

BNSF

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February 3, 2005

 Mr. P. W. Tibbit
 General Chairman
 United Transportation Union (CTY&E)
 P. O. Box 3069
 Temple, TX, 76505-3069

Dear Mr. Tibbit:

This is to confirm that we will implement trip rates incorporating the National Pay Elements on the following run beginning on February 16, 2005 pursuant to Article V - Pay System Simplification, Section 9 - Implementation of the August 20, 2002 National Agreement with United Transportation Union. These rates include the December 1, 2004 GWI:

<u>Run</u>	<u>Test Period</u>	<u>Conductors' Trip Rate</u>	<u>Conductors' Flip-Trip Rate</u>
San Antonio - Eagle Pass	12/01/03 - 11/30/04	\$210.50	\$420.39
<u>Run</u>	<u>Test Period</u>	<u>Brakemen's Trip Rate</u>	<u>Brakemen's Flip-Trip Rate</u>
San Antonio - Eagle Pass	12/01/03 - 11/30 /04	\$196.56	\$394.09

It is understood that this trip rate only applies to employees protecting service by San Antonio Board Number 22 protecting service between San Antonio and Eagle Pass. I used 0-170.0 miles for calculating this trip rate. If a crew gets or leaves their train west (or south) of Ryan's Ruin, up to and including the International Bridge, they will receive an additional payment of 14 miles in addition to the Trip Rate. Crews required to perform Hours of Service Relief and are due payment under Section 3 of the January 22, 2003 Understanding will receive such payment in addition to the Trip Rate.

Overtime in the applicable through freight service will be paid after the applicable overtime threshold plus the following overtime extension:

<u>Run</u>	<u>Overtime Extension Trip Rate</u>	<u>Flip-Trip Rate</u>
San Antonio/Eagle Pass	7 minutes	1 minute

Sincerely,