

MEMORANDUM OF AGREEMENT

Between BNSF Railway and SMART-TD

Pursuant to BNSF's letter dated May 8, 2018, and in accordance with Article IX of the 1985 SMART-TD National Agreement, the following conditions will govern the operation of a multi-directional pool working interseniority district service between Temple, TX and Alliance (Fort Worth)/Houston/Silsbee (Beaumont)/Sweetwater:

1. Establishment of New Service

- A. A pool of trainmen will be established and maintained to handle service between Temple and Alliance/Houston/Silsbee/Sweetwater. This interdivisional pool will protect freight service in all directions within this territory, including all routes and side trips. For purposes of this operation, Temple will be the home terminal and Alliance, Houston, Silsbee and Sweetwater will be the away-from-home terminals.
- i. The Temple-Alliance route will be double-ended with home terminals at both Temple and Alliance.
 - a. BNSF will determine the distribution of work between the home terminal and away-from-home terminal pool freight trainmen at Temple and Alliance, dependent upon the needs of the service and trainmen availability.
 - ii. The Temple-Houston route will be double-ended with home terminals at both Temple and Houston.
 - a. BNSF will determine the distribution of work between the home terminal and away-from-home terminal pool freight trainmen at Temple and Houston, dependent upon the needs of the service and trainmen availability.
 - b. Trainmen called in this service may operate between Temple and Houston via the Galveston or Conroe/Houston subdivisions. They may also handle the business between Temple-Taylor-Smithville-Sealy-Houston, with the Temple-Kerr-Smithville portion via UPSP trackage rights, as outlined in the April 15, 2014 letter of understanding.
 - iii. The Temple-Silsbee (Beaumont) route will be single-ended with a home terminal of Temple.
 - iv. The Temple-Sweetwater route will be double-ended with home terminals at Temple and Sweetwater.
 - a. BNSF will determine the distribution of work between the home terminal and away-from-home terminal pool freight trainmen at Temple and Sweetwater, dependent upon the needs of the service and trainman availability.
 - v. Trainmen called in this service may be used beyond the away-from-home terminal switching limits of Alliance (Fort Worth), up to and including Gainesville, to get or deliver their train. In doing so, they may operate through the Alliance (Fort Worth) terminal without release. Compensation for this operation is outlined in Part 6 below.

- vi. Trainmen called in this service may go up to 10 miles west of MP 24.4 (Algoa) to get or deliver their train on the UP subdivision. In doing so, they may operate through the Houston terminal without release. Compensation for this operation is outlined in Part 6 below.
 - vii. Trainmen called in this service may operate to and from the W. A. Parish plant at Smithers Lake via (1) the Arcola connection and NRG track or (2) the Hall subdivision. Compensation for this operation is outlined in Part 6 below.
 - viii. Trainmen called in this service may be used beyond the away-from-home terminal switching limits of Silsbee (Beaumont), up to 20 miles, to get or deliver their train. In doing so, they may operate through the Silsbee (Beaumont) terminal without release. Compensation for this operation is outlined in Part 6 below.
 - ix. Trainmen called in this service may be used beyond the away-from-home terminal switching limits of Sweetwater, up to 20 miles, to get or deliver their train. In doing so, they may operate through the Sweetwater terminal without release. Compensation for this operation is outlined in Part 6 below.
- B. Trainmen in this service may deadhead between the away-from-home terminals of Silsbee and Houston for a train back to Temple. Compensation for deadheading in this manner is outlined in Part 6 below.
 - C. This pool will operate under former ATSF Northern and Southern Agreement rules.
 - D. Pool trainmen working in this service will receive a 90-minute call at the home terminal and away-from-home-terminals.

2. Through Freight Service

- A. Except as otherwise provided in this Agreement, pool trainmen will be called first-in, first-out provided the first-out trainman is fully rested under the Hours of Service law. If there are no fully rested pool trainmen, then an extra trainman may be called to operate for one round trip under the provisions of this Agreement.
- B. Trainmen called in this service will be positioned at the home terminal based upon their tie-up time.
- C. Trainmen called in this service will be positioned at the away-from-home terminals based upon their home on-duty time.
- D. Trainmen may be deadheaded in the most efficient and safe manner, as determined by BNSF, which may include deadheading via van or train.
- E. Pool trainmen turned short of the distant terminal for any reason will be compensated a one-way trip rate of the route traversed with overtime starting at the expiration of 8'00" of service.

3. Hours of Service Relief

- A. When practicable, the coverage zones for hours of service relief in this service are as follows:
 - i. Between Temple and Alliance (Fort Worth)
 - a. The Alliance extra boards can relieve traffic destined for Alliance between Meridian and Alliance.
 - b. The Temple extra board can relieve traffic destined for Temple between Cleburne and Temple.

- ii. Between Temple and Houston via Galveston subdivision
 - a. The Houston extra board can relieve traffic destined for Houston between Bellville (including Bellville) and Houston.
 - b. The Temple extra board can relieve traffic destined for Temple between Temple and Bellville (including Bellville).
- iii. Between Temple and Houston via Conroe/Houston subdivisions
 - a. The Houston extra board can relieve traffic destined for Houston between Somerville (including Somerville) and Houston.
 - b. The Temple extra board can relieve traffic destined for Temple between Dobbin (including Dobbin) and Temple.
- iv. Between Temple and Silsbee
 - a. The Silsbee extra board can relieve traffic destined for Silsbee between Davidson (including Davidson) and Silsbee.
 - b. The Temple extra board can relieve traffic destined for Temple between MP 54 and Temple.
- v. Between Temple and Sweetwater
 - a. The Sweetwater ID extra board can relieve any westbound traffic destined to Sweetwater.
 - b. The Temple extra board can relieve traffic destined for Temple between Brownwood and Temple.

B. Nothing contained in this Agreement is intended to prohibit interdivisional crews from operating trains that traverse only part of the specified territory provided trainmen are then handled forward to the opposite terminal, or paid as if they had been. Likewise, nothing in this agreement is intended to prohibit these trainmen from combining trains or exchanging trains with other trainmen destined to the same terminal.

4. Called and Released

A. When a trainman in this unassigned pool is called and released at any point after being called for service such trainman will be paid a one-way trip rate of the trip for which called and stand last out on the board.

NOTE: The above provision will not apply to extra board employees called for “cut in” turns who are called to perform service in this pool.

B. If a trainman is called and released at the away-from-home terminal, either before or after time of going on duty, they will be paid a basic day and stand first out on the board. If rest is required, the trainman may be runaround without penalty until legally rested.

NOTE: If the trainman was on pay for held-away-from-home terminal time prior to being called and released they will remain on held-away until being called to perform service to the home terminal.

5. Pool Regulation, Vacancies, and Layoffs

A. Unless the parties agree otherwise (in writing), this interdivisional pool will be regulated between 18-22 starts per month, which is consistent with the mileage range prescribed by the existing agreements.

- i. A flip trip will be considered as one (1) start for purposes of regulation.
- B. All temporary vacancies occurring on these interdivisional pool turns at the home terminal will be filled by the trainman's extra board.
- C. When trainmen in this service mark up from layoff, or place to a turn via standing bid or displacement rights, the following will occur:
 - i. If the turn is at the home terminal, they will be marked back to the turn and assume its current position on the board.
 - ii. If the turn is working or at an AFHT, the turn will automatically be placed to the bottom of the board (The employee previously on the turn will be placed on a bogus position which will be removed from the board upon tie-up at the home terminal).
- D. Layoffs resulting in permanent vacancies as defined by the ATSF Northern and Southern agreements will continue to be handled by the terms outlined in the ATSF Northern and Southern agreements.
- E. Trainmen in this pool will not be allowed to lay off at the away-from-home terminal, except in case of emergency such as illness or injury. Trainmen laying off under such emergency circumstances will be permitted to ride a train to the home terminal provided they notify the dispatcher and/or Supervisor of which train they desire to ride in advance of that train's departure.

6. Compensation

- A. Unless agreed to otherwise, the existing trip rates will apply to the runs in this pool.
- B. When trainmen are utilized to operate through any of the terminals as outlined in 1(A)(vi)-1(A)(ix) above, they will be compensated for all actual additional miles traversed (including van miles), at the applicable daily rate. These miles will be paid in addition to the trip rate, but will extend the overtime threshold accordingly.
- C. Following implementation of this interdivisional service, if BNSF would like to incorporate any or all of the payments made pursuant to Part 6(B) into the trip rates, then it will provide 15 days' written notice to the SMART-TD General Chairmen so any concerns can be promptly discussed and a reasonable testing period can be identified. However, the frequency of these operations is dependent upon business and customer service demands. If BNSF determines that business no longer warrants the inclusion of any or all these miles in the trip rate, then BNSF may remove these miles from the trip rate after providing 15 days' written notice to the SMART-TD General Chairmen.
- D. Trainmen deadheaded between away-from-home terminals in accordance with Part 1(B) will be paid the deadhead miles separate and apart from the applicable trip rate.

8. Meal Period

- A. In order to expedite movement of trains operating under this Agreement, trainmen will not stop their train to eat. All meal allowances will be included in these trip rates, so no additional compensation is due for a meal en route.

NOTE: This does not preclude a trainman from seeking food items at retail locations in close proximity to where they may be standing in the clear of the main track awaiting other rail traffic, or for unforeseen reasons, so long as this does not create undue delay to the operation. It is understood that the trainmen will be required to obtain permission from the dispatcher prior to leaving the train to obtain food. Should this request be denied, no penalty is due.

9. Lodging and Away-From-Home Terminal Meals

- A. Suitable lodging shall be provided for trainmen tied up at their away-from-home terminal.
- B. Trainmen who are performing this interdivisional service will be allowed payment for meals at the away-from-home terminal in accordance with national agreement provisions, as amended.

10. Equity

- A. Handling of equity is addressed in Side Letter #1 appended hereto.

11. Other Provisions

- A. When a trainman is required to report for duty or is finally relieved from duty at a point other than the on and off duty points fixed for this service established hereunder, BNSF shall authorize and provide suitable transportation for the employee.
- B. The on and off duty points within the terminals for this service may be changed by BNSF with 10 days' written notice to the General Chairman. The trip rate will then be adjusted to reflect the change.
- C. BNSF reserves the right to implement a fatigue management system such as, but not limited to, Predictive Work Schedules (PWS), call windows, etc. that would govern the handling of the interdivisional through freight service established herein.

12. Protection

- A. Every trainman adversely affected as a result of the implementation of this Agreement will receive the protection afforded under Article IX, Section 7 of the 1985 UTU National Agreement.

13. Savings Clause

- A. Except as specifically provided herein, nothing contained herein shall be construed as modifying, amending or superseding any of the provisions of agreements or schedule rules implemented between BNSF and SMART-TD.

This Agreement shall take effect on _____, 2018.

For BNSF Railway:

For SMART-TD:

AVP - Labor Relations

General Chairman – SMART-TD N/S

General Director - Workforce Ops Change

General Chairman – SMART-TD JTD

Director - Workforce Ops Change

Side Letter #1

Regulation of Equity Between Temple-Alliance, Temple-Houston, and Temple-Sweetwater

The parties will work together to address any equity concerns that arise concerning the mileage and the work distribution in this interdivisional service. Management of that equity will be the responsibility of BNSF Crew Management.

Side Letter #2 – Implementation

BNSF will provide the Organization with at least five (5) days' notice prior to implementation of this new pool. The following will apply when this new pool is implemented:

1. Unless the parties agree differently, the employees in the existing pools at Temple will be moved to this new pool. If the employee wants to exercise seniority to a different position, the employee will be obligated to contact the Crew Manager and identify where the employee wants to exercise their seniority – if an employee is unable to identify a new position, that employee will be marked up in the new Temple multidirectional pool and exercise seniority thereafter consistent with existing agreement(s):
 - a. Any remaining vacancies will be filled in accordance with existing CBA's.