

**Memorandum of Agreement
between the
BNSF Railway Company
and the
Brotherhood of Maintenance of Way Employees, Division of IBT**

The parties desire to resolve their differences concerning BNSF's intentions of establishing Blacksmith positions in the Bridge and Building Sub-Department for the purpose of performing structural welding over the entire territory covered by the September 1, 1982 Agreement, updated December 2002, while transitioning by "grandfathering" certain preferential rights for non-Blacksmith employees who have performed structural welding work; and to equalize pay rates for structural welding work across the entire BNSF System. Prior to this Agreement, work has been performed, within parts of this territory, by employees from various Sub-Departments. This Agreement is without prejudice to either party's positions concerning whether or not BNSF could have proceeded to bulletin Blacksmith positions anywhere on the territory covered by the September 1, 1982 Agreement, updated 2002. The Parties agree as follows:

1. The rate of pay for the Blacksmith position will be \$23.79 per hour and subject to all future general wage increases. This rate of pay will also apply to any Blacksmith positions currently bulletined or assigned, and to "B&B Welder" positions (by whatever comparable job title) established under the former ATSF and the former SLSF Agreements. The Parties agree this change in rate of pay will not require positions to be abolished and re-bulletined, but the rate of pay will be adjusted as established above, effective on the date of this Agreement.
2. The terms of the collective bargaining agreements applicable to employees of the former ATSF and SLSF shall continue to be applicable to them, as amended by Section 1 of this Agreement.
3. With respect to employees covered by September 1, 1982 Agreement, updated December 2002:
 - A. Employees from the Welding Sub-Department who obtain a Blacksmith position under the terms of this Agreement, but who do not otherwise hold B&B Sub-Department seniority, will not acquire any seniority or assignment rights to other positions in B&B Sub-Department merely by obtaining a Blacksmith position. Track Sub-department employees who acquire seniority in the B&B Sub-department, other than Blacksmith seniority, after the date of

this Agreement, would thereupon forfeit any seniority in the Track Sub-department, in accordance with Rule 22C.

- B. Those employees addressed in this Agreement who possess Welding Sub-Department seniority and the requisite qualifications may bid to available Blacksmith positions, under this Agreement, without forfeiture of Track Sub-Department seniority, and bid back to a Track Sub-Department position without loss of the Blacksmith seniority, notwithstanding the provisions of Rule 22C of the Labor Agreement to the contrary.
- C. It is agreed that all employees on Attachment A will be considered as "qualified" for the purpose of being assigned to a Blacksmith position, subject to any post-assignment qualification requirements and re-qualification requirements applicable to the position that are required of employees assigned after the date of this Agreement.

4. SPECIAL PROVISIONS APPLICABLE TO DISTRICTS 100 AND 200:

- A. Upon the effective date of this Agreement, employees identified on Attachment A of this Agreement (the initial Blacksmith Roster) will be placed on the Bridge and Building Sub-Department Roster 5 Blacksmith seniority rosters on District 100, shown in order of their respective Rank B Welding seniority dates.
- B. Blacksmith positions on District 100 that are not filled by employees shown on Attachment A will be filled by other successful applicants from the Welding Sub-department, if any. But positions filled in this manner will be capped at a total of twenty (20) positions from District 100. And employees for those 20 positions" will be assigned and placed on the Blacksmith Roster in the order of their relative Rank B Welder date. The same stipulations for Attachment "A" employees as provided in Section 3 of this Agreement will also apply to this additional total of 20 welding sub-department employees acquiring blacksmith seniority under this paragraph.
- C. ORDER OF ASSIGNMENT TO POSITIONS: The order of preference for assignment to Blacksmith positions in District 100 under this Agreement will be as follows:
 - (i) Employees listed on Attachment A;

- (ii) The senior qualified applicants from the particular seniority district who hold seniority in the Welding Sub-department as of the effective date of this Agreement and who successfully bid on the 20 Blacksmith vacancies for that district (once those 20 employees have acquired Blacksmith seniority, this Subparagraph (ii) will terminate);
 - (iii) Employees who are WS-3 qualified as of the effective date of this Agreement, but who are not listed on Attachment A, will initially be assigned in order of their hire date; once an employee has been assigned under iii and have been given a Blacksmith date they will have preference over other employees bidding from section iii, but not preference over employees described in Paragraphs (i) and (ii), above;
 - (iv) Employees who are not members of the classes described in (i), (ii), and (iii), above, but who are otherwise entitled to assignment under Rule 22;
 - (v) Employees described in (ii) above will be placed on the Blacksmith Roster in the order of their relative Bank B Welder date. Those employees as described in (iii) and (iv) will be placed on the Blacksmith Roster with a date as of the date they are awarded a Blacksmith position.
- D. After the effective date of this Agreement, BNSF will publish in its bulletins a notice to employees stating that any employee who is not on the Attachment A list will have 180 days from that notice in which to submit documentary evidence verifying assignment to such work (a mere statement by an employee will not suffice), to a designated contact at Engineering Support; such submitted evidence must specify the date of such work assignment in order to be validly filed. Within 60 days following receipt of such evidence, Engineering Support will inform the employee whether the submitted evidence is adequate to support the employee's inclusion on the Blacksmith Roster. If the evidence is adequate, then that employee will be placed on the Blacksmith Roster in order of such date of their Rank B Welding seniority date, as proven in the evidence submitted. If there is a dispute as to the sufficiency of the employee's evidence, it may be handled as a grievance.

E. In the case of Seniority District 200, any employees with Water Service seniority who performed structural welding assignments for B&B prior to the date of this Agreement, and who are assigned to a Roster 5 Blacksmith position subsequent to this Agreement, will hereafter be paid while assigned as a Blacksmith at the highest Water Service rate of pay that they received while they performed such welding prior to the date of this Agreement.

F. For District 300, the existing Blacksmith Roster and assignment provisions of the September 1, 1982 Agreement, updated December 2002, will continue to apply.

6. SPECIAL PROVISIONS APPLICABLE TO DISTRICTS 400 AND 500:

- A. Upon the effective date of this Agreement, employees identified on Attachment A of this Agreement (the initial Blacksmith Roster) will be placed on the Bridge and Building Sub-Department Roster 5 Blacksmith seniority rosters on Districts 400 and 500, in order of their Rank B Welder seniority dates. Attachment A was drawn from the names of employees who are currently assigned to a Structural welder assignment for B&B by bulletin and award, and from employees who have been assigned in the past to a Structural welder assignment for B&B by bulletin and award.
- B. Blacksmith positions on Districts 400 and 500 that are not filled by employees shown on Attachment A will be filled by other successful applicants from the Welding Sub-department, if any. But positions filled in this manner will be capped at a total of twenty (20) positions from District 400 and twenty (20) positions from District 500. And employees for those 20 positions" will be assigned and placed on the Blacksmith Roster in the order of their relative Rank B Welder date. The same stipulations for Attachment "A" employees as provided in Section 3 of this Agreement will also apply to this additional total of forty (40) welding sub-department employees acquiring blacksmith seniority under this paragraph.
- C. ORDER OF ASSIGNMENT TO POSITIONS: The order of preference for assignment to Blacksmith positions in Districts 400 and 500 under this Agreement will be as follows:

- (i) Employees listed on Attachment A;
- (ii) The senior qualified applicants from the particular seniority district who hold seniority in the Welding Sub-department as of the effective date of this Agreement and who successfully bid on the 20 Blacksmith vacancies for that district (once those 20 employees have acquired Blacksmith seniority, this Subparagraph (ii) will terminate);
- (iii) Employees who are WS-3 qualified as of the effective date of this Agreement, but who are not listed on Attachment A, will initially be assigned in order of their hire date; once an employee has been assigned under iii and have been given a Blacksmith date they will have preference over other employees bidding from section iii, but not preference over employees described in Paragraphs (i) and (ii), above;
- (iv) Employees who are not members of the classes described in (i), (ii), and (iii), above, but who are otherwise entitled to assignment under Rule 22;
- (v) Employees described in (ii) above will be placed on the Blacksmith Roster in the order of their relative Bank B Welder date. Those employees as described in (iii) and (iv) will be placed on the Blacksmith Roster with a date as of the date they are awarded a Blacksmith position.

7. Except as provided herein, assignments to Blacksmith positions and placement on Blacksmith rosters after the effective date of this Agreement will be governed by the applicable provisions of the parties' respective labor agreements.

Effective this 3rd day of June, 2011.

Effective this _____ day of June, 2011.

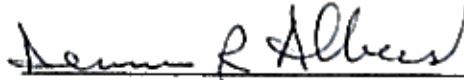
AGREED:

For BNSF Railway Company:

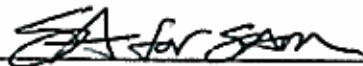
**For the Brotherhood of Maintenance of Way
Emploees, Division of IBT:**



Robert S. Karov
Asst. Vice President Labor Relations

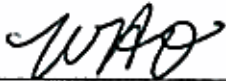


Dennis Albers
General Chairman, BMWED



Steve Millsap
Vice President Engineering

Dennis Craft
General Chairman, BMWED



William A. Osborn
General Director Labor Relations

B. G. Glover
General Chairman, BMWED

Rick Sandlin
General Chairman, BMWED

David Joynt, Vice-President, BMWED