

MEMORANDUM OF AGREEMENT

Between
BNSF Railway
and
SMART-TD

Pursuant to BNSF's letter dated December 18, 2017, 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 Houston and Temple/Lafayette/Shreveport:

1. Establishment of New Service

- A. A pool of trainmen will be established and maintained to handle service between Houston and Temple/Lafayette/Shreveport. This interdivisional pool will protect freight service in all directions within this territory, including all routes and side trips. For purposes of this operation, Houston will be the home terminal and Temple, Lafayette and Shreveport will be the away-from-home terminals.
- i. The Houston-Temple route will be a double-ended pool with home terminals at both Houston and Temple.
 - a. 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.
 - b. BNSF will determine the distribution of work between the home terminal and away from home terminal pool freight trainmen at Houston and Temple, dependent upon the needs of the service and trainman availability.
 - ii. The Houston-Lafayette and Houston-Shreveport routes will be single-ended pools with a home terminal of Houston.
 - a. Trainmen called in this service may operate via BNSF's track and the various trackage rights routes between Houston, Lafayette and Shreveport.
 - iii. Trainmen called in this service may be used beyond the away-from-home terminal switching limits of Temple, up to 30 miles on the Lampasas and Ft. Worth subdivisions, to get or deliver their train. In doing so, they may operate through the Temple terminal without release.
 - iv. Trainmen called in this service may be used beyond the away-from-home terminal switching limits of Lafayette, up to 30 miles, to get or deliver their

train. In doing so, they may operate through the Lafayette terminal without release.

- v. Trainmen called in this service may be used beyond the away-from-home terminal switching limits of Shreveport, up to Alden Bridge, to get or deliver their train. In doing so, they may operate through Shreveport terminal without release.
 - vi. Trainmen called in this service may be used beyond the away-from-home terminal switching limits of Longview, up to 30 miles, to get or deliver their train. In doing so, they may operate through the Longview terminal without release.
 - vii. 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.
 - viii. Trainmen called in this service may continue to 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.
- B. This pool will operate under former ATSF Northern and Southern Agreement rules. Equity for pre-95 JTD seniority will be provided as outlined in Side Letter #1 appended hereto.
- C. Pool trainmen working in this service will receive a two-hour 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, and 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. Houston to Temple via Galveston subdivision

- a. Pool trainmen in Temple can relieve eastbound traffic between Temple and Sealy.
- b. The Houston extra board can relieve eastbound traffic between Phillipsburg and Houston.
- c. Pool trainmen in Houston can relieve westbound traffic between Houston and Phillipsburg.
- d. The Temple extra board can relieve westbound traffic between Sealy and Temple.

ii. Houston to Temple via Conroe/Houston subdivisions

- a. Pool trainmen in Temple can relieve eastbound traffic between Temple and Dobbin.
- b. The Houston extra board can relieve eastbound traffic between Somerville and Houston.
- c. Pool trainmen in Houston can relieve westbound traffic between Houston and Somerville.
- d. The Temple extra board can relieve westbound traffic between Dobbin and Temple.

iii. Houston to Lafayette

- a. Pool trainmen in Houston can relieve eastbound traffic between Houston and Iowa Junction.
- b. The Lafayette extra board can relieve eastbound traffic between Beaumont and Lafayette.
- c. Pool trainmen in Lafayette can relieve westbound traffic between Lafayette and Beaumont.
- d. The Houston extra board can relieve westbound traffic between Iowa Junction and Houston.

iv. Houston to Shreveport

- a. Hours of service relief for this pool may be protected by the Teague extra board or the Houston combination extra board.

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 also 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. Vacancies and Layoffs

- A. All temporary vacancies occurring on these ID pool turns at the home terminal will be filled by the trainman's extra board. In the event the extra board is exhausted, existing rules and agreements governing the filling of such vacancies will apply.
- B. 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 a 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).
- C. 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 Supervisor of which train they desire to ride in advance of that train's departure.
- D. Layoffs resulting in permanent vacancies as defined by applicable CBA's will continue to be handled by the terms outlined in those CBA's.

E. Extra service (e.g. build up turns) may be filled by extra board trainmen.

6. Pool Regulation

A. This interdivisional pool will be regulated between 18-20 starts per month.

i. A flip trip will be considered as one (1) start for purposes of regulation.

7. Compensation

A. The parties will meet to discuss the appropriate trip rates for trainmen in this service.

B. The initial trip rate for the Temple-Houston route will include the miles for operating to and from the W. A. Parish plant at Smithers Lake via (1) the Arcola connection and NRG track or (2) the Hall subdivision. However, the frequency of this operation is dependent upon business and customer service demands. If BNSF determines that business no longer warrants the inclusion of these miles in the trip rate, then this mileage may be removed (either temporarily or permanently) from the trip rate with 15 days' written notice to the General Chairman. Trainmen in this pool may continue to operate to W. A. Parish plant with the additional miles operated being paid under the terms of the March 6, 2009 letter of understanding.

C. When trainmen are utilized to operate through any of the terminals as outlined in 1(A)(iii); 1(A)(iv); 1(A)(v); 1(A)(vi) and 1(A)(vii) 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.

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 enroute.

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 trainman 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 the 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 shall 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 the 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 - Labor Relations

General Chairman - SMART-TD JTD

Manager - Labor Relations

Side Letter #1

Regulation of Equity Between Houston and Temple

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.

JTD Pool Equity

BNSF will take into consideration the number of trips traversed between Houston and Shreveport to determine if a pool turn (or turns) need to be established and designated for pre-merger JTD seniority trainmen. Any designated prior right (meaning employees on roster CO12 on the effective date of this agreement) JTD turns will rotate independently from any designated JTD engineer pool turns.