

MEMORANDUM OF AGREEMENT

Between The

BNSF RAILWAY COMPANY

And

BROTHERHOOD of LOCMOTIVE ENGINEERS and TRAINMEN

The Parties recognize the need to address fatigue in the railroad industry. To accomplish this, both parties need to let the old processes go and look forward to a new system for protecting service for our customers. Therefore, the Parties agree to this Pilot Project to run 8 weeks starting July 22, 2014.

This new approach will provide engineers with scheduled on duty time known 8 weeks in advance. The Predictive Work Schedule (PWS) engineers will report for service at the designated time without being called for service. The Sheridan PWS will operate between Sheridan and Gillette or Sheridan and Laurel as follows:

1. The PWS service will start at 1000 hours on July 22 and run through 0959 hours September 16. The Parties will meet after 6 weeks to discuss a second PWS service that will start at 1000 hours on September 16.
2. The PWS engineer will be allowed \$252.455 trip rate, the average of the two current trip rates.
3. There will be identical conductor and engineer PWS calendars.
4. BNSF will establish 100% of the combined pool turns in PWS service for the first 8-week assignment period.
5. We will bulletin 34 engineer PWS to run for 8 weeks. Any no-bid PWS position will be force assigned in accordance with the applicable agreement.
6. We will post the bulletins to close 5 days prior to the PWS service implementation so that all employees will be provided the necessary familiarization trips prior to implementation. Any engineer requiring familiarization trips will be allowed the re-certification compensation. This will include those engineers currently working in the Sheridan to Gillette or Sheridan to Laurel pool on July 22 prior to implementation and those engineers assigned positions in the new PWS service. The bulletins will include different start time calendars, and the senior engineer will be assigned his/her highest selected calendar. In other words, a calendar may have a preferred time off depending on a holiday or week end.

7. For the first 8-week PWS service, we will close the conductor bulletins 2 days in advance of the engineer bulletins. For the second 8 to 12 week PWS service, we will close the engineer bulletins 2 days in advance of the conductor bulletins.
8. Successful bidders for this PWS service are protected from displacement for the 8-week period. No engineer may displace these engineers unless the engineer was headquartered at Sheridan or outside locations protected by the Sheridan engineer extra board when the bulletin was posted and the engineer is no longer able to hold a job at Sheridan or outside locations protected by the Sheridan engineer extra board. Or, an engineer from another location is not able to hold any position on his/her seniority district can displace to one of these assignments if he/she is unable to hold any other engineer position including engineer extra board at Sheridan.
9. BNSF can change the on duty time for the PWS engineer by noon on Friday for the next week on Monday through Sunday for known issues such as maintenance windows. The on duty time will not be changed more than 4 hours, but can be earlier or later.
10. In the event of a service interruption, BNSF and BLET local chairmen will work together to ensure the smooth operation of the pool. If agreed, on-duty times may be changed with shorter notice than discussed above in Paragraph 9.
11. The PWS calendar will be based on a 65-hour start time cycle.
12. These PWS engineers cannot book extended time off such as the 14 hour rest agreement. They already have a scheduled on duty time.
13. The PWS engineers will be deadheaded back to Sheridan if used to perform short turn around hours of service relief out of Gillette or Laurel. The PWS engineer will be paid with the current short turn around service compensation.
14. The PWS engineers used for any service short of the away from home terminal will be paid two applicable trip rates for such service. For example, BNSF uses the PWS engineer to perform Hours of Service Relief between Sheridan and Gillette or Laurel. Once completed, the PWS engineer will be paid two trip rates (one working and one for not used) and report for service at his/her next assigned start time. Another example, the PWS engineer is operating a train to either away from home terminal but is then removed from the train and deadheaded back to Sheridan. Once complete, the PWS engineer will be paid on trip rate for the working portion of the trip and a second trip rate for the deadhead back to Sheridan.
15. These PWS engineers used to operate into and deadhead out of Gillette or Laurel or deadhead into Gillette or Laurel and work back to Sheridan will be paid 2 trip rates.
16. These PWS engineers will be paid continuous held away from home terminal pay after 16 hours off duty until called for service, working or deadheading, back to Sheridan.
17. The PWS engineer will report on his/her scheduled on duty time without being called for service. If not rested due to service on this position, the PWS engineer will report on his/her rest. If not rested for their second consecutive on duty time due to service on this position, the PWS engineer will not report for service and will be paid two trip rates. If

one member of the PWS crew lays off his/her assignment and the working member is not rested for the next start time, both crew members will report on the working member's rest.

18. The PWS engineer will have the option to adjust the start time of a vacation of 7 days or more to coincide with his/her last start time ahead of their scheduled vacation or first start time after his/her scheduled vacation.
19. The PWS engineers will be placed on the board at their away from home terminals based on their originally scheduled on duty time at Sheridan. Extra engineers will be placed on the board at their away from home terminals based on their on duty time at Sheridan.
20. It was agreed that BNSF would establish 2 detached positions selected by BLET. These 2 positions will assist in managing the PWS pool service on a 24/7 basis.
21. The Parties will meet week of September 1 to evaluate the success of this PWS service and will make any minor adjustments to improve the program for future expansion. At that time, new assignments will be posted to run for 8 to 12 weeks.

This Agreement is effective July 10, 2014 and will remain in place until the 8-week PWS calendars expire. The Parties will meet and discuss a permanent agreement at the 6-week meeting.

If the above reflects our discussion and understanding, please affix your signature below.