# **AGREEMENT**

**BETWEEN** 

# **BNSF**

# **RAILWAY COMPANY**

and its Intermodal Facility Workers represented by

# TRANSPORTATION COMMUNICATIONS INTERNATIONAL UNION



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#### AGREEMENT BETWEEN

#### **BNSF RAILWAY COMPANY**

#### AND ITS INTERMODAL FACILITY WORKERS

#### REPRESENTED BY

# TRANSPORTATION COMMUNICATIONS INTERNATIONAL UNION

#### **RULE 1 -- SCOPE**

- 1-A. This Agreement shall govern the hours, compensation and working conditions as set forth in Sections 2 and 6 of the Railway Labor Act for those BNSF employees engaged at the BNSF intermodal facilities at the Chicago, Illinois Cicero Facility (Cicero); Memphis, Tennessee Intermodal Facility (Memphis); the Chicago, Illinois Corwith Facility (Corwith); and the Seattle, Washington Intermodal Facilities (South Seattle and Seattle International Gateway); collectively referred to as, "BNSF Intermodal Facilities" who are represented by the Transportation Communications International Union (TCU), which is recognized as the collective bargaining representative for those persons occupying and performing the functions of the positions identified below. For purposes of this Agreement, the term "Union" means TCU or any successor representative under the Railway Labor Act, of employees covered by this agreement and the term "BNSF" means BNSF Railway Company or any of its agents, or any other entity retained by BNSF Railway to manage its operations at any of the above-listed facilities. This Agreement applies only to the facilities listed above and has no application to any other facility on BNSF.
- 1-B. Persons occupying BNSF positions listed below at BNSF Intermodal Facilities are represented by the Union and covered by this Agreement:

Leadman Crane Operator Hostler Drayage Driver Groundman BAPP Facilitator

- 1-C. This Agreement does not cover any workers or positions not specifically listed above.
- 1-D. Supervisory employees will not perform the work of positions listed in Rule 1-B except as incidental to their normal duties or in the following situations: (1) emergencies; (2) in the instruction of employees; (3) when testing, inspecting, maintaining or repairing equipment; or (4) when Agreement covered employees are not readily available to perform the work.
  - 1-E. As far in advance as practicable, BNSF will notify TCU when new jobs are added.

#### **RULE 2 -- MANAGEMENT RIGHTS**

Except as expressly limited in this Agreement, BNSF retains any and all freedoms to manage and to make and execute decisions concerning or affecting the operations of BNSF Intermodal Facilities (the Facilities) or the employment of any people there.

These retained freedoms include, but are not limited to, the right, at BNSF's sole discretion, to determine what positions will be established to perform any work, how the work will be done and how many people will be

employed to perform any kind of work or in general at the Facilities. And these freedoms include the right to determine all phases and details of the business, all working conditions, production standards and safety standards, etc., except to the extent such freedom is expressly limited by this Agreement.

#### RULE 3 -- RATES OF PAY AND OVERTIME

- 3-A. See Addendum for pay rates.
- 3-B. Employees hired by BNSF at its Intermodal Facilities who worked at the facility for the previous intermodal operator when BNSF insourced the work (experienced), will be given credit for service at the Intermodal Facilities with the previous operator for purposes of entry rates under this section 3-B.<sup>2</sup> All other employees entering service under this Agreement shall be paid entry rates as follows:
  - 3-B(1). For the first 12 calendar months of employment, new employees shall be paid 85% of the applicable rates of pay.
  - 3-B(2). For the second 12 calendar months of employment, such employees shall be paid 90% of the applicable rates of pay.
  - 3-B(3). For the third 12 calendar months of employment, such employees shall be paid 95% of the applicable rates of pay.
  - 3-B(4). Any calendar month in which an employee does not render compensated service due to furlough, voluntary absence, suspension, or dismissal shall not count toward completion of the 36 month period.

Note: BNSF, at its sole discretion, may elect to pay any or all permanent employees more than the entry rates in Rule 3-B.

- 3-C. Overtime (time and one-half) shall be paid on a minute basis for all time worked in excess of forty straight time hours in a work week.
  - 3-C(1). Except as provided in 3-C(5) of this rule, for 5 day assignments, overtime (time and one-half) shall be paid on a minute basis for all time worked in excess of eight hours in a twenty-four hour period. This provision only applies to existing insourced facilities as of the date of this Agreement.
  - 3-C(2). Except as provided in 3-C(5) of this rule, for 4 day assignments, overtime (time and one-half) shall be paid on a minute basis for all time worked in excess of 10 hours in a twenty-four hour period. This provision only applies to existing insourced facilities as of the date of this Agreement.
  - 3-C(3). Except as provided in 3-C(5) of this rule, for 3 day assignments, overtime (time and one-half) shall be paid on a minute basis for all time worked in excess of 12 hours in a twenty-four hour period. This provision only applies to existing insourced facilities as of the date of this Agreement.
  - 3-C(4). Overtime (time and one-half) shall be paid on a minute basis for all time worked in excess of forty straight time hours in a work week.
  - 3-C(5). If, during a work week, an employee fails to perform scheduled service—including reporting late or leaving early—for any reason other than at the direction of the Company, 3-C(1) will not apply for that work week. Vacation, holidays, personal leave days, bereavement, Jury duty, and time spent by the Local Chairman representing employees in disciplinary Investigations, are not considered a failure to perform service as comprehended by this rule.

<sup>&</sup>lt;sup>2</sup> This provision applies only to employees who worked at the facility for the previous intermodal operator when BNSF insourced the work at Corwith and Seattle.

Note: The intent of this rule is not to penalize employees whose service is not required due to operational need, but to serve as a disincentive to employees from laying off, reporting late, or leaving work early, and making up for such layoffs with overtime on other days during the week.

See Appendix No. 3 for examples.

- 3-D. Except for vacation, holidays, personal leave days, bereavement leave, and jury duty, only time actually worked on a covered position will be counted in computing overtime entitlement (time spent in training, attending classes, investigations, etc., will not be counted). All time worked less than forty hours in a work week will be paid for on a minute basis at straight time rate.
- 3-E. No overtime will be worked or paid for unless authorized by proper authority in advance, except in cases of emergency where advance authority is not obtainable.
- 3-F. Under no circumstances shall BNSF be required to pay more than one time and one-half pay for the same shift. (For example, an employee working eight hours on a holiday after having worked 40 hours during his work week, would only be entitled to one time and one-half payment for this eight hours worked).
- 3-G. BNSF, at its sole discretion, may establish incentive programs for employees as individuals, as a work group, or as a team. The local union representative will be informed prior to the establishment of any incentive program. BNSF may at any time modify or eliminate such incentive programs and no claim or grievance may be filed therefore.
- 3-H. Any change in rates of pay (typically stated as percentage changes in daily or hourly rates of pay) or any lump sum amounts, agreed to by BNSF and TCU in periodic national bargaining which may be effective by their terms on or after April 23, 2019, shall apply to employees covered under this Agreement, unless expressly made inapplicable to employees covered under this Agreement by any such national agreement or settlement. However, despite its effective date under such national agreement, no such change in rates of pay or lump sum amount shall be applicable to employees working under this Agreement before April 23, 2019.
- 3-G. Each employee subject to this agreement shall participate in the program providing for the direct deposit of payroll checks into the employee's bank account. This provision will become effective with a 60-day notice by the Carrier to the employees.

#### RULE 4 - SENIORITY DISTRICT AND ROSTER

- 4-A. Each facility shall constitute a separate single seniority district except for South Seattle and Seattle International Gateway, which are together, one seniority district.
- 4-B. A roster of permanent and part-time employees showing name and seniority date will be posted in places accessible to all employees working in the Facility. The roster will be revised and posted in January of each year. Roster errors will be corrected if satisfactory evidence is presented by an employee or his representative. The local union representative will be furnished two copies of the roster. If requested, the local union representative will be furnished with a revised roster when employees are added to or removed from the roster.

#### RULE 5 -- APPLICATION APPROVAL & ESTABLISHING SENIORITY

- 5-A. The application of a new permanent or part-time employee shall be approved or disapproved within eight months after the applicant establishes seniority, unless BNSF and the local union representative of the employees mutually agree to a longer time. However, BNSF may disapprove an employee's application at any time in the event of applicant having given false information.
- NOTE: During the eight-month period, BNSF may disapprove an employee's application for any reason, and such disapproval will not be subject to a claim or grievance.

- 5-B. New employees shall establish seniority at the facility at the time their pay starts. If two or more employees commence service on the same date, such employees will be placed on the roster in order of dates of birth, the older employee being shown above the younger employee. If the birth dates are the same, then the employees will be placed on the roster in alphabetical order according to last names.
- 5-C. BNSF will provide the National Representative with a list of employees who are hired or terminated under this Agreement.
- 5-D. An employee voluntarily leaving the service will, upon re-entering the service, be considered a new employee.

#### Part-time Employees

5-E(1). In addition to permanent employees, BNSF may elect to establish a pool of part-time employees, at each facility, not to exceed 25% of the entire work force covered by this Agreement. Part-time employees may be used to provide vacancy relief, or any other services as determined by BNSF.

Currently, the percentage of part-time is limited to 20% of the entire workforce. The parties agree to increase that percentage by one percent each year until 25% is reached.

5-E(2). A part-time employee is a person hired by BNSF for the purpose of performing work on an as needed basis, less than 130 hours per calendar month. However, if a part-time employee works 130 hours or more per calendar month during the Initial Measurement Period or subsequent Standard Measurement Period (both described below), they will be treated as full-time during the following Stability Period only for the purpose of determining eligibility for healthcare benefits, regardless of the number of hours the employee works during that Stability Period.

An Initial Measurement Period (IMP) of the first full 6 consecutive calendar months of the employee's service will be used to look back and determine whether the part-time employee has worked enough hours to be considered full-time. If the employee has averaged 130 hours or more per calendar month during the IMP, the employee will be offered benefits for a Stability Period (SP) of 6 consecutive calendar months. The Stability Period will commence the first of the month coincident with or following 30 days from the end of the IMP in order to enroll and notify employees. Each employee will have his or her own unique IMP based on their start date.

An ongoing employee is one who has been employed for an entire Standard Measurement Period. For ongoing employees, the 6-month Standard Measurement Period (SMP) of May 1 - October 31 will be used each year to determine eligibility for benefits for the Stability Period of January 1 - June 30 of the following year. The 6-month SMP of November 1 - April 30 will be used each year to determine eligibility for benefits for the Stability Period of July 1- December 31.

For example, an employee hired as part-time in June will have an IMP of July 1 - December 31. If the employee works on average 130 hours or more per calendar month during the IMP, the employee will be offered benefits for the 6-month period February 1 - July 31. If the employee works on average 130 hours or more during the overlapping Standard Measurement Period November 1 - April 30, benefits will be offered for the 6-month Stability Period measured from July 1 - December 31.

- 5-E(3). Part-time employees shall be compensated on an hourly basis for the hours worked at the applicable entry rates set forth in Rule 3-B.
- Note: BNSF, at its sole discretion, may elect to pay any or all part-time employees more than the entry rates in Rule 3-B.
- 5-E(4). Part-time employees are not entitled to any of the benefits provided permanent employees, i.e., health and welfare benefits, vacations, holiday pay, Jury duty, Personal Leave Days, Bereavement Leave, etc. Part-time employees are subject to Appendix No. 2 Union Shop.
- 5-E(5). BNSF, at its sole discretion, will establish procedures for utilizing part-time employees, i.e., reporting and/or calling times, filing address and telephone number, etc.

5-E(6). At BNSF's discretion, a part-time employee who fails and/or refuses to respond to call(s) for part-time work may be deemed to have resigned from service and deemed to have forfeited all employment rights.

#### **RULE 6 -- APPLICATION OF SENIORITY**

Seniority will be applicable only in those instances where the rules specifically provide that length of service is relevant, i.e., vacations, personal leave days, application to permanent positions, etc.

#### **RULE 7 -- POSITIONS AND ASSIGNMENTS**

- 7-A. BNSF will establish positions (with hours of assignment, days of rest, assigned meal periods, assigned duties, etc.) as it deems appropriate. Bulletins for new positions and permanent vacancies will be posted in established places accessible to all employees for a period of three consecutive days, unless otherwise mutually agreed. Bulletins will show title and schedule of the position; however, it is understood that after assignment the schedule may be temporarily changed with two hours' notice to the affected employee(s).
- 7-B. In filling positions covered under this Agreement, employees shall file a written application with the designated Company officer. BNSF has the right of assignment from the list of applicants, with consideration being given to fitness, ability and seniority. If a senior employee is not selected for assignment to a position, the National Representative may discuss this with the Vice President of Business Unit Operations and Support, Ft. Worth, Texas, whose decision is final.
- 7-B(1). Where no applications are received, BNSF may force a furloughed employee to accept the assignment, force a part-time employee to accept the assignment, hire a new employee, or temporarily move a permanent employee to fill the assignment.
- NOTE: Employees refusing to accept an assignment will be considered out of service, forfeiting seniority and employment rights with the company.
- 7-C. While positions may be bulletined with specific job titles and duties, employees may be used as deemed necessary by BNSF at its sole discretion to perform the work of other positions.
- 7-D. An employee whose permanent position is abolished or who is removed therefrom may request to take a position held by a junior employee, subject to approval of management. Such employees not granted requested positions will be placed on a position at the terminal held by the junior employee. If an employee is not placed on a position he requested, the National Representative may discuss this with the Vice President of Business Unit Operations and Support, Ft. Worth, Texas, whose decision is final.
- 7-D(1) A permanent employee who through no fault of his own is unable to hold a permanent position may revert to part-time employee status and will be governed by the provisions of Rule 5-E above, or he may revert to furlough status. Employees who revert to furlough status must promptly advise the Hub Manager of their current address and telephone number (unless same are already on file) and promptly advise of subsequent changes therein. Employees in furlough status who desire to revert to part-time employee status will advise the Hub Manager in writing. A furloughed employee who does not perform any compensated service during a period of twelve (12) consecutive months will be considered out of service, forfeiting his seniority and employment rights with the company.
- 7-E. BNSF will endeavor to provide permanent employees with 40 straight time hours each work week; however, should BNSF determine that the services of a permanent employee are not needed on a particular day, it may blank the job. If, in the sole judgment of BNSF, all other considerations like for example relative productivity, are equal, then seniority will prevail in the blanking of the job, and the job held by the most junior employee on that shift in the affected classification will be blanked. The employee must be notified or called no later than one hour prior to starting time. If not notified or called at least one hour prior to their starting time, employees will be allowed two hours at the straight time rate and will work thereafter on an hourly basis depending on the requirements of service. In blanking positions, the Company will blank positions occupied by part-time employees before blanking positions occupied by full-time employees on the same shift and classification. Situations where permanent employees are used to train or work other positions will not be considered as blanking under this rule.

- 7-F. The need for and length of training on a position will be determined at BNSF's sole discretion. An employee instructed to train on a position will be compensated at the straight time rate for time spent training.
- 7-G. Employees will be required to satisfactorily perform all the duties of all the positions covered under the Agreement. An employee who is unable to satisfactorily perform the duties of a position after a reasonable period of training may be terminated from service on that basis alone. An employee terminated from service under this rule will be provided with the reason(s) for the termination and may request a "Show Cause" (unjust treatment) hearing, with the burden of proof being upon the employee, and the action may be handled as a grievance under Rule 26.
- 7-H. Vacancies on positions covered by this Agreement that are not permanent may also be filled at management's discretion.

#### **RULE 8 -- ASSIGNED TO NON-AGREEMENT COVERED POSITIONS**

- 8-A. Employees holding seniority under this Agreement filling non-Agreement positions with BNSF shall retain seniority.
- 8-B. Non-Agreement covered employees holding seniority under this Agreement shall, as a condition of retaining such seniority, either (1) hold membership in the Organization or (2) pay the periodic dues (not including initiation fees, assessment, fines and penalties) uniformly required of all members within 60 calendar days of the date promoted to a non-agreement covered position. In the event such an employee fails to maintain his membership or pay the uniform dues, as described above, the National Representative of the Union shall notify the Intermodal Hub Manager (which is defined throughout this Agreement to mean the highest ranking manager at the facility or that person's designee) and the employee in writing and if within 30 days from date of notification letter the employee has not paid the dues owed, the National Representative of the Union will notify the Intermodal Hub Manager and the employee's name will be removed from the seniority roster. Forfeiture of seniority for non-payment of dues under this Rule shall not preclude an employee from continuing employment on non-Agreement covered positions with BNSF.
- 8-C. An employee holding seniority under this Agreement occupying a non-Agreement covered position shall only be allowed to give up such position and return to an Agreement covered position upon approval of BNSF. An employee returning to Agreement coverage upon approval of BNSF, or because his non-Agreement position is no longer available to him, shall report to BNSF for assignment. The National Representative may discuss such assignment decisions with the Vice President of Business Unit Operations Support, Ft. Worth, Texas, whose decision is final.
- 8-D. An employee removed from a non-Agreement covered position for disciplinary reasons shall forfeit all seniority and employment rights with BNSF.
- 8-E. Employees promoted or recalled to the position of Train Dispatcher or Yardmaster, shall retain and accumulate any seniority rights they have under this Agreement. Employees working as Train Dispatchers or Yardmasters may only exercise seniority back to this Agreement if they are unable to hold any Train Dispatcher or Yardmaster position and there is a vacancy under the prior insource Agreement. This must be done within 30 days of release from Train Dispatcher or Yardmaster service.

It is not the intent of the parties to enable Train Dispatchers or Yardmasters to voluntarily leave those crafts, nor is it the intent to favor them over employees who voluntarily chose to work under this Agreement. If a Train Dispatcher or Yardmaster relinquishes his or her Train Dispatcher or Yardmaster assignment of his or her own accord, other than to accept an exempt position, or a position with the Organization, he or she will forfeit any clerical seniority under this Agreement.

8-F. Employees accepting promotion to full-time status with TCU shall be considered on leave of absence and retain and accumulate seniority under this Agreement.

#### **RULE 9 -- LEAVE OF ABSENCE**

- 9-A. Employees will be granted reasonable leave of absence for acceptable reasons upon advance permission of the Intermodal Hub Manager. An employee who will be absent from work more than ten consecutive work days must obtain an advance authorized written leave of absence and failure to do so will result in the forfeiture of all seniority and employment rights with BNSF.
- 9-B. An employee who fails to report for duty at the expiration of the leave of absence shall be considered out of service, except that when failure to report on time is the result of unavoidable delay, the leave shall be extended to include such delay.
- 9-C. Employees on leave of absence accepting other employment without written permission from the Intermodal Hub Manager will forfeit all seniority and employment rights with BNSF.
- 9-D. Employees on leave of absence shall be required to give not less than sixteen hours' advance notice before reporting for duty.

#### **RULE 10 -- REPRESENTATIVES**

- 10-A. Where the term "local union representative" appears in this Agreement, it means the regularly constituted committee and/or the officers of the Union.
- 10-B. The local union representative shall be granted reasonable leave of absence for the adjustment of matters growing out of interpretation or application of this Agreement. Request for leave of absence shall be made reasonably in advance.
- 10-C. Local officers and local union representatives or employees shall not enter into local understandings or agreements, except as specifically authorized in certain rules of this Agreement.

#### **RULE 11 -- DISCIPLINE-INVESTIGATION**

11-A. Except as otherwise provided for in this Agreement, an employee who has been in service under this Agreement for more than eight months shall not be dismissed or otherwise disciplined without a fair and impartial formal investigation or private hearing, at which investigation or private hearing, the employee if he desires to be represented by other than himself, may be accompanied and represented only by the duly accredited representative, as that term is defined in this Agreement. An employee may be withheld from service pending the investigation. The investigation shall be held within ten calendar days of the date when charged with the offense or withheld from service. Employees who may be subject to disciplinary action will be given a written notice setting forth the nature of the charges to be investigated, with copy to the local union representative. When necessary to secure the presence of witnesses or representatives not immediately available, reasonable postponement at the request of BNSF, Union, or employee may be had.

Prior to issuing the investigation notice, BNSF may offer the employee a private hearing with the employee, the Intermodal Hub Manager and the local union representative present. If the employee elects to participate in a private hearing, the issue shall be discussed with the Intermodal Hub Manager advising the amount of discipline, if any, to be assessed. If the employee elects to accept the discipline offered it shall be final and binding and it cannot be appealed.

NOTE: BNSF retains its right to conduct a fact finding session(s) before formally charging an employee or offering a private hearing. If desired, the employee may request the presence of local union representative.

- 11-B. An employee disciplined as a result of formal investigation shall be informed of that fact within thirty calendar days after the investigation is held.
- 11-C. If discipline is assessed, a copy of the transcript of the evidence taken at a formal investigation will be furnished to the employee and to his representative.

- 11-D If discipline is assessed following a formal investigation, the right of appeal of that discipline by the employee or his local union representative to the highest official designated by BNSF to whom appeals may be made is recognized. If an appeal is made, it must be filed and progressed in accordance with the procedures set forth in Rule 26.
- 11-E If the final decision decrees that charges against the employee were not sustained, the employee's record shall be cleared of the charge. If the employee is dismissed or suspended from service for cause and subsequently it is found that such discipline was unwarranted, the employee will be restored to service with pay for time lost based upon the straight time hours the employee would have otherwise worked. Any earnings in other employment will be used to offset the loss of earnings.
- 11-F(1) Employees acting as representatives of employees covered by this Agreement and employees acting as witnesses at investigations for and/or at the request of other employees or the union, will not be compensated by BNSF for time lost and/or expenses incurred by reason thereof
- 11-F(2) Permanent employees instructed by the Intermodal Hub Manager to appear as a Company witnesses during their assigned hours will be compensated an amount equal to what they would have earned had they performed service. A permanent employee working his assignment for the day, or any portion thereof and required to appear as a Company witness outside his assigned hours will be paid, in addition to his regular assignment, a minimum of two hours at the straight time rate. If held in excess of two hours, straight time will be allowed on the minute basis. Permanent employees required to appear as Company witnesses on their assigned rest days, vacation or leave of absence, shall be allowed a minimum of two hours at the straight time rate for two hours or less, and if held in excess of two hours, straight time will be allowed on the minute basis. Actual time in attendance shall be computed from time required to report at investigation until released
- 11-F(3) Part-time employees required to appear as a Company witness will be allowed a minimum of two hours pay for two hours or less and if held in excess of two hours, straight time will be allowed on the minute basis Actual time in attendance shall be computed from time required to report at investigation until released

#### **RULE 12 -- HOLIDAYS**

12-A The following days are recognized as paid holidays for qualifying permanent employees

New Year's Day
Memorial Day
Fourth of July
Labor Day
Thanksgiving Day
Day following Thanksgiving Day
Christmas Eve (the day before Christmas is observed)
Christmas Day

In the event the number of Holidays is increased in National Bargaining between the NCCC and TCU, employees covered by this Agreement shall be entitled to such increase in days

- 12-B When any of the recognized holidays listed above, or any day which by agreement, or by law or proclamation of the State or Nation, has been substituted or is observed in place of any such holidays, then that day shall be observed as the holiday.
- 12-C Permanent employees working any of the holidays listed above shall be paid at the time and one-half rate for actual time worked
- 12-D. Permanent employees shall receive eight hours pay at straight-time rate for each of the holidays listed above provided they received compensation on the five scheduled days preceding, and five scheduled days following, the holiday Vacation or personal leave days approved for use during either, or both, of the five-day periods will extend the five-day period by the number of vacation day(s) used

12-E. It is recognized that given the nature of the business it will be necessary for some employees to work holidays. If in the sole judgment of management all other things are equal, holiday work may be made available in seniority order to the job classification(s) needed by BNSF, with employee(s) being forced in reverse seniority order if necessary.

#### **RULE 13 -- EXAMINATIONS AND REEXAMINATIONS**

- 13-A. As a prerequisite to continued employment, an employee may be required to take an annual physical examination, including a drug screen. The employer shall arrange for the examination and the cost shall be borne fully by the BNSF.
  - 13-B. All employees shall be subject to BNSF's random alcohol and drug testing policies.

#### **RULE 14 -- INSURANCE**

- 14-A. Medical
  - a. Defined Contribution Plan

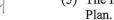


- b. BNSF will contribute on the basis of \$832.72 per employee/per month (the amount for the 2019 plan year).
- c. On January 1 of each succeeding year, BNSF's contribution amount will be increased by the greater of 3%, or one-half of the percentage by which the railroad payment rate for FO medical coverage under the "national plan" (presently GA 23000) increases for such year over the immediately preceding year. For example, if the 2020 railroad payment rate for FO medical coverage under the national plan is 7% higher than it was in 2019, then BNSF's PEPM contribution under Rule 14-A would be \$861.87 in 2020.
- 14-B. Dental
  - a. National Dental Plan
- 14-C. Vision
  - a. National Vision Plan

See Side Letter 4.

#### **RULE 15 -- 401(K) SAVINGS PLAN**

- 15. (1) Consistent with all applicable laws, BNSF will offer to eligible employees covered by this Agreement a 401(k) Plan subject to the following conditions:
  - (2) The Plan will be determined by BNSF.
  - (3) Employee participation in the Plan is voluntary.
  - (4) Employees may contribute to the Plan by use of payroll deduction.



- (5) The Plan is non-contributory on BNSF's part but BNSF will pay the administrative costs of the
- (6) An eligible employee is defined as a permanent full-time, or part-time, employee in active service.
- (7) The Plan may be cancelled by BNSF upon sixty days' notice.

#### RULE 16 -- ATTENDING SPECIAL TRAINING SCHOOLS

Employees covered by this Agreement attending special training schools at the direction of BNSF will be compensated at the straight time rate for time spent in training. Employees will be allowed actual necessary expenses while traveling to and from such training school and while in attendance.

#### **RULE 17 -- REMOVAL FROM SERVICE**

#### **Unsafe Work Practices**

17-A. If BNSF, at its sole discretion, counsels an employee for "unsafe work" practices two times or more in any five-year period, the employee may be removed from service.

#### **Insufficient Work Productivity**

- 17-B. BNSF, at its sole discretion, may remove employees from service for "unsatisfactory" work performance as follows:
- (1) If BNSF, at its sole discretion, determines an employee is not satisfactorily performing work, a company representative will hold a meeting with the employee to explain the unsatisfactory work performance. At this meeting, the employee may have his local union representative present. During the meeting, BNSF will set forth what is required for the employee to correct his unsatisfactory work performance.
- (2) If the employee does not satisfactorily improve his work performance within two weeks, a final warning will be given the employee and his local union representative. If BNSF, at its sole discretion, determines that the employee's work performance does not improve within three working days, the employee may be permanently removed from service.
- (3). An employee who initially improves their work performance but later relapses back to an unsatisfactory performance level within a twelve-month period will be given a warning. If the employee's work performance does not improve to the standard set forth by BNSF within three working days, and maintain that standard thereafter, BNSF may, at its sole discretion, permanently remove the employee from service on that basis alone.
- NOTE: An employee permanently removed from service under this Rule 17-A and 17-B will be provided with the reason(s) for the termination and may request a "Show Cause" (unjust treatment) hearing, with the burden of proof upon the employee, and the action may be handled as a grievance under Rule 26.

#### **RULE 18 -- JURY DUTY**

When a permanent employee is summoned for jury duty and is required to lose time from his assignment as a result, he shall be paid for actual time lost with a maximum of a basic day's pay at the straight time rate of his position for each day lost less the amount allowed him for jury service for each such day, excepting allowances paid by the court for meals, lodging or transportation, subject to the following qualification requirements and limitations:

- (1). An employee must exercise any right to secure exemption from the summons or jury service under federal, state or municipal statute and will be excused from duty when necessary without loss of pay to apply for the exemption.
- (2). An employee must furnish BNSF with a statement from the court detailing jury allowances paid and the days on which jury duty was performed.
- (3). The number of days for which jury duty pay shall be paid is limited to a maximum of 60 days in any calendar year.
  - (4). Jury duty pay will only be allowed for such day(s) that the employee would have worked.

#### **RULE 19 -- PERSONAL LEAVE DAYS**

19-A. Permanent employees with at least ten years of service are entitled to three paid personal leave days annually. Permanent employees with five years of service but less than ten years of service are entitled to two paid personal leave days annually. Permanent employees with two years of service but less than five years of service are entitled to one paid personal leave day annually.

NOTE: Additionally, all permanent employees are entitled to two non-paid personal leave days annually.

Non-paid personal leave days are not subject to attendance handling

Years of service with the previous intermodal operator when BNSF insourced the work will apply when calculating the Paid Personal Leave Day Benefit A year of service is from January 1 to December 31 and one that the employee worked at least 800 hours per year

- 19-B Request for personal leave days will be granted subject to Management discretion provided the employee gives at least 24 hours advance notice
  - 19-C Personal leave days will be paid only for such day(s) the employee would have worked
  - 19-D Personal leave days may not be carried over to the following year

#### **RULE 20 -- VACATIONS**

- 20-A Permanent employees will be covered by the Non-Operating National Vacation Agreement, as amended In part, the NVA provides for the following:
  - 1 Initial service year of employment no vacation
  - 2 2<sup>nd</sup> service year of employment annual vacation of five (5) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on no less than 120 days during the preceding calendar year
  - 3 3<sup>rd</sup> service year of employment and each service year thereafter—annual vacation of ten (10) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on no less than 110 days during the preceding calendar year and who has two (2) or more years of continuous service
  - 4. 9th service year of employment and each service year thereafter—annual vacation of fifteen (15) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on no less than 100 days during the preceding calendar year and who has eight (8) or more years of continuous service.
  - 5 18th service year of employment and each service year thereafter—annual vacation of twenty (20) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on no less than 100 days during the preceding calendar year and who has seventeen (17) or more years of continuous service.
  - 6 26<sup>th</sup> service year of employment and each service year thereafter—annual vacation of twenty-five (25) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on no less than 100 days during the preceding calendar year and who has twenty-five (25) or more years of continuous service
  - NOTE 1. A service year is from January 1 to December 31 and one that the employee worked at least 800 hours per year
  - NOTE 2 Employees hied by BNSF at its Intermodal Facilities who worked at the facility for the previous intermodal operator when BNSF insourced the work, will be given credit for service at the Intermodal Facilities with the previous operator for purposes of determining vacation eligibility.
- 20-B BNSF may require all or any number of employees in the facility that are entitled to vacations to take vacations at the same time
- 20-C Vacation must be used as time off from work and cannot be carried over to the following year. If a vacation cannot be granted during the calendar year, the employee will be paid for such vacation at the straight time rate

- 20-D. The vacation provided for in this Agreement shall be considered to have been earned when the employee has qualified under previous sections hereof. If the employee's employment status is terminated for any reason whatsoever, he shall, at the time of such termination, be granted full vacation pay earned up to the time he leaves the service including pay for vacation earned in the preceding year and not yet granted, and the vacation for the succeeding year if the employee has qualified therefore under 20-A. If an employee thus entitled to vacation or vacation pay shall die the vacation pay earned and not received shall be paid to such beneficiary as may have been designated, or in the absence of such designation, the surviving spouse or children or his estate, in that order of preference.
  - 20-E. Vacation pay shall be calculated at the straight-time hourly rate times eight hours per day.
- 20-F. Preference of vacation choices shall be given to employees according to their seniority ranking. While the intention of the vacation agreement is that the vacation period will be continuous, the vacation may, at the request of an employee, be given in installments if the BNSF consents thereto. Second installment choices will not be considered for assignment to remaining available vacation time until after all initial installments and continuous vacation periods have been scheduled. Third installment choices will be considered in the same manner.
- 20-G. BNSF shall complete the vacation schedule for the following calendar year not later than December 31st.
- 20-H. BNSF may limit the number of employees permitted on vacation at any one time. While it is intended that the vacation date designated will be adhered to insofar as practicable, BNSF shall have the right to defer or advance the vacation for any reason. Employees so affected will be given as much advance notice as possible, however, not less than ten days' notice shall be given, except when emergency conditions exist.
- 20-I. BNSF, at its sole discretion, may allow employees to take two weeks of vacation in one day increments. Such requests must be made in writing to the employer at the time vacation schedules are made each year.
  - 1). Employees who are permitted to take one or more single days of vacation, will secure permission to do so at least twenty-four hours in advance.
- 20-J. In instances where employees have become members of the Armed Forces of the United States and return to the service of the BNSF after a period of active duty, that time will be credited as qualifying service in determining the length of vacation for which they may qualify upon their return to the service.

#### **RULE 21 -- BEREAVEMENT LEAVE**

In the event of a death in a permanent employee's immediate family: brother, sister, parent, child, spouse or spouse's parent, grandparent, step-parents, and step-children of a permanent employee, he shall be entitled to a maximum of three days off with pay at the straight time rate. The compensative day or days must be days that the employee would have worked.

#### **RULE 22 -- CONTRACTING OUT**

BNSF may, at its sole discretion, subcontract any part or all of the work at this facility. If such subcontracting is ad hoc (the work is subcontracted for a period of 30 days or less), BNSF may subcontract out the work without providing notice to the Union. However, should BNSF choose to subcontract work permanently (for a period exceeding 30 days) BNSF will provide the Union with a minimum of thirty days' notice of its intent to do so.

If the Organization feels the Carrier violated this provision, or has contracted out work to the detriment of existing employees, as a recourse the Organization may request a meeting with local management within 15 calendar days from the date of a new contractor on property.

The Carrier will meet with the Organization and solely determine final and binding resolution no later than 15 calendar days (unless otherwise mutually agreed) from the Organization's request.

#### **RULE 23 -- SHORTAGE IN PAY**

For discrepancies in the pay of employees amounting to more than two day's pay, time checks shall be issued to the employees within seven days after request therefore has been made, providing the shortage can be verified within that time.

#### **RULE 24 -- AGREEMENT TERMINATION**

BNSF retains the right at its sole discretion, for any reason or no reason, to terminate this Agreement in its entirety upon sixty days' written notice to the Union. If BNSF exercises this right, upon expiration of the notice period, the employment of all persons covered by this Agreement shall immediately cease, and the Union shall no longer have any representation right respecting such people. In such event, any pending section six notice shall automatically be deemed withdrawn with prejudice, and no job action of any kind may be conducted, led or otherwise permitted. In such event, the parties' relationship in all respects concerning operations at the Facilities shall be terminated, and no one previously employed at the Facilities shall have any further right to any work or employment at the Facilities, or in any way to challenge the performance of any work at the Facilities by any other person or entity.

#### **RULE 25 -- NO STRIKES**

- 25-A. The union and employees agree not to engage in, call for or support any picketing, strike, slow down, work to rule campaign or any other job action or stoppage of work of any kind during the term of this Agreement.
- 25-B. Employees may only refuse to cross another union's picket line if the picket line is bona fide and legitimate (not wildcat) and lawfully established by a labor organization then specifically representing BNSF employees, and such picket line is expressly based on a primary dispute between that labor organization and BNSF. Accordingly, employees covered by this Agreement may not refuse to cross any picket line established for, among other reasons, representational, "area standards," or secondary purposes.

#### **RULE 26 -- CLAIMS AND GRIEVANCES**

- 26-A. All claims or grievances shall be handled as follows:
- (1). All claims and grievances must be presented in writing by or on behalf of the employee involved, to the highest designated officer of BNSF authorized to receive same, within 60 days from the date of the occurrence on which the claim or grievance is based. Should any such claim or grievance be disallowed, BNSF shall, within 60 days from the date same is filed, notify whoever filed the claim or grievance (the employee or his representative) in writing of the reasons for such disallowance. If not so notified, the claim or grievance shall be allowed as presented, but this shall not be considered as a precedent or waiver of the contentions of BNSF as to other similar claims or grievances.
- (2). All claims or grievances involved in a decision by the highest designated officer shall be barred unless within 9 months from the date of said officer's initial decision proceedings are instituted by the employee or his duly authorized representative before the appropriate division of the National Railroad Adjustment Board or a system, group or regional board of adjustment that has been agreed to by the parties hereto as provided in Section 3 Second of the Railway Labor Act. It is understood, however, that the parties may by agreement in any particular case extend the 9-month period herein referred to.
- 26-B. A claim may be filed at any time for an alleged continuing violation of any agreement and all rights of the claimant or claimants involved thereby shall, under Rule 26, be fully protected by the filing of one claim or grievance based thereon as long as such alleged violation, if found to be such, continues. However, no monetary claim shall be allowed retroactively for more than 60 days prior to the filing thereof. With respect to claims and grievances involving an employee held out of service in discipline cases, the original notice or request for reinstatement with pay for time lost shall be sufficient.
- **NOTE**: It was understood and agreed that before docketing a case to a Board, the party desiring to docket the case will notify the other party at least thirty (30) days in advance thereof. The receiving party would then have thirty (30) days in which to add to the record if it so desires. Thereafter, any subsequent responses by either party will be made within 15 calendar days of receipt of the other party's letter before docketing the case to the Board. It is

understood, however, that the parties may, by agreement, extend the time limits at any stage of the handling of a claim or grievance on the property.

- 26-C. Rule 26 recognizes the right of representatives of the Organization, party hereto, to file and prosecute claims and grievances for and on behalf of the employees they represent.
- 26-D. Rule 26 is not intended to deny the right of the employees to use any other lawful action for the settlement of claims and grievances provided such action is instituted within 9 months of the date of the decision of the highest designated officer of BNSF.
  - 26-E. Rule 26 shall not apply to requests for leniency.

**NOTE to RULE 26**. The parties agree that when grievances are not resolved on the property in accordance with Rule 26, the parties may utilize grievance mediation, facilitated by the National Mediation Board, in lieu of progression to arbitration. This will apply only to work rule cases and discipline cases not exceeding 30 days' suspension. Should grievance mediation fail to resolve the dispute, the grievance will be handled pursuant to Section 3 of the Railway Labor Act. However, the parties maintain their rights to progress any case directly to arbitration (in accordance with Rule 26 and per the Railway Labor Act).

#### **RULE 27 -- BULLETIN BOARDS**

Bulletin boards may be used to post notices of interest to employees.

#### **RULE 28 -- NON-DISCRIMINATION**

These rules will be applied by the parties in compliance with State and Federal laws and regulations and without regard to the race, religion, color, creed, national origin, or sex of the individuals covered by the rules.

#### **RULE 29 -- CAPTIONS**

Captions of rules in this Agreement are for the purpose of identification only and are not to be considered a part of the rules.

#### **RULE 30 -- LIMITATION OF EMPLOYEE ENTITLEMENTS**

Employees covered by this Agreement shall be entitled only to the rate of pay and benefits provided herein.

#### **RULE 31 -- INVALIDATION CLAUSE**

If any Rule of this Agreement is (after all applicable appeals) rendered or declared illegal and the parties are unable to agree upon substitute provisions, the matter may be referred by either BNSF or the Union to final and binding arbitration for settlement; but the power of the arbitrator shall be restricted and limited to determining a substitute provision to provide for the specific objective and purpose of the provision rendered or declared illegal.

#### **RULE 32 -- MORATORIUM**

This Agreement shall remain in effect through December 31, 2024, and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

No party to this Agreement shall serve or progress any notice or proposal under Section 6 of the Railway Labor Act prior to October 1, 2024 (not to become effective before January 1, 2025, for the purpose of changing, adding to, or modifying the provisions of this Agreement.

This Article will not bar the parties from agreeing upon any subject of mutual interest.

#### **RULE 33 -- SOURCE OF AGREEMENT TERMS**

The express terms of this Agreement shall constitute the entire Agreement between the parties with respect to the subject matter identified herein, and shall not be supplemented, amended, or altered in any way by any implied terms arising from or otherwise based on the practices of the parties.

#### **RULE 34 -- DATE EFFECTIVE AND CHANGES**

This Agreement shall be effective as of April 23, 2019, and shall continue in effect until it is terminated as provided for in Rule 24 of this Agreement, or until it is otherwise altered or modified in accord with the terms and provisions of this Agreement.

This Agreement supersedes existing agreements governing intermodal employees at BNSF Intermodal Facilities. Those Agreements are the Cicero Intermodal Facility Agreement dated January 1, 2009; the Memphis Intermodal Facility Agreement dated January 1, 2010; the Corwith Intermodal Facility Agreement dated March 1, 2011; and the Seattle Intermodal Agreement dated January 1, 2014. Employees governed by those Agreements will now be governed by this Agreement.

For any other existing agreements not referenced in this Agreement, where there is conflict, between the existing agreement and this one, this one will supersede the existing agreement. Where there is no conflict, the existing agreement remain in full force and effect.

Accepted for BNSF Railway Company:

Rob S. Karov

Vice President Labor Relations

David F. Isom

Asst. Vice President Labor Relations

Derek A. Cargill

**Director Labor Relations** 

D.J. Merrell

Director Labor Relations

Accepted for Transportation Communication International Union

Arthur Maratea

National Vice President

Brian Shanahan

National Representative

#### Addendum

The straight time hourly rate for permanent employees shall be as follows:

#### Cicero Intermodal Facility:

Leadman - \$27.24 per hour Crane Operator - \$25.79 per hour Hostler - \$25.79 per hour Drayage Driver - \$27.24 per hour Groundman - \$25.79 per hour BAPP Facilitator - \$27.24 per hour

#### Corwith Intermodal Facility:

Leadman - \$27.08 per hour
Leadman with prior experience - \$27.83 per hour
Crane Operator - \$25.79 per hour
Crane Operator with prior experience - \$26.57 per hour
Hostler - \$25.79 per hour
Hostler with prior experience - \$26.57 per hour
Drayage Driver - \$27.08 per hour
Groundman - \$25.79 per hour
Groundman with prior experience - \$26.57 per hour
BAPP Facilitator - \$27.08 per hour
BAPP Facilitator with prior experience - \$27.83 per hour

#### Memphis Intermodal Facility:

Leadman - \$23.37 per hour Crane Operator - \$22.06 per hour Hostler - \$22.06 per hour Drayage Driver - \$23.37 per hour Groundman - \$22.06 per hour BAPP Facilitator - \$23.37 per hour

#### Seattle Intermodal Facility:

Leadman - \$26.96 per hour
Leadman with prior experience - \$32.85 per hour
Crane Operator - \$25.79 per hour
Crane Operator with prior experience - \$31.71 per hour
Hostler - \$25.79 per hour
Hostler with prior experience - \$31.71 per hour
Drayage Driver - \$26.96 per hour
Groundman - \$25.79 per hour
Groundman with prior experience - \$31.71 per hour
BAPP Facilitator - \$27.96 per hour
BAPP Facilitator with prior experience - \$32.85 per hour

#### Side Letter No. 1

This reflects our understanding regarding Rule 3-H in our Agreement dated April 23, 2019 covering BNSF employees represented by TCU engaged in intermodal operations at BNSF's intermodal facilities.

We understand that the automatic application of "national" wage increases or lump sums provided for by Article 3-H is not intended to and shall not serve to effectuate at the facilities "national" compensation changes which are expressly made, in whole or primarily, in exchange for, or on account of, work rule revisions or health and welfare terms which are not to the same extent applicable to employees covered by this Agreement. An example of a compensation change not effectuated for employees working under this Agreement at the facilities by Rule 3-H would be a lump sum payment granted in a national agreement specifically in exchange for or as a part of a revision in traditional "February 7, 1965" or "Blue Book" protective terms.

Union

Effective April 23, 2019.

Accepted for BNSF Railway Company: Acc	epted for Transportation	Communication	International
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Arthur Maratea

Brian Shanahan

National Vice President

National Representative

Rob S. Karov

Vice President Labor Relations

David F. Isom

Asst. Vice President Labor Relations

Derek A. Cargill

**Director Labor Relations** 

D I Merrell

**Director Labor Relations** 

#### Side Letter No. 2

# INCENTIVE COMPENSATION AGREEMENT BETWEEN BNSF AND THE INTERMODAL WORKERS REPRESENTED BY THE TRANSPORTATION COMMUNICATIONS INTERNATIONAL UNION

- (A) Effective April 23, 2019, an incentive compensation plan shall be established for BNSF Intermodal Workers at BNSF's intermodal facilities represented by TCU signatory hereto according to the following terms.
- (B) Under the new plan ("IC Plan"), each intermodal worker at the facilities may receive an incentive compensation payment no later than March 15 of the year immediately following each "performance" (calendar) year, the first one of which shall be 2019. For 2019, for each intermodal worker said payment shall have a maximum potential of (be up to) 4 percent of the intermodal worker's regular earnings (regular earnings exclude such things as any bonus or lump sum, any retroactive payment not attributable to this portion of 2019 earnings, benefit buy-out payment, moving/real estate benefit, previous year's profit sharing payment, any earnings not attributable to hourly, daily, weekly or monthly rates of pay, etc.) as an intermodal worker at the facilities. For performance year 2019 and each subsequent performance year, the maximum potential shall be 4 percent of the intermodal worker's regular earnings for the performance year while assigned and working as an intermodal worker at the facilities.
- (C) Each intermodal worker's IC Plan payment will be determined based on the same company-wide goals, the same apportionment among the goals and the same performance standards in meeting those goals as are used for that performance year in the "Incentive Compensation Plan" for exempt employees ("ICP"). For example, recently, there have been goals for operating income (55% of total); velocity (30% of total); and safety (personal injury frequency ratio, and lost and restricted time) (15% of total). The payout on each goal depends on the attainment of specific, pre-determined targets for the goals and the approval of BNSF's ICP Committee. Presently, a 150% payout level for the ICP is equal to a 100% payout under the IC Plan. Therefore, for example, for performance year 2010, if the company has an ICP payout level at "Goal" (the 150% ICP point), each intermodal worker would get 4 percent as an IC Plan payment; if the company has an ICP payout level at "Target" (the 100% ICP point), each intermodal worker would get 2.68 percent; and if the company has an ICP payout level at "Threshold" (the 15% ICP level) each intermodal worker would get 0.4 percent as an IC Plan payment. There is no ICP or Profit Sharing payment for performance below threshold. For each performance year, the actual payout level will be as determined by the ICP Committee, and the same ICP goals and method applied for exempt employees in the Operations Department will be used for BNSF intermodal workers at the facilities, in accord with the financial result illustrated in the previous examples.
- (D) If the design of the BNSF ICP itself (not the type or level of specific goals set from year to year) is ever changed in a way materially separating the interests of intermodal workers still covered by the IC Plan from the interests of BNSF operations employees covered by the ICP, then the parties shall meet promptly to revise the IC Plan in a way which does not so separate the interests of intermodal workers covered by it. If the parties cannot so agree, they shall submit the matter to expedited, parties-pay, final and binding arbitration before a single neutral. In such event, the arbitrator shall have jurisdiction exclusively to reformulate the IC Plan in a way which has no material adverse effect on either covered intermodal workers or BNSF, and which effectuates the intent represented here in view of the changed conditions.
- (E) If the Agreement between BNSF Railway Company and its Corwith, Illinois facility intermodal workers represented by TCU is cancelled by BNSF, this IC Plan is also cancelled in its entirety on the effective cancellation date. However, intermodal workers' regular earnings up to the effective date of cancellation will remain eligible as the basis for a pro-rated IC Plan payment.

Effective April 23, 2019.

Accepted for BNSF Railway Company: Accepted for Transportation Communication International Union

Arthur Maratea

Rob S. Karov

Vice President Labor Relations National Vice President

David F. Isom Asst. Vice President Labor Relations

Derek A. Cargill Director Labor Relations

D.J. Merrell

Director Labor Relations

Brian Shanahan

National Representative

#### Side Letter No. 3

#### MEMORANDUM OF AGREEMENT

Between

**BNSF Railway Company** 

and Its Employees

Represented by the

Transportation Communications International Union

#### IT IS AGREED:

- 1. There is hereby established, pursuant to the provisions of Section 3, Second of the Railway Labor Act, a special board of adjustment, which will be designated as Public Law Board No. \_\_\_\_\_ and hereinafter referred to as the "Board." The Board shall have jurisdiction only over disciplinary disputes involving suspension or dismissal which have been handled pursuant to Rule 26 of the BNSF/TCU Intermodal Workers Agreement dated April 23, 2019, involving claims which are submitted to the Board under this Agreement.
- 2. The Board shall consist of three members, i.e., the Union Member, the Carrier Member, and the Chairman, hereinafter referred to as the "Referee," who shall be unbiased as between the parties. Mr. D.J. Merrell is designated by the Carrier as the initial Carrier member, and Mr. Brian Shanahan is designated by the Union as the initial Union Member. The Referee shall be selected by the parties, as hereinafter provided, and shall serve, if able and willing to do so, for a term of one calendar year. Not less than thirty (30) days before the end of the calendar year term, the parties shall meet for the purpose of determining whether the Referee shall be selected to serve another calendar year term. Each year thereafter the parties shall meet to determine whether the Referee shall be selected to serve another one-year term. If either or both parties do not agree to continue the Referee's services for another one-year term, prior to the end of his existing term, the Referee shall be notified with appropriate advice to that effect given him/her jointly by the parties. A replacement Referee shall then be selected for a one-year term, as provided in Section 3.
- 3. The parties shall meet within sixty (60) days of the date of this Agreement for the purpose of selecting the initial Referee for the Board. If they agree on a Referee and the person selected accepts the appointment, the National Mediation Board shall be advised thereof and requested to arrange for proper certification. If the parties are unable to agree on a Referee, the National Mediation Board may be requested, by either party, to appoint one. All vacancies in the Referee's position, whether for all or part of the one-year term, shall be filled by agreement of the parties or, failing that, by appointment by the National Mediation Board.
- 4. The compensation and expenses of the Carrier Member shall be borne by the Carrier. The compensation and expenses of the Union Member shall be borne by the Union. (This Agreement contemplates that the compensation and expenses of the Neutral Member shall be set and paid for by the National Mediation Board pursuant to Section 3, Second of the Railway Labor Act. All other expenses shall be borne half by the Carrier and half by the Union.)
- 5. The Board shall make finding and render an award on the date the hearing is held, or within thirty (30) days after the close of hearing of each claim, with the exception of case that may be withdrawn. No case may be withdrawn after hearing thereon has begun except by mutual consent of the parties. Findings and award shall be in writing and copy shall be furnished the respective parties to the dispute. The rendition of such awards shall be in accordance with the provision of Section 3, First and Second of the Railway Labor Act, they shall be final and binding upon all parties to the dispute, and they shall have the same force and effect as awards of the National Railroad Adjustment Board. If in favor of the petitioner, such award or awards shall direct the other party to comply therewith on or before a day named.
- 6. After denial of a discipline claim by Carrier's highest officer of appeal and discussion in conference, including any after conference letters, the Union may write the National Mediation Board's Staff Director of Grievances, Washington, DC, requesting that the appeal be docketed for disposition by the Board. Immediately thereafter, Carrier's highest designated officer of appeal will forward the following documentation, with a cover sheet

to the Referee, with copy to the Union: (1) notice of investigation; (2) transcript of investigation; (3) notice of discipline assessed; (4) the disciplined employee's service and/or discipline record; (5) the Union's appeal; (6) the Carrier's declination; and (7) after conference letters, if any. These documents shall serve as the parties' joint submission.

- 7. The Board shall hold hearings on a prearranged schedule which shall be held, as close as possible, quarterly beginning with January of each year. Unless otherwise agreed, the meetings shall be held in Fort Worth, Texas. Should there be insufficient cases, the Board may adjust the number of hearings as it deems is necessary.
- 8. At the hearing, the parties may be heard in person or by other duly accredited representatives as they may elect. The parties may present, either orally or in writing, statements of fact, supporting evidence and data, and arguments of their position with respect to each case being considered by the Board.
- 9. The Board shall establish rules of procedure for itself, except as otherwise provided herein. Unless the Referee request the parties to furnish additional argument, evidence, awards, etc., disposition of the dispute shall be based on the materials supplied to the Board.
- 10. Each member of the Board shall have one vote and a majority of the Board shall be competent to render an award or make such other rulings and decisions as may be necessary to carry out the functions of the Board. Awards shall be final and binding, subject to the provisions of Section 3, Second of the Railway Labor Act. In case a dispute arises involving the interpretation of an award, the Board, upon request of either party, will convene and interpret the award in light of the dispute. Such request for interpretation must be made within thirty (30) days from the date of the award.
- 11. The Union and/or the Carrier may from time to time make a substitution or change in its representative on the Board. Whenever during the proceedings of the Board one of the partisan members becomes incapacitated by reasons of illness or otherwise, the Union or the Carrier, as the case may be may appoint a substitute. It is further understood that upon recovery and availability of the member of whom substitution was made, the member may be returned to the position held by him on the Board, and if it be necessary to make a substitution in Executive Session from time to time in order to have present in the Executive Session, for the purpose of the Executive Session, a member who sat at the time the testimony was taken in the case, this may be done.
- 12. This Agreement, which shall become effective March 1, 2011, and may be cancelled by either party by giving ninety (90) days advance written notice thereof to the other party; however, any appeals which are being under the expedited procedures provided herein at the time such notice of cancellation is served shall be handled to a conclusion in accordance with such expedited procedures.
- 13. The time limits provide in this Agreement may be extended by mutual agreement.

Effective January 1, 2019.

FOR:

FOR:

TRANSPORTATION COMMUNICATIONS INTERNATIONAL UNION

THE BNSF RAILWAY COMPANY

Brian Shanahan

National Representative

Derek A. Cargill
Director Labor Relations

#### Side Letter No. 4

Participation Agreement
Among
Allied Services Division Welfare Fund
And
BNSF Railway Company
And

Transportation Communications Union/IAM, AFL-CIO

The Allied Services Division Welfare Fund (the Fund), TCU/IAM (the Union) and BNSF Railway Company (the Company) represent that the only agreement between the Fund and the Company regarding medical benefits for the employees of the Company represented for collective bargaining purposes by the Union for full-time employees at the following current TCU/IAM, BNSF facilities:

- 1. BNSF-TCU Cicero, IL Intermodal Facility.
- 2. BNSF-TCU Memphis Intermodal Facility.
- 3. BNSF-TCU Fort Worth Intermodal Workforce Management Center.
- 4. BNSF-TCU Fort Worth, TX International Marketing Center and WFM.
- 5. BNSF-TCU Fort Worth Customers Support Center.
- 6. BNSF-TCU Chicago Corwith, IL Intermodal Facility.
- 7. BNSF-TCU Chicago Corwith, IL Shop Material Expediters.
- 8. BNSF-TCU South Seattle and Seattle International Gateway Facilities.
- 9. BNSF-TCU Carmen Mobile Mechanical Inspectors.
- 10. BNSF-TCU Fort Worth Headquarters mail room.
- 11. BNSF-TCU Fort Worth, TX Personnel Records Employees.
- 1. On January 1, 2018, BNSF's Per Employee Per Month (PEPM) contribution amount will be an amount equal to \$808.47. On January 1 of each succeeding year BNSF's contribution amount will be increased by the greater of 3%, or one-half of the percentage by which the railroad payment rate, for FO medical coverage under the "national plan" (presently GA-23000), increases for such year over the immediately preceding year. For example, if the 2019 railroad payment rate for FO medical coverage under the national plan is 7% higher than it was for 2018, then BNSF's PEPM contribution would be \$836.77 on January 1, 2019.
  - A. For former Seattle Pacific Rail employees ONLY. Effective 1/01/2018, the monthly Health and Welfare contribution amount of \$1,059.87 Per Employee Per Month (PEPM). On January 1, 2019 and on January 1 of each succeeding year, BNFS's contribution amount will be increased by the greater of 3%, or one-half of the percentage by which the railroad payment rate for FO medical coverage under the "national plan" (presently GA 23000) increases for such year over the immediately preceding year. For example, if the 2019 railroad payment rate for FO medical coverage under the national plan is 7% higher than it was in 2018, BNSF's PEPM contribution would be \$1,096.97 in 2019 and January 1, of each following year, using the same methodology.

- B. Under the prior agreement, BNSF had made an additional monthly payment per employee to cover fees levied on the Health and Welfare Plan under Healthcare Reform. Currently, there are no fees or taxes the Health and Welfare Plan is required to pay under existing law or regulations for which BNSF must contribute to the Health and Welfare Plan. In the event that any future laws, regulations or amendments to existing laws or regulations levy any additional or new fees/taxes on the Health and Welfare Fund, the Union, the Fund and the Company will meet and discuss the additional cost requirement. If the parties fail to reach agreement on the payment of any such fees/taxes, either party may exercise its right under Section 8 of this Agreement.
- 2. The Company shall pay the contribution set forth above for each full-time employee who qualifies for payment by having at least one day of compensated service or vacation pay in the previous month, unless employee is terminated, retires, or passes away in that previous month. For newly hired employees and for people who convert to full-time status under Rule 5-E (2) as amended of the Agreement, contributions will begin on the 1<sup>st</sup> of the month following the month they first hire or convert. No later than the 20<sup>th</sup> day of each month, for that month, payments will be made by check or electronic transfer of funds to the ASD Welfare Fund and the Fund will make such account and routing numbers available as are necessary to effect transfers. See addendum "A" attached for additional coverage situations.
- 3. (A) In order to continue their coverage, premiums will continue to be paid for any full-time employee who ceases to render compensated service solely as a result of a medical leave or medical disqualification for six (6) months following the month in which such employee last performed compensated service or received vacation pay. In the event the employee is out on medical leave of absence and becomes medically disqualified during the medical leave of absence, the contributions will not exceed beyond the initial six (6) months.
  - (B) In order to continue their coverage, premiums will continue to be paid for any fultime employee who ceases to render compensated service solely as a result of on-duty injury until such employee returns to work, but not to exceed twelve (12) consecutive months.
- 4. The Company will provide the Fund with a record of the number of contributions it makes each month and a file that lists the names, addresses, employee social security number, date of birth and number of days worked the previous month for the employees for whom payments are made.

- 5. It is the company's responsibility to notify the Fund monthly of any newly hired or converted employees and of any qualifying events under COBRA, with the names, addresses, date of hire or date of such qualifying event. The Fund will notify qualifying employees of their options with respect to COBRA.
- 6. The Trustees of the Fund shall have the authority to engage a certified public accountant to audit Company employee eligibility data for the purpose of <u>determining</u> the accuracy of contributions to the Fund.
- 7. In the event of any dispute concerning this Participation Agreement, that can't be mutually resolved, the dispute will be resolved by interpretation of this Participation Agreement by an Arbitrator that the parties shall endeavor to mutually agree on. In the event the parties fail to mutually agree on an Arbitrator, either party may request the National Mediation Board to supply a panel or panels of names from which the parties will select an Arbitrator to hear the dispute. The Arbitrator's decision will be served upon the parties in writing and will be final and binding. The expenses and fees of the Arbitrator shall be shared equally by the parties.
- 8. This agreement may be terminated in its entirety or by individual location at any time by one party serving a thirty-day written notice on the remaining parties. If that has not been done, this Participation Agreement shall otherwise be in full force and effect until 12-31-2024. At that time, any party may notify the others of its desire to discontinue participation in the Fund or the rates of contribution will be renegotiated at that time.

Signed this 17th day of SETTEMBER, 2018

For: Transportation Communications Union/IAM

National Vice President

For: BNSF Railway Company

Vice President, Labor Relations

For: Allied Services Division Welfare Fund

Fund Administrator

#### Addendum "A"

The following is what has been currently agreed to between the parties, as to when contributions will begin and or end for various coverage situations.

#### Withheld Pending

In order to continue their coverage, premiums will continue to be paid for four (4) months for any full-time employee who is withheld from service pending the outcome of an investigation and who has had an employment relationship with the Company for at least six (6) months prior to being withheld from service. If the employment relationship terminates prior to the expiration of the continued coverage, the employee and dependent coverage will terminate on the same date as the employment.

#### Conditional Suspensions

In order to continue their coverage, premiums will continue to be paid for four (4) months for any full-time employee who is issued a conditional suspension and who has had an employment relationship with the Company for at least six (6) months prior to the conditional Suspension. If the employment relationship terminates prior to the expiration of the continued coverage, the employee and dependent coverage will terminate on the same date as the employment.

#### FMLA

In order to continue their coverage, premiums will continue to be paid for any full-time employee while on authorized leave under the federal Family and Medical Leave Act (FMLA).

#### Military Leave

In order to continue their coverage, premiums will continue to be paid for up to 24 months for any full-time employee who is on a military leave of absence longer than 30 days, who does not have an offer of military health coverage for themselves or their dependents. An employee would need to provide documentation stating an offer of military health coverage is not available. If the employee does have military health coverage, benefits will be frozen on the date the employee goes out on military leave and reinstated under the Allied Services Division Welfare Fund effective on the first day worked and premiums will be paid for that month.

#### Craft Transfers

For employees who transfer to a position eligible for benefits under the Allied Services Division Welfare Fund, benefits will be effective the first of the month following the month the employee renders compensated service. For covered employees transferring to a position that is not eligible for benefits under the Allied Services Division Welfare Fund, benefits will end on the last day of the month following the month they last render compensated service as an employee covered under the Allied Services Division Welfare Fund.

#### Termination, Retirement or Death of Employee

For eligible employees who terminate, retire or pass away, coverage will end on the date of the event.

## Side Letter No. 5

## Sadie Hawkins

At the Corwith and Seattle Intermodal Facilities there exists a practice wherein once, or twice, per year, all of the positions in the facility become "available" to all employees who elect, in seniority order, which position they wish to work. This is colloquially known as a, "Sadie Hawkins." This is a practice which was in place at the time the Carrier insourced the facilities. At the request of the employees, but while not required to by the terms of the governing labor agreement, the Carrier elected to continue the practice. One of the elements of this practice is that new and permanent positions are not bulletined as outlined in the positions and assignment rule.

The parties agree to continue this practice at the locations where it is currently in use. Both parties reserve the right to discontinue this practice at their discretion, but agree that if either exercises this right, the exercising party will provide the other party with 30 days' advance notice before the next Sadie Hawkins Day.

Effective April 23, 2019.

Accepted for BNSF Railway Company:

Rob S. Karov

Vice President Labor Relations

David F. Isom

Asst. Vice President Labor Relations

Derek A. Cargill

Director Labor Relations

D.J. Merrell

Director Labor Relations

Accepted for Transportation Communication International

Union

Arthur Maratea

National Vice President

Brian Shanahan

National Representative

#### APPENDIX NO. 1 -- UNION SHOP

BNSF agrees that, as a condition of employment, all employees in the service and covered by this Agreement shall become members of the Transportation Communications Union (the Union) within sixty days of the effective date of this Agreement, and as a condition of employment, maintain their membership in the Union in good standing; also, all new employees covered by this Agreement shall become members of the Union in good standing and thereafter maintain their membership within sixty days from the date they entered the service of the employer.

The employer agrees to remove from service any employee who has not become or remained a member in good standing in the Union as herein provided, upon receipt of notice from the Union. However, upon receipt of notice from the Union that an employee is in violation, BNSF may, at its option, conduct a fact finding session with the employee and Union representative and issue a decision within ten days thereafter.

The employer shall inform each employee now in the service, as well as each new employee, of the existence of this Agreement.

The Union agrees to indemnify the employer and to hold the employer harmless from any and all liability, including the payment of back wages, for any and all claims, demands, or suits that may arise out of the removal of an employee under this Article.

Arthur Maratea

Brian Shanahan

National Vice President

National Representative

Accepted for Transportation Communication International Union

The Union dues for a part-time employee shall be determined by TCU.

Effective April 23, 2019.

Accepted for BNSF Railway Company:

Rob S. Karov

Vice President Labor Relations

David F. Isom

Asst. Vice President Labor Relations

Derek A. Cargill

Director Labor Relations

D.J. Merrell

Director Labor Relations

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#### APPENDIX NO. 2

#### Union Dues Check-Off Agreement

MEMORANDUM OF AGREEMENT between the BNSF Railway Company and its INTERMODAL WORKERS represented by the Transportation Communications International Union regarding Union Dues Checkoff Agreement.

#### IT IS AGREED:

- 1. (a) Subject to the conditions hereinafter set forth, BNSF will deduct the regular monthly dues, initiation fees and assessments (not including fines and penalties) which are uniformly required as a condition of acquiring or retaining membership in the Organization and which are payable to the Organization by members of the Organization, employed by BNSF, from wages earned while occupying positions subject to the rules of the basic agreement in effect between the parties hereto, upon the written and unrevoked authorization of a member, in the form agreed upon by the parties hereto, copy of which is identified as Attachment "A" and made a part hereof.
- (b) The authorization form shall be reproduced and furnished to its members by the Organization, without cost to BNSF. The signed authorization will thereafter be forwarded by the Organization to the designated Company official along with a uniform certified deduction list. The deduction shall be uniform for each month and shall not be changed more often than once every three months.
- (c) The Organization shall notify BNSF of any assessments (not including fines and penalties), initiation fees or changes in amounts of dues.
- (d) No costs will be charged against the Organization or the affected employees by BNSF in connection with this Dues Deduction Agreement.
- Authorized deductions will be made by BNSF in the second period of each calendar month, which will be for dues of the member for the following month. The deduction will commence in the month the authorization is filed with BNSF if the authorization reaches the designated company official on or before the tenth day of the month. BNSF will remit to the National Secretary-Treasurer or other officer of the TCU designated by the National President, on or before the 20th day of the month following the month in which such deductions are made, the total amount of such deductions. BNSF will furnish the Organization a uniform, alphabetical deduction list (in triplicate) for each local lodge each month. Such lists shall include the employee's name, Social Security Number or payroll identification number, and the amount deducted from the pay of each employee. BNSF will also furnish a summary statement (recap) for all lodges, itemizing the number of employees from who deductions are made and the amount deducted.
- 3. (a) In the event earnings of a member are insufficient to permit the full amount of deduction, no deduction will be made.
- (b) The following payroll deductions shall have priority over deductions covered by this Agreement:

Federal, State and Municipal taxes and other deductions required by law, including garnishments and attachments.

Amounts due BNSF

Prior valid assignments and deductions.

- (c) In cases where no deduction is made from the wages of a member due to insufficient earnings, or for other reasons, the amounts not deducted shall not be added to deduction lists for the member for any subsequent payroll period.
- 4. Responsibility of BNSF under this Agreement shall be limited to remitting the amounts actually deducted from wages of members, pursuant to this Agreement, and BNSF shall not be responsible, financially or otherwise, for failure to make deductions or for making improper or inaccurate deductions. Any question arising as to the correctness of the amounts deducted shall be handled between the member involved and the Organization.

- 5. The Organization shall indemnify, defend and save harmless BNSF from any and all claims, demands, liability, losses or damage resulting from the entering into or complying with the provisions of this Agreement.
- 6. (a) The authorization for deductions may be revoked by any member by written notice to the Organization or BNSF any time after one year from the date of the authorization or immediately after any change in this Memorandum of Agreement, whichever occurs sooner. If the revocation is furnished to the Organization, the Organization will include notice of such revocation on the uniform certified deduction list specified in paragraph l(b) hereof.
- (b) If any group of employees currently represented by the Organization for collective bargaining purposes exercises their right under the Railway Labor Act to choose a new bargaining representative, as to those employees this Agreement is automatically terminated, and, upon notification of the change, BNSF will make no further deductions for such employees.

Arthur Maratea

Brian Shanahan

National Vice President

National Representative

- (c) This Agreement shall become effective March 1, 2011, and, except as provided in 6(b), shall remain in effect until modified or changed in accordance with the provisions of the Railway Labor Act.
- 7. This Agreement applies equally to "part-time" employees.

Effective April 23, 2019.

Accepted	for BNSF	Railway	Company:
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Accepted for Transportation Communication International Union

Rob S. Karov

Vice President Labor Relations

David F. Isom

Asst. Vice President Labor Relations

Derek A. Cargill

**Director Labor Relations** 

D.J. Merrell

**Director Labor Relations** 

#### **DEDUCTION AUTHORIZATION**

I hereby assign to the Transportation Communications International Union that part of my wages necessary to pay my union dues, initiation fees and assessments (not including fines and penalties), as reported to The Burlington Northern Santa Fe Railway Company by the Organization, as provided under the Deduction Agreement effective (date), and I hereby authorize the Company to deduct from my wages all such sums and pay them over to the Organization as provided for in the Deduction Agreement.

This Authorization may be revoked by the undersigned in writing, in the manner provided for in Section 6 of the Deduction Agreement.

Name				Employee Social Security No.
(Last)	(First)	(Initial)		
Home Address				Division or Department
	Street a	nd No.		
				Occupation
City an	d State			
			, 20	
Date	4		, 20	
				Signature
				Lodge No.

#### ADDENDUM TO DUES CHECKOFF AGREEMENT

#### Between

#### **BNSF Railway Company**

#### and its

#### INTERMODAL WORKERS

#### represented by

#### TRANSPORTATION COMMUNICATION INTERNATIONAL UNION

- 1. (a) Subject to the terms and conditions hereinafter set forth, BNSF will deduct from the wages of employees voluntary political contributions upon their written authorization in the form (individual authorization form) agreed upon by the parties hereto, copy of which is attached, designated "Attachment A" and made a part hereof.
- (b) Voluntary political contributions will be made monthly from the compensation of employees who have executed a written authorization providing for such deductions. The first such deduction will be made in the month following the month in which the authorization is received. Such authorization will remain in effect for a minimum of twelve (12) months and thereafter until canceled by thirty (30) days' advanced written notice from the employee to the TCU and BNSF by Registered Mail. Changes in the amount to be deducted will be limited to one change in each 12-month period and any change will coincide with a date on which dues deduction amounts may be changed under the dues deduction agreement.
- 2. The National Representative or his designated representative shall furnish the designated Company official, with copy to appropriate units of TCU, an initial statement by lodges, in alphabetical order and certified by him, showing the amounts of deductions to be made from each employee, such statement to be furnished together with individual authorization forms to cover, and payroll deductions of such amounts will commence in the month immediately following. Subsequent monthly deductions will be based on the initial statement plus a monthly statement showing additions and/or deletions furnished in the same manner as the initial statement required hereinabove.
- 3. Monthly voluntary political contributions deductions will be made from wages at the same time that membership dues are deducted from the employee's paycheck provided there are sufficient earnings to cover the items listed in item 3 of the Dues Check-off Agreement, Appendix No. 2, and the employee's regular monthly membership dues.
- 4. Concurrent with making remittance to the Organization of monthly membership dues, BNSF will make separate remittance of voluntary political contributions made payable to MNPL and mail to the Machinists Non-Partisan Political League, 9000 Machinists Place, Suite 201, Upper Marlboro, MD., 20772-2687, together with a list prepared in accordance with the requirements of the Dues Deduction Agreement pertaining to the remittance of monthly membership dues, with a copy to the National Representative.
- 5. The requirements of this agreement shall not be effective with respect to any individual employee until the employer has been furnished with a written authorization of assignment of wages of such monthly voluntary political contribution.

Effective April 23, 2019.

Accepted for BNSF Railway Company:

Accepted for Transportation Communication International Union

Rob S. Karov

Vice President Labor Relations

National Vice President

Arthur Maratea

David F. Isom Asst. Vice President Labor Relations

Derek A. Cargill
Director Labor Relations

D.J. Merrell

Director Labor Relations

Brian Shanahan National Representative

## INDIVIDUAL AUTHORIZATION FORM

## <u>Voluntary Payroll Deductions – Machinists Non-Partisan Political League</u>

ТО			, Financial-Secretary-Treasurer
(Name)			•
(Address)			
(City)	(State)	(Zip)	
Department		Wor	k Location
of \$ for each n Partisan Political League authorization and the m membership in the Unio use the money it receives elections. It is understood that this	nonth in which comp b. This authorization is aking of payments to n or of employment values to make political con- authorization will ren	ensation is due me, and is voluntarily made on the of the Machinists Non-lawith the Carrier; that the attributions and expendit main in effect for a minimal carrier.	way Company, to deduct from my pay the sum to forward that amount to the Machinists Nonne specific understanding that the signing of this Partisan Political League are not conditions of Machinists Non-Partisan Political League will ures in connection with Federal, State and Local num of 12 months; and, thereafter, I may revoke y (30) days advance written notice of my desire
		(Personal Signature	)
		Social Security Nur	nber
		Date	

#### APPENDIX NO. 3

# 3-C Examples (based on a Monday - Friday (M-F) workweek with Saturday/Sunday rest days and an eighthour shift):

1. An employee works all of their eight (8) hour Monday - Friday shifts and is called to work eight (8) hours on Saturday.

Pay: The employee would be paid forty (40) hours at straight time (for Monday - Friday) and eight (8) hours at time and one-half (for Saturday).

2. An employee works their shift on Monday eight (8) hours, works twelve (12) hours on Tuesday, then lays off (employee fails to preform scheduled service including: reporting late or including leaving early for any other reason than the company's direction) on Wednesday, and works remainder of their week (eight (8) hours Thursday and (eight (8) hours Friday) as scheduled.

Pay: The employee would be paid thirty-six (36) hours at straight time. The layoff on Wednesday causes only hours worked over forty (40) hours for that work week to be paid at the time and one-half rate.

3. An employee works their shift (eight (8) hours) Monday, works twelve (12) hours on Tuesday, works the remainder of their work week (eight (8) hours Wednesday and eight (8) hours Thursday), as scheduled, until Friday when the Company does not require all employees and at the company direction (early quit) sends the employee home four (4) hours early.

Pay: The employee would be paid thirty-six (36) hours at straight time (for assigned hours worked) and four (4) hours at time and one-half (for the four hours in excess of eight (8) on Tuesday).

4. An employee works their shift Monday (eight (8) hours), has Jury Duty on Tuesday, works twelve (12) hours on Wednesday, then works the remainder of their work week (eight (8) hours Thursday and eight (8) hours Friday), as scheduled.

Pay: The employee would be paid thirty-two (32) hours at straight time (for assigned hours worked), eight (8) hours at straight time (or the equivalent as outlined in Rule 18) for Jury Duty, and four (4) hours at time and one-half (for the four (4) hours in excess of eight (8) on Wednesday).

5. An employee works their shift Monday (eight 8 hours), then observes a paid holiday due to lay-in at Carrier direction on Tuesday (but does not work), works twelve (12) hours on Wednesday, then works the remainder of their work week (eight (8) hours Thursday and eight (8) hours Friday), as scheduled.

Pay: The employee would be paid thirty-two (32) hours at straight time (for assigned hours worked), eight (8) hours at straight time (for the holiday if eligible), and four (4) hours at time and one-half (for the four (4) hours in excess of eight (8) on Wednesday).

6. An employee works their shift on Monday (eight (8) hours), works twelve (12) hours on Tuesday, reports for duty one (1) hour late on Wednesday, and works the remainder of their week (eight (8) hours Thursday and eight (8) hours Friday) as scheduled.

Pay: The employee would be paid forty (40) hours at straight time and three (3) hours at time and one-half. The late report on Wednesday causes all hours under forty (40) for that work week to be paid at the straight-time rate.

#### Addendum No. 2

#### Side Letter No. 1

The parties understand that there are unique aspects to the Jamary 1, 2009 Cicero Intermodal Agreement due to the interface between the current performance of crane work by employees working at Cicero under the May 6, 1980 BN/TCU agreement, and the terms and conditions of this Agreement. It is our intent to initiate operations under this Agreement with existing crane operators, directors and Guaranteed Rotating Extra Board (GREB) employees working crane operator, director and GREB positions under their agreement (May 6, 1980), and staffing all leadman, hostling positions and any crane vacancies under this Agreement (January 1, 2009). As attrition of existing (May 6, 1980 agreement covered) crane operators, directors and GREB employees occurs, all succeeding crane operators, directors and GREB employees will work under this Agreement. In particular:

- There will be a single seniority district for the facility for employees working under the January 1, 2009 agreement. A seniority roster will initially be established in the following order of preference:
  - A. First, employees working at the facility under the May 6, 1980 BN/TCU agreement will retain their seniority under the May 6, 1980 agreement and will be given a January 1, 2009 seniority date under the January 1, 2009 agreement in relative order of their May 6, 1980 seniority. Such seniority will become operative only when such employees are assigned positions covered by the January 1, 2009 agreement per Rule 4-A Note, 4-B and 4-C.
  - B. Next, former QTS employees hired at startup will be given a January 1, 2009 seniority date in relative order of their QTS seniority.
  - C. Finally, new hires will establish seniority pursuant to Rule 5-B.
- Upon start-up, existing crane operators, crane directors, and GREB employees working under the May 6, 1980 BN/TCU agreement will continue to work under their pre-existing labor agreements and with their existing seniority.
- 3) A. When there is a permanent vacancy for a crane operator or crane director position after January 1, 2009, such position will be offered to employees at that location working under the May 6, 1980 BN/TCU schedule agreement, with the resulting unfilled position(s) then staffed under the January 1, 2009 agreement. These specific positions will thereafter be staffed under the January 1, 2009 agreement and will thereafter be staffed under the January 1, 2009 agreement.
  - B). Temporary and short vacancies on crane operator and crane director positions covered by the May 6, 1980 BN/TCU agreement will be filled under applicable rules of the May 6, 1980 BN/TCU agreement.

NOTE: BNSF may maintain GREB positions up to 10% of the number of all regular positions including relief positions, covered under the May 6, 1980 BN/TCU at Cicero, and the following ratio will apply.

- 61-70 positions = 7 GREB positions.
- 51-60 positions = 6 GREB positions.
- 41-50 positions = 5 GREB positions
- 31-40 positions = 4 GREB positions.
- 21-30 positions = 3 GREB positions.
- 0-20 positions = 2 GREB positions.

Unfilled GREB positions are defined as regular assigned positions subject to Rule 10 of the May 6, 1980 BN/TCU agreement that no employee holding seniority under the May 6, 1980 BN/TCU agreement bid or displaced to. For each unfilled GREB positions under the above ratio, employees covered by the January 1, 2009 agreement may be used under the January 1, 2009 agreement to fill May 6, 1980 BN/TCU agreement covered crane operator and crane director positions up to the maximum number of positions allowable under the ratio.

- 4) A. If a May 6, 1980 BN/TCU crane operator, crane director or GREB employee is displaced or such employee's position is abolished, the displaced employee or employee whose position was abolished may exercise seniority to positions covered under the BN/TCU May 6, 1980 schedule agreement.
  - Note 1: If a crane operator or director position held by an employee working under the May 6, 1980 BN/TCU agreement is abolished, and a crane operator or director position is subsequently reestablished on the same shift, it will be bulletined under the May 6, 1980 BN/TCU agreement. All new crane operator and crane director positions will be bulletined under the January 1, 2009 agreement.
  - Note 2: Unless approved by management, employees covered by the May 6, 1980 BN/TCU agreement must exhaust their rights to positions covered under that agreement before being considered for positions covered by this January 1, 2009 agreement.
  - B. Any protected employee in the Cicero home zone who is unable to hold a permanent position under the May 6, 1980 BN/TCU agreement may, at BNSF's sole discretion, be required to accept a position under the January 1, 2009 agreement or have his/her protection offset by those potential earnings. Such employee accepting the position will be covered under all the rules of the January 1, 2009 agreement, except he/she will be entitled to the rate of the position last worked under the BN/TCU May 6, 1980 agreement or the protected rate, whichever is greater. Such employee will also remain covered by the discipline rule of the BN/TCU May 6, 1980 agreement, and be covered under the employee's existing national health and welfare plan, national dental plan, and national vision plan.
  - B-1. Any non-protected employee in the Cicero home zone who is unable to hold a permanent position under the May 6, 1980 BN/TCU agreement may, at BNSF's sole discretion, be required to accept a position under the January 1, 2009 agreement or be terminated. Such employee accepting the position will be covered under all the rules of the January 1, 2009 agreement, except he/she will be entitled to the rate of the position last worked under the BN/TCU May 6, 1980 agreement. Such employee will also remain covered by the discipline rule of the BN/TCU May 6, 1980 agreement, and be covered under the employee's existing national health and welfare plan, national dental plan, and national vision plan. And in such event, the time worked under the January 1, 2009 agreement will be credited under the terms of the May 6, 1980 agreement for purposes of acquiring protection.
  - C. Upon being assigned a position under the January 1, 2009 agreement, the employee covered under the May 6, 1980 BN/TCU agreement will retain his/her prior seniority date under the May 6, 1980 BN/TCU agreement.
  - D. GREB employees currently working under the May 6, 1980 BN/TCU agreement may be used to fill vacancies under the January 1, 2009 agreement. If GREB employees are used, they will be called in accordance with existing rules under the May 6, 1980 BN/TCU agreement.
  - 5) It is understood that Rule 22 of this Agreement, regarding "contracting out", does not apply to the crane operator or director work performed by employees working under the May 6, 1980 BN/TCU agreement.
  - 6) In the event this Agreement is cancelled, or more than 50% of the hostling positions are contracted out, crane operator and crane director work at Cicero will immediately revert to coverage under Rule 1, Scope, of the May 6, 1980 BN/TCU agreement. In such event, and at BNSF's sole discretion, immediately preceding occupants of crane operator, crane director, leadman and hostler positions who do not have seniority under the May 6, 1980 BN/TCU agreement may be considered for employment at Cicero under the May 6, 1980 BN/TCU agreement. Such employees accepted for employment will be credited with service for all time worked under the January 1, 2009 Agreement for vacation qualifying purposes only.

Effective January 1, 2009.

Accepted for the Transportation Communications International Union:

Joel M. Parker

International Vice President

Thomas F. Trulder

International Representative

Accepted for BNSF Railway Company:

John J. Fleps
Vice President Labor Relations

Rob S. Karov

Assistant Vice President - Labor Relations

Ollie D. Wick

General Director - Labor Relations

June 9, 2008