

Letter of Understanding
between
BNSF Railway
and
Brotherhood Of Locomotive Engineers & Trainmen
(Former BN Northlines GCA)

The following understanding is to describe the process that the parties have agreed to utilize on a trial basis at the General Committee/Labor Relations level for handling claims other than discipline or protective claims (time claims).

IT IS UNDERSTOOD:

- I Article (a) thru Article (h) of the BN/BLE Uniform Time Limit Agreement, Labor Agreement BN 4/20/79 will continue to govern the handling of time claims at the local and/or first level of appeal.

- II When a Local Chairman's appeal has been properly declined pursuant to Article (d) of the time limit agreement (as modified on December 4, 1981), the following will govern the handling of the General Chairman's appeal pursuant to Article (i) of the time limit agreement. When U.S. mail is used, the postmark date will apply to establish the time limits as set forth herein.

A. To facilitate an "informal" conference between the parties prior to the exchange of a formal appeal and/or declination, the General Chairman will submit a listing of all time claims that the Organization wishes to informally conference to the highest designated officer of the Carrier on an agreed upon form within ninety (90) days of receipt of each claim's local declination as outlined in Article (d). The General Chairman will group the claims on the listing in the same manner as they were grouped in the local and/or first level appeal and declination.

Once listed to the Carrier in this fashion, all remaining time limit requirements in Article (i) and Article (j) of the time limit agreement are suspended for each listed claim until the claim is informally conferenced.

If any claim is to be formally appealed subsequent to the informal conference, the General Chairman must submit a formal appeal to the highest designated officer of the Carrier within ninety (90) days of the informal conference. This ninety (90) day time limit may be extended by mutual agreement between the parties. Any time claim formally appealed following informal conference pursuant to this Article will then be governed by the remaining time limit requirements of Article (i) and Article (j) of the time limit agreement.

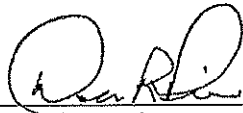
B. To facilitate the handling of claims associated and analogous to issues already identified as "in dispute" between the parties, the General Chairman will submit a listing of all time claims that the Organization wishes to tie to the resolution of the lead claim in such a dispute to the highest designated officer of the Carrier on an agreed upon form within 90 days of receipt of each claim's local declination as outlined in Article (d). The General Chairman will group the claims on the listing in the same manner as they were grouped in the local and/or first level appeal and declination.

Prior to listing ongoing claims to an issue in dispute, the General Chairman will advise the highest designated officer of the Carrier in writing of its intention to identify the issue as a lead issue that similar and analogous claims will be tied too.

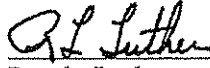
Once listed to the Carrier in this fashion, all remaining time limits in Article (i) and Article (j) of the time limit agreement are suspended for each listed claim until the involved dispute is resolved. Each ongoing claim tied to a lead issue will then be resolved consistent with the resolution of the lead claim or issue.

- III Claims pursued by BLET for employees working in UTU represented crafts pursuant to the March 27, 1996 and April 1, 2004 tripartite agreements between BLET/UTU/BNSF will not be governed by the process set forth in this understanding. Such claims will continue to be processed in accordance with the existing provisions of the governing UTU/BNSF Agreement. In addition, claims pursued by UTU for employees working in a BLET represented craft pursuant to the March 27, 1996 and April 1, 2004 tripartite agreements between BLET/UTU/BNSF will not be governed by the process set forth in this understanding. Such claims will continue to be processed in accordance with the existing provisions of the BLE/BN Uniform Time Limit Agreement.

This understanding is to become effective the 2nd day of NOVEMBER, 2006 and may be cancelled by either party serving fifteen (15) days' written notice on the other party. Claims initiated by the General Chairman as the parties transition to or from this new process will be governed by the process in effect when the Organization initiates handling at the General Chairman's level.



Dennis R. Pierce
General Chairman – BLET



Randy Luther
General Director– Labor Relations