

OPS 159-04



WENDELL BELL
General Director
Labor Relations

The Burlington Northern
and Santa Fe Railway Company

P.O. Box 961030
Ft. Worth, TX 76161-0030
2600 Lou Menk Dr., OOB-GL
Ft. Worth, TX 76131-2830
Phone 817.352.1028
Mobile 817.939.8429
Fax: 817.352.7482
E-mail wendell.bell@bnsf.com

June 7, 2004

Mr. Dennis Pierce, GC
BLET

Mr. Pat Williams, GC
BLET

Mr. Rick Gibbons, GC
BLET

Mr. Austin Morrison, GC
BLET

Gentlemen:

This letter will confirm our discussion on May 12 about the process for application of Article VII, Sections 1 and 2 on BNSF.

We have agreed that the following will apply in the event of a sale or lease of a line or lines of railroad to a purchaser under Sections 10901-2:

1. A. This letter applies only to an engineer who, as a result of the sale or lease, is deprived of employment with BNSF.

B. "Deprived of employment" means that the engineer is unable to hold engine, train or yard service on their engine, train or yard service seniority district as those districts existed or were defined on January 1, 1995 (or, in the case of the districts created with the trackage rights, those districts as originally created). Also, if a person has bid off his home district as described just above using any post-January 1, 1995 expanded engineer seniority that he holds, he would have to be "deprived of employment" on both his current working district (where the line sale or lease occurs) and his home district in order to come under the coverage of this agreement.

C. An engineer who meets the tests set forth in paragraph 1B will not be deprived of the benefits of this letter by virtue of any exercise of seniority to which he was entitled pursuant to the BN/BLE Transfer Agreement dated November 1, 1990 or the ATSF/BLE System Seniority/Transfer Agreement dated October 16, 1998. Correspondingly, the granting of transfer rights here shall not detract from any exercise of his rights under those transfer agreements.

bhvesan16 74 04

bhvesan16 74 04

2. A. An engineer who meets the definitions of Section 1 of this letter shall have the right, in seniority order, to bid on vacant positions or claim open locomotive engineer positions at any location on the carrier at any time within ninety (90) days after being deprived of employment.

B. Engineers wishing to exercise this right will make application to the BLET General Committee of Adjustment under whose agreement they are working. The BLET General Committee of Adjustment will forward this request to the company officer designated to receive such requests.

C. An engineer who has an engineer's seniority date on or preceding September 30, 1996 on the district where he has been deprived of employment shall have a seniority exercise date of September 30, 1996 to bid on vacant positions or claim open locomotive engineer positions at other locations. An engineer who has an engineer's seniority date after September 30, 1996 on the district where he has been deprived of employment shall have that engineer's seniority date as his seniority exercise date to bid on vacant positions or claim open locomotive engineer positions at other locations. If two or more engineers have the same date for exercise of their rights under this paragraph, they will be ranked according to their earliest date of hire with the company (continuous employment). If that date of hire is the same, they will be ranked by date of birth, oldest prevailing.

D. An engineer who exercises his right under paragraph 2A will have to be the senior applicant bidding for the vacancy or claiming the open position, and subsequently be awarded that job in accordance with existing rules at that location to secure their rights under this letter.

E. An engineer who secures a position under paragraph 2B will retain his seniority date on the seniority district where he has been deprived of employment. However, that seniority will be "inactivated" and that engineer will not be subject to recall as an engineer or be required to protect any engineer's promotional responsibility on the original district. That engineer will be allowed to voluntarily return to the original district at such time as he is able to hold as an engineer.

3. A. Engineers who meet the conditions of paragraph 1B as a result of line sales occurring between September 30, 1996 and the date of this letter will have a 90-day window from the effective date of this letter to exercise their rights under this letter and to secure the seniority dates on their new districts under paragraph 2E.

4. An employee with operating seniority on or before October 31, 1985, who obtains a seniority date on a new district under the

terms of this understanding, will retain all "pre-85" terms, conditions and benefits on his new district.

5. This letter will supercede any conflicting understandings or agreements to the extent of the conflict; will be effective July 1, 2004; and may be subsequently modified by mutual agreement of all of the parties or in accord with the amended Railway Labor Act.

Please indicate your acceptance of these understandings by signing this letter.

Sincerely,



Accepted:



General Chairman - BLET



General Chairman - BLET



General Chairman - BLET



General Chairman - BLET

Approved:



Vice President - BLET

hlevcan16 24 04

hlevcan16 24 04