

MEMORANDUM OF AGREEMENT
Between The
UNITED TRANSPORTATION UNION
And The
BNSF RAILWAY COMPANY

BNSF may, at its sole discretion, establish Workforce Retention (WR) lists which, when so established, will operate as follows:

1. The number and duration of positions on any WR list shall be determined solely by BNSF.
 - 1.1 A WR list may be established, at BNSF's sole discretion, at any location where an extra board is maintained.
2. Once established, the positions shall be advertised pursuant to the terms of the applicable agreement and awarded to applicants in seniority order, subject to the eligibility requirements described by Paragraph 3.
3. In order to be eligible to obtain a position on the WR list the employee must:
 - 3.1 Be a "primary recall" employee at the location where the list is being established.
 - 3.2 For employees not subject to "primary recall," that employee must have been working at that location for not less than thirty days prior to the date that the list is advertised.
4. Once awarded a position on the WR list, the individual shall not be subject to displacement by any senior employee, unless that senior employee cannot hold a position at that location. In that event, the senior employee may displace the senior employee on the WR List with a release request on file then, if none, the junior employee on the WR List.
5. Employees holding positions on the WR list for an entire payroll period list shall be guaranteed \$1,000 for that payroll period. Any employee who does not hold a position on the WR list for the entire payroll period shall have the amount reduced by 1/15 or 1/16 for each calendar day, or portion thereof, that such employee is not on the list.

- 5.1 Where applicable, each day on the List will be counted as a qualifying day for personal leave day purposes.
- 5.2 Each day on the List will count toward vacation qualification for the following year, but without the benefit of the 1.3 or 1.6 multiplier.
6. Employees on the WR list shall, without any additional compensation:
 - 6.1 Maintain any currently required certification, familiarization and/or qualification status.
 - 6.2 Satisfy any obligation to take any physical and/or rules examination due during the calendar year.
7. Employees on the WR list are not subject to call for service.
8. Employees on the WR list are active employees for health and welfare benefit purposes and shall be covered by these benefits while on the WR List.
9. Employees on the WR list who reach their scheduled vacation time shall automatically be placed on vacation and paid pursuant to the vacation agreement conditions.
10. Employees may bid off of the list after having been on the list for a minimum of 30-days or, for some territories, at the next "board change" after having been on the list for a minimum of 30-days.
11. Employees on the WR list are subject to a 48-hour recall to regular service. Employees shall be recalled in reverse seniority order unless a senior employee has made a request to be recalled, in which case the request(s) will be honored in seniority order.
12. This agreement is subject to automatic cancellation by the service of a thirty day notice of intent to cancel by either party upon the other party.

Signed and effective on the _____ day of _____, 2007.

For BNSF Railway:

For United Transportation
Union:

CLS



Gene L. Shire
General Director
Labor Relations

BNSF Railway Company
P.O. Box 961030
Fort Worth, TX 76161-0030
2600 Lou Menk Drive
Fort Worth, TX 76161-0030
817-352-1076
817-352-7482
gene.shire@BNSF.com

Side Letter #1

Mr. P.W. Tibbit
General Chairman UTU
P.O. Box 3069
Temple, TX. 76504

January 18, 2007

Mr. R.D. Kerley
General Chairman UTU
3856 West Chestnut Expressway
Springfield, MO. 65802

Mr. J.A. Huston
General Chairman UTU
1101 E. 87th Street
Ste. #105
Kansas City, MO 64131

Mr. W.E. Young
General Chairman UTU
12465 Mills Ave.
Suite B-5
Chino, CA 91710

Mr. J.D. Fitzgerald
General Chairman UTU
400 E. Evergreen Blvd.
Suite #217
Vancouver, WA. 98660

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

Mr. D.B. Snyder
General Chairman
45 SW 7th Ave.
Forest Lake, MN. 55025

L. R. Bumpers
UTU General Chairman UTU
400 Randal Way
Suite 102
Spring, TX. 77388

Gentlemen:

Further our discussions regarding implementation of the so-called "WR Lists," it has developed that there are currently circumstances in place that, left unaddressed, could cause the agreement to function well outside of what the parties intend. The challenge is having the WR List function properly at locations where employees have already been displaced and have had to go to other locations in order to work. In light of this, we reached the following understanding.

In the event an employee was displaced at the home location and found it necessary to go to another location in order to work, that employee shall not be disqualified from being eligible for the WR list at the home location. Further,

that employee may bid for a position on the WR List, so long as there is a qualified and available employee at the "other" location to fill the position being vacated. Finally, we understood that the intent of this letter is to ultimately return displaced employees to a location that they legitimately call "home," in light of the spirit and intent of the WR List Agreement.

We also discussed what the term "location" actually means under the various core agreements. We decided that this subject is best addressed on a committee-by-committee basis, understanding that in a broad sense, location means a general geographical area around where the WR List is established. It might be called a source of supply, a zone, a prior-rights seniority district, a general zone, or perhaps some other descriptive, depending on the applicable agreement. That being the case, we agreed that "location" would be determined between the General Chairman having jurisdiction over the applicable agreement and the appropriate General Director of Labor Relations.

Sincerely,

A handwritten signature in black ink, appearing to be a stylized name, possibly "A. B. C.", written over a horizontal line.