the process ensuring a more timely handling of our member's claims, and 2) to alleviate much of the paper exchange required at all levels.

The agreement requires that all claims will be conferenced locally unless it has been identified as a dispute by this office. Effective immediately, please begin listing all claims to local conference and arrange to meet and resolve with the designated local Carrier officer(s) as soon as possible. If you are unable to resolve a claim and feel that it is valid, it no longer needs to be appealed to Compensation Systems (currently George Wong), but should instead be forwarded to this office. The unresolved claim should be forwarded as soon as possible since this office is mandated to list it for conference at our level within 180 days of the original decline. We will continue to need all supporting documentation that is currently required for each claim.

Should you encounter any resistance from the Carrier officer(s) in scheduling, conducting a local conference and/or the settlement of a claim, please contact the undersigned immediately for intervention. We appreciate all your efforts to make this a successful process by handling our members merit claims in an expeditious manner. Any claim that is currently under appeal to Compensation Systems, will need to be handled under the old agreement and forwarded to this office with the Carrier decline attached.

The agreement is fairly self-explanatory, however, feel free to call with any questions. It is very important to note that this new agreement pertains only to merit claims. All discipline cases will still require a local appeal to your Division General Manager within the applicable time limits.

Fraternally yours,

Randy C. Doyle  
Associate Chairman

enclosure


MEMORANDUM OF AGREEMENT  
Between  
BURLINGTON NORTHERN SANTA FE RAILROAD  
And  
UNITED TRANSPORTATION UNION

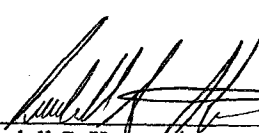
The following understanding is to describe the process the parties have agreed to utilize on a trial basis to handle claims at the Local and General Committee level for handling claims other than discipline or protective claims. This understanding applies only to claims filed on a Ticket in the BNSF Computer System, by either the Local Chairman, Individual Claimant or Crew.

IT IS UNDERSTOOD:

1. Section (a) of the BN 3-14-84 OPS 19-84 Agreement for handling Claims and Grievances will continue to govern the handling of time claims at the local level, in other words; (a) the claim must be submitted within 60 days from the date of the occurrence and (b) the Carrier must decline or pay within 60 days of the claim being filed.
2. When a claim has been properly declined by the Carrier pursuant to Section (a), it is understood that the Local Chairman will no longer appeal the claim to Comp System (currently George Wong), but instead, (a) will conference the claim with the designated Local Carrier Officer and, (b) if declined, the General Chairman must, within 180 days of the Carrier's original decline, docket the claims for conference with Labor Relations.
3. The General Chairman and Labor Relations will discuss those claims in conference. If the claim cannot be resolved, the General Chairman must formally appeal the claim in accordance with Section (e) of the 1984 Agreement within 120 days starting on the date of conference.
4. If the claim involves an issue that has already been identified by the General Chairman with Labor Relations as a lead case, those claims do not need to be conferenced by the Local Chairman but should be sent directly to the General Chairman who will list as held in abeyance of the identified lead case.
5. Prior to listing ongoing claims to a lead case, the General Chairman will advise the highest designated officer of the Carrier in writing of its intention to identify the issue as a lead case that similar and analogous claims will be tied to it.
6. Any so called letter claims or those claims not associated with a BNSF Ticket Number will be handled according to the 1984 Agreement as in the past.

This understanding is to become effective July 1, 2007, and may be cancelled by either party serving a 25 day's written notice on the other party.

  
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Roger A. Boldra  
Director - Labor Relations BNSF

  
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Randall S. Knutson  
General Chairman - UTU

Side Letter No. 1  
(Claim Handling Agreement, 7/1/07)

During our discussion of the claim handling agreement signed this date, the Organization voiced concern that it does not provide adequate directive or guidance to Division officers designated to conduct local conferences. It was therefore agreed that;

1. The designated local Carrier officer(s) will work with local union officers in an effort to schedule and conduct local conferences expediently, and with consideration to individual work schedules.
2. Local conferences will be conducted with the intent of handling all merit claims presented by designated union officer(s). Separate conferences will not be required to handle merit claims precipitated by other departments (e.g., operating, crewcalling, etc.), and the local Carrier officer conducting the conference(s) will exercise authority to settle all merit claims presented.

Should the local parties be unable to resolve any dispute rising from the interpretation or application of this agreement, it will be referred to the General Chairman's officer and Labor Relations for resolution.