

## MEMORANDUM OF AGREEMENT

Between

The Burlington Northern Santa Fe Railway Company

And

System Council 16 of the International Brotherhood of Electrical Workers

This agreement provides for 1) a proficiency consideration in the existing electrician apprentice agreement (which was effective January 1, 2003), and 2) the creation of three levels of journeyman status for Mechanical Department Electricians. This agreement modifies any conflicting provisions in the following agreements: the September 1, 1974 Agreement (between the Atchison, Topeka and Santa Fe Railway Company and its employees represented by System Federation No. 97, Railway Employees' Department, AFL-CIO); the April 1, 1983 Agreement (between the Burlington Northern Railroad Company and its Mechanical employees.

### **I. Apprentice Proficiency**

Section A. of the Apprentice Agreement (effective January 1, 2003) is modified as indicated in the underlined sections below:

Types of Apprentices and Training Period – There shall be a single class of apprentice, consisting of regular apprentices who shall serve up to eight training periods totaling 976 days, based on tested proficiency, as evaluated by BNSF.

Employees may be promoted to journeymen anytime during the 976 day period, provided they pass all standardized proficiency tests, both written and practical, which will be uniformly administered. These tests shall be established by BNSF, and “computer-based testing” shall be the preferred method for the “written” tests. Employees who are promoted to journeymen as a result of this agreement change will be paid 100% journeyman’s pay (Level 1 – see below) upon their promotion to journeyman and will have their seniority assigned per Section I. of the existing Apprentice Agreement (effective January 1, 2003), except that apprentices will not be given superior journeymen seniority dates over otherwise senior apprentices, because of proficiency related promotions.

### **II. New Journeymen Levels (Applicable to Mechanical Department Electricians)**

#### *Level 1:*

Existing journeyman positions (as delineated in the above cited agreements) will be treated as “Level 1 Journeymen”, and will constitute the basic and most common level of journeyman electrician – subject to existing pay-rates and rules of assignment.

*Level 2:*

Positions in this category will be established at the discretion of BNSF. Journeymen Electricians may bid on these Level 2 positions only after proving their ability and aptitude based on standardized written and practical tests administered by BNSF. These tests shall be established by the BNSF Training Department, in cooperation with the General Chairman or his designated representative, management to make the final decision. Once these journeymen have qualified for Level 2 status, they will be eligible to bid on Level 2 positions based on their established and respective seniority dates – subject to periodic retesting and requalification, no more than once annually. Employees awarded such positions will be paid a 5% pay premium, rolled into their basic rate of pay, above the standard “Level 1 Journeyman” electrician position. They will be able to bid to specialized positions (including troubleshooting) available only to Level 2 qualified journeymen. Nothing shall prohibit these journeymen from performing work which may be performed by a Level 1 Journeyman.

*Level 3:*

This exclusive group of journeymen is to provide a high level of certain technical training, servicing, inspecting, installing, repairing, troubleshooting, diagnostic testing, and maintenance on locomotives. BNSF will establish minimum qualifications, which will include having taken and passed the Level 2 Journeyman test, in cooperation with the General Chairman or his designated representative, management to make the final decision. Nothing shall prohibit these Level 3 journeymen from performing work which may be performed by Level 1 or Level 2 Journeymen.

The following applies to Level 3 Journeymen:

1. All Level 3 positions shall be assigned by bulletin (subject to the terms of this agreement) and shall have one assigned rest day, Sunday, if practical. Rules applicable to other employees of the same craft or class shall apply to service on such assigned rest days. Rest days of relief positions, if these positions exist, will be established at the discretion of local management.
2. Each Level 3 employee will be paid at a monthly rate of 10% pay premium above the current (Level 1) journeyman hourly rate, based on 213 hours/month (subject to future general wage increases); this includes compensation for any and all skill or other differentials, and also includes pay for holidays and vacations. However, employees required to work holidays or their scheduled vacation days shall receive the hourly rate at time and one half for all hours worked on such days.
3. To determine the straight-time hourly rate, the monthly rate will be divided by 213. No overtime will be allowed for time worked in excess of eight (8) hours per day, for time worked in excess of 40 hours per week, or for work on the sixth day of the work week (but where the total monthly hours worked exceeds 213, those hours exceeding 213 will be paid at time-and-one-half overtime rate); on the other hand, no time will be deducted unless the employee lays off on his own accord. Rule 14 of the September 1, 1974 ATSF Agreement regarding monthly rates will otherwise apply, with the exception of Paragraph (f).

4. Level 3 positions will be established and bulletined at the locations where such positions are desired by BNSF. To bid on a Level 3 position, an employee must be Level 2 qualified. Local management and the Local Chairman shall review all applications, considering their qualifications, work history, and seniority. If fitness and ability are equal, seniority will govern; however, in the event they fail to agree, management will make the final decision.
5. At locations where more than one Level 3 position is established, consideration will be given to seniority, when practical, in scheduling employees.
6. An employee selected to a Level 3 position will be required to complete at least six months of service on the position before being allowed to bid to a different position or vacate the position. And it is understood that due to the nature of these positions, they are not subject to bumps or displacements by other employees. BNSF may hold an employee who has successfully bid off of an Level 3 position (or vacated the position for other reasons) following six months of service, for up to three months while a replacement employee is selected and trained.
7. Employees assigned to Level 3 positions at a given location may be utilized on a temporary basis, not to exceed six (6) continuous days, including travel time to and from the other location, at other locations on BNSF without BNSF being subject to claims for utilizing these employees at the other locations (these Level 3 employees will be allowed travel time and necessary reasonable expenses and company provided lodging). In assigning employees to such temporary assignments, Level 3 journeymen at the originating location will be offered such positions in seniority order, and if there are no volunteers, the junior Level 3 will be assigned to the temporary work.
8. All employees assigned to these positions shall be subject to the provisions of the Union Shop Agreement.

Note 1: Any testing that will be made available to employees under the terms of this Agreement will be advertised to employees at that location in advance of the testing. Once testing is developed for Level 2 positions, BNSF will provide notice to all IBEW mechanical employees. Level 2 testing will consist of two parts that can be taken at different times. One part which will consist of a validated written on-line test and one part will consist of a proficiency demonstration of skills test. For the initial test, notice will be given at least 45 days in advance and will identify the general areas covered on the test. Employees may initiate subsequent testing when three or more employees per location request to take the test. Employees cannot test more than once in a six-month period and must receive some kind of remedial training, as necessary, to retest the part, written and/or proficiency demonstration of skills, they previously failed. Testing will be afforded to all IBEW Mechanical Department employees requesting such, based on seniority. Moreover, computer-based training for promotion to Level 2 status, when available, shall be made accessible to Level 1 Journeymen

desiring such training, with training to be done on an employee's own time. Additional training may be provided, at the discretion of BNSF.

Note 2: Recognizing the intricacies in developing this program and understanding that changes in the workplace and work force will occur as it evolves, BNSF and IBEW will cooperate in discussing the types of functions generally to be performed by Level 2 and Level 3 Journeymen at the various IBEW represented employee staffed locations.

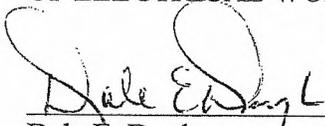
To ensure a fair and equitable implementation and application of this agreement, the General Director of Labor Relations and the General Chairman agree to meet anytime (as mutually agreed to) within a year following implementation of the agreement to discuss any and all issues of concern, including possible violations of said agreement, in an effort to resolve all disputes. All disputes stemming from violations of the specific rules of this agreement shall be handled through expedited arbitration, i.e. local claims handling shall be bypassed and the dispute handled directly between the General Director of Labor Relations and the General Chairman (the time-limit provisions of the controlling agreements apply). Following the initial meetings, additional meetings may be held once every year. The foregoing shall not prevent the parties from meeting more often if mutually agreed to. Furthermore, following the initial meeting the parties may, if mutually agreed to, forgo future meetings. The only issues to be progressed to arbitration as outlined above are those related directly to violations of this agreement. All other matters shall be handled under the grievance procedures as outlined in the controlling agreement.

The Agreement, and its application, is not to be considered as a precedent and it shall be without prejudice to the positions of any party on any subject contained herein. It is also agreed that this Agreement, and its application, shall not be referred to in any other proceeding of any kind whatsoever, excepting only a proceeding to enforce the terms of the Agreement. All other rules of the controlling labor agreements remain applicable other than those identified herein.

Effective May 28, 2013.

FOR:

INTERNATIONAL BROTHERHOOD  
OF ELECTRICAL WORKERS



Dale E. Doyle *June 5, 2013*  
General Chairman - IBEW System Council 16

FOR:

THE BNSF RAILWAY COMPANY



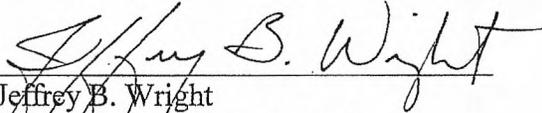
Robert S. Karov  
AVP - Labor Relations

Ollie D. Wick



General Director - Labor Relations

APPROVED:



Jeffrey B. Wright

Vice President - Mechanical

**EMPLOYEES REGULARLY ASSIGNED TO ROAD WORK  
PAID ON MONTHLY BASIS**

**Rule 14**

(a) Monthly rated employees with rates comprehending 212-1/3 hours per month shall be assigned one rest day per week, Sunday if possible. Rules applicable to other employees of the same craft or class shall apply to service on such assigned rest day. Except for the one rest day per week, such monthly rates shall cover all services rendered. No overtime is allowed for time worked in excess of eight (8) hours per day; on the other hand, no time is to be deducted unless the employee lays off of his own accord.

Ordinary maintenance or construction work will not be required on the 6th day of their work week without additional compensation. Employees shall hold themselves available for service on the sixth day of their work week without additional compensation. If available and not worked on the sixth day, or if worked less than a full day on such sixth day, there shall be no reduction in compensation.

When, under unusual circumstances, employees are required to perform ordinary maintenance or construction work on the sixth day, they will be allowed additional compensation at pro rata rate with minimum of two (2) hours; if required to work more than two (2) hours, a maximum of four (4) hours will be allowed.

To determine the straight time hourly rate, divide the monthly rate by 212-1/3 hours. Such employees working a fractional part of a month shall be paid a pro rate of the monthly rate based on the calendar days of the month less rest days. So long as the monthly rates remain in effect for such employees on this basis, future 'wage adjustments shall be based on the factor of 212-1/3 hours.

The sixth day in the work week of six day per week monthly rated employees shall be considered a workday for vacation and vacation qualifying purposes. The number of qualifying days for vacation purposes applicable to hourly rated employees subject to this Agreement shall also apply to these six day per week monthly rated employees

(b) Employees paid under this rule who are required to work on designated holidays will be allowed additional compensation at pro rata rate with minimum of two (2) hours; if required to work more than two (2) hours, a maximum of four (4) hours will be allowed. Employees paid under this rule who check for mail and wires on specified holidays shall not be entitled to pay therefor as this is not considered work. On the other hand, any work performed, including time waiting and traveling, shall be considered in arriving at the dividing point between two (2) and four (4) hours for the purpose of allowing pay.

(c) The regularly assigned road men under the provisions of this rule may be used, when at headquarters, to perform work in connection with their regular assignments.

(d) Where meals and lodging are not furnished by the Company or when the service requirements make the purchase of meals and lodging necessary while away from headquarters, employes will be reimbursed for such actual necessary expense.

(e) When in the judgment of the Management conditions will permit, employes regularly assigned to road work and paid on a monthly basis in accordance with this rule, will be permitted to make weekend trips to their home station without loss of time, provided they will be back on their assignment ready to start their day's work on Monday at regular starting time. Free transportation will be provided, but no personal expenses will be paid at the home station.

(f) If it is found that this rule does not produce adequate compensation for certain of these positions by reason of the occupants thereof being required to work excessive hours, the salary for these positions may be taken up for adjustment.

**LETTER OF INTENT NO. 1**  
**BETWEEN**  
**BNSF RAILWAY COMPANY (BNSF)**  
**AND**  
**INTERNATIONAL BROTHERHOOD OF**  
**ELECTRICAL WORKERS (IBEW)**

With reference to the Memorandum of Agreement effective July 31, 2014, revising the January 1, 2003 IBEW Apprentice Agreement, as amended, this Letter of Intent will be attached and made a part thereof as if originally included with respect to the following:

Section I. of the January 1, 2003 Apprentice Agreement states:

I. Completion of Apprenticeship - Upon completion of the apprenticeship training program under this agreement, the apprentice will be placed on the journeyman mechanics' roster on the date following completion of training on the seniority district or at the point where he completed his training. The apprentice will establish a retroactive journeyman seniority date that will be determined by adding the days of service the apprentice was absent from his regular assignment to the date service commenced as an apprentice. For the purposes of calculating the retroactive date, the apprentice will not be penalized for days lost due to on-the-job injury or furlough or days for which he is compensated under the Collective Bargaining Agreement but does not perform mechanic's service; such as, personal leave day, vacation, holidays, bereavement, jury duty, etc.

For example, the apprentice starts his apprenticeship on May 1, 2000, (assuming Saturday/Sunday rest days) and upon completion of 976 working days, it is determined that seven (7) actual work days were lost due to the employee's own volition. The retroactive seniority date would be May 10, 2000. In no event will this result in establishment of a journeyman seniority date for the apprentice prior to the date commencing service as an apprentice with the Company.

Employees who enter military service or lose time due to National Guard or military reserve training will be granted a retroactive journeyman's seniority date in accordance with legal requirements of applicable veterans' laws.

Where the July 31, 2014 Agreement reads "*Such employees shall have a Journeyman date assigned and be compensated at the Journeyman's rate of pay retroactive to the date of hire, provided that the General Chairman or his designee notifies the General Director Labor Relations in writing of the name and employee ID number of such employees, within ninety (90) days of the effective date of this Agreement,*" the parties intended for current apprentices granted journeyman status prior to the completion of 976 days as an apprentice to have a journeyman date assigned as per Section I. of the January 1, 2003 Apprentice Agreement, in order to remain consistent with the treatment afforded to previous apprentices and claims that were previously progressed and settled as required by the rule quoted above. The parties intended for retroactive compensation at the

journeyman rate to be paid only for days the employee actually received compensation at a reduced apprentice rate, and not for any days the employee did not perform service or did not receive compensation as described in Section I.

This Agreement shall be effective retroactive to July 31, 2014.

Agreed:

Ollie D Wick /RS  
Ollie D. Wick  
General Director Labor Relations

Dale Doyle  
Dale Doyle  
IBEW General Chairman

Date: 8/8/14

Date: 8-8-14

**LETTER OF INTENT NO. 2**  
**BETWEEN**  
**BNSF RAILWAY COMPANY (BNSF)**  
**AND**  
**INTERNATIONAL BROTHERHOOD OF**  
**ELECTRICAL WORKERS (IBEW)**

On May 28, 2013, the parties entered into a Memorandum of Agreement creating a proficiency-based apprenticeship and three levels of journeymen electricians. This Letter of Intent will be attached and the language made a part thereof as if originally included where indicated below.

An electrician must demonstrate proficiency as a Level 1 journeyman before entering the Level 2 training program to become qualified as a Level 2 journeyman. On May 28, 2013, all existing journeyman positions became Level 1 positions and the electricians holding those positions were grandfathered in as qualified to hold such positions without being required to complete the Level 1 proficiency program. With respect to Section II. New Journeymen Levels and Note 1, which state in part:

*Level 2:*

“... Journeymen Electricians may bid on these Level 2 positions only after proving their ability and aptitude based on standardized written and practical tests administered by BNSF. These tests shall be established by the BNSF Training Department, in cooperation with the General Chairman or his designated representative, management to make the final decision.”

Note 1:

“... Employees cannot test more than once in a six-month period and must receive some kind of remedial training, as necessary, to retest the part, written and/or proficiency demonstration of skills, they previously failed.”

The following shall apply:

1. “Journeymen electricians who wish to become qualified for Level 2 positions are required to pass the Level 2 test. The material taught in the Level 2 program is much more complex in nature than the material taught in the Level 1 proficiency program. Therefore, to ensure consistency in training and verify that all those entering the Level 2 program are prepared for that level of material, each journeyman who has not already completed the Level 1 proficiency program will be required to demonstrate his/her proficiency as a qualified Level 1 journeyman by passing the Level 1 written proficiency test, as described in the May 28, 2013 Agreement.
2. Furthermore, the parties recognize that many of the grandfathered journeymen have not attended formal electrical training classes recently and they are not required to do so before

taking the Level 1 written proficiency test. Therefore, should a grandfathered journeyman fail the test on his first attempt, he must wait at least 30 days to retake it, during which time he should undertake additional study, formal classes, or web-based training courses in needed areas. The journeyman should discuss with the trainer coordinator what formal classes or other study materials are available. The trainer coordinator will notify the officer in charge if the employee meets with him to discuss the matter. If the journeyman fails the test a second time, he must wait another 30 days and will be required to meet with the trainer coordinator and demonstrate proof that he undertook additional study before attempting the test a third time. The trainer coordinator will notify the officer in charge when the employee has met with him to discuss the matter. After a second failed attempt, any subsequent retesting that may be offered will be at least 30 days apart.

3. If the grandfathered journeyman should fail a third time and desires to continue working toward the Level 2 program, he/she will need to meet with the trainer coordinator and shop superintendent (or his designee) to discuss and formulate a plan for formal classes and other study materials that are available in order to assist in addressing the areas where the journeyman may need specific training before subsequent retesting.
4. Should a journeyman electrician fail the Level 1 written proficiency test a fourth time, he must obtain approval from a BNSF Chief Mechanical Officer and General Chairman of the IBEW in order to take it again.
5. The provisions of paragraph 2 shall remain in effect until April 30, 2017. As of May 1, 2017, the following provisions will apply:
  - a. A grandfathered Level 1 electrician who fails the Level 1 written proficiency test on his first attempt must wait at least 3 months to retake it, during which time he should undertake additional study, formal classes, or web-based training courses in needed areas, after discussing with the trainer coordinator what materials are available.
  - b. An electrician who fails a second time must wait at least 6 months before attempting the test a third time, during which time he must meet with the trainer coordinator and demonstrate proof that he undertook additional study.
  - c. After a second failed attempt, any subsequent retesting that may be offered will be at least 6 months apart.
  - d. The trainer coordinator shall keep the officer in charge apprised of the employee's study efforts."

In addition, the following language shall be added to the May 28, 2013 Agreement under Section I. Apprentice Proficiency:

"Apprentices who began their apprenticeship on or before July 31, 2014 shall be grandfathered in to this agreement and given the option of completing either the traditional time-based apprenticeship (976 workdays and 288 hours of technical training) or the proficiency-based apprenticeship (demonstrated by passing the Level 1 written and practical proficiency tests) to become qualified for Level 1 journeyman positions. Apprentices who begin their apprenticeship after July 31, 2014 must complete the proficiency-based apprenticeship to advance to journeymen.

To ensure sufficient time to become acquainted with safety rules and practices, apprentices who complete the Level 1 testing (written and practical) within six (6) months of commencing their

apprenticeship may remain assigned to a journeyman until reaching 6 months of service in the craft, at which time they will be placed on the Journeyman Seniority Roster. Apprentices who complete Level 1 testing within their first 6 months will receive the full journeyman's hourly rate of pay for the remainder of their apprenticeship.

For those grandfathered apprentices who opt to take the Level 1 written proficiency test in an effort to test out early from the traditional apprenticeship, the following shall apply:

1. A grandfathered apprentice who does not pass the Level 1 written proficiency test on his first attempt must wait at least 30 days before retaking the test, during which time the apprentice should undertake additional study, formal classes or web-based training courses in needed areas. Should the apprentice fail the test a second time, he must wait another 30 days before taking it again. During this time, the apprentice must meet with the trainer coordinator and shop superintendent (or his designee) to identify appropriate study areas. After a second failed attempt, any subsequent retesting that may be offered will be at least 30 days apart.
2. The provisions of paragraph 1 shall remain in effect until April 30, 2017. As of May 1, 2017, the following provisions will apply:
  - a. A grandfathered apprentice who fails the Level 1 written proficiency test on his first attempt must wait at least 3 months to retake it, during which time he should undertake additional study, formal classes, or web-based training courses in needed areas, after discussing with the trainer coordinator what materials are available.
  - b. An apprentice who fails a second time must wait at least 6 months before attempting the test a third time, during which time he must meet with the trainer coordinator and demonstrate proof that he undertook additional study.
  - c. After a second failed attempt, any subsequent retesting that may be offered will be at least 6 months apart.
3. A grandfathered apprentice who fails the Level 1 proficiency written test a third time will be subject to review by a Chief Mechanical Officer (CMO), or his designee(s), which may include the Manager of Mechanical Training at the TTC and/or the appropriate apprentice trainer coordinator. The review will determine whether the apprentice may continue with the traditional time-based apprenticeship to qualify as a Level 1 Electrician or must complete the proficiency-based apprenticeship program instead. Additionally, the review may conclude that the apprentice has demonstrated a lack of aptitude or interest in learning the trade. An apprentice who demonstrates a lack of aptitude or interest in learning the trade may be dropped from the apprenticeship program in accordance with Section C of the January 1, 2003 Apprentice Agreement. The General Chairman will be notified of the results of the review and given an opportunity to discuss them with a CMO before the apprentice is notified of the results.
4. Grandfathered apprentices who opt to complete the traditional time-based apprenticeship will be subject to the same provisions as grandfathered journeymen with respect to qualifying for the Level 2 training program.
5. Apprentices who entered the proficiency program after July 31, 2014 are governed by the provisions of paragraph 2(a), 2(b), and 2(c)."

This Agreement shall be effective March 1, 2017 and shall be incorporated into the May 28, 2013 Agreement.

Agreed:

Ollie D. Wick / DW

Ollie D. Wick  
General Director Labor Relations

Dale Doyle

Dale Doyle  
IBEW General Chairman

Date: March 6, 2017

Date: March 3, 2017

## LETTER OF INTENT NO. 3

BETWEEN

BNSF RAILWAY COMPANY (BNSF)

AND

INTERNATIONAL BROTHERHOOD OF

ELECTRICAL WORKERS (IBEW)

This agreement encompasses all Mechanical Department electricians who wish to become qualified as Level 2 or Level 3 electricians as described in the Memorandum of Agreement effective May 28, 2013 ("level agreement"). This Letter of Intent will be attached to the level agreement and made a part thereof as if originally included with respect to Section II. New Journeyman Levels, Note 1, and Note 2.

The following applies to Level 2 Journeyman positions:

### I. Seniority

1. Employees will not establish separate seniority dates for Level 2 or 3 qualification. When a Level 1 electrician attains Level 2 qualification, this will be designated on the seniority roster with an asterisk (or some other identifying mark). Likewise, when a Level 2 electrician becomes qualified for Level 3 positions, a different identifying mark will be placed on the seniority roster.
2. When a Level 2 position is bulletined, only electricians designated as Level 2 or 3 may bid. At locations where no electricians are designated Level 2 or 3, these positions may be bulletined as Level 2 Preferred. Such Preferred positions will be open to Level 1 electricians who have successfully attained the Level 1 proficiency status and the electrician may work the Level 2 position until he/she attains Level 2 status. If more than one qualified Level 1 electrician bids the Level 2 Preferred position, seniority shall govern. A level 1 electrician working a Level 2 Preferred position as outlined herein shall be paid at the Level 1 hourly rate until he/she attains Level 2 status.

### II. Testing

1. Qualified Level 1 electricians who wish to take the Level 2 exam as soon as it is available should promptly notify the trainer coordinator for their location.
2. Grandfathered Level 1 electricians who wish to take the Level 2 exam must become qualified Level 1 electricians before trainer coordinators may register them for the Level 2 exam.
3. Should an electrician fail the Level 2 exam on his first attempt, he may try again in 3 months. Should he fail a second time, he may try again in 6 months. Should a qualified

Level 1 electrician fail the Level 2 exam a third time, he must obtain approval from a BNSF Chief Mechanical Officer and General Chairman of the IBEW in order to take it again.

### III. Implementation – location by location basis

1. When an electrician successfully attains Level 2 qualification, he will begin receiving a 5% pay incentive above the basic hourly rate for straight time hours on his current position and be assigned more advanced troubleshooting duties whenever possible. This incentive shall apply to the employee, not the position, therefore BNSF will not be required to rebulletin any Level 1 positions as a result of this incentive. Level 2 qualified electricians who change positions (by bidding or being bumped) will retain the incentive compensation pay.
2. This practice will continue until 25% of the electricians at the first shop and the first zone become Level 2 qualified. Upon that landmark, those locations may be considered the candidate pilot locations for implementation of the job posting phase.
3. Once pilot locations have been determined, the Superintendent, General Foreman, General Chairman, and Local Committee will meet to discuss the creation of Level 2 and Level 2 Preferred positions (*jobs that may be filled with a qualified Level 1 if a Level 2 does not bid the position*).
4. Within the first 12 weeks following implementation at the pilot locations, the Superintendent, General Foreman, General Chairman, and Local Committee will meet to discuss progress and assess needed changes. Following these assessments, other locations that have reached 25% Level 2 qualification may begin assessing their specific needs and proceed with job postings.
5. At such time as Level 2 positions are bulletined, any Level 2 qualified electrician who chooses to hold or is bumped to a Level 1 position will cease being paid the 5% pay incentive while on that Level 1 position.
6. Once a location has awarded 40% of its Level 2 positions, the Superintendent, General Foreman, General Chairman, and Local Committee will meet to discuss the creation of Level 3 positions. Within the first 12 weeks following implementation of Level 3 positions, the Superintendent, General Foreman, General Chairman, and Local Committee will meet to discuss progress and assess needed changes.

### IV. Overtime

1. At such time as Level 2 positions are bulletined at a location, separate overtime call lists shall be established for Level 2 qualified electricians. When overtime is needed on a Level 2 position, it shall be distributed to those on the Level 2 call list, in the manner described in the controlling agreement. This does not prohibit Level 2 qualified electricians from participating in the normal distribution of overtime for Level 1 positions.
2. A Level 2 qualified electrician covering a Level 2 position, whether on overtime, temporary, or relief assignment, will be paid at the Level 2 rate of pay. A Level 2 qualified electrician covering a Level 1 position will be paid at the Level 1 rate of pay.

3. If no Level 2 qualified electricians are available for Level 2 overtime, local management may, in its discretion, choose to offer the overtime to a qualified Level 1 electrician on the Level 1 call list, in the manner described in the controlling agreement. If local management chooses not to offer overtime to a qualified Level 1 electrician, this shall not be considered a violation of the overtime rules of the controlling agreement.

The parties anticipate that the incentives described above will be effective to encourage our electricians to become Level 2 qualified. However, the parties also recognize that if such incentives do not have the desired effect of generating at least 25% participation at each location, BNSF will be under no obligation to continue paying the 5% pay incentive for Level 1 positions. To that end, the parties agree to meet approximately 36 months from the date of this agreement to evaluate the effectiveness of the incentive compensation and, if satisfactory participation has not been achieved by that time, the parties may agree to extend or amend Section III: Implementation, or BNSF may immediately cancel Section III if no mutually agreeable alternative is reached. In the event of cancellation, all other sections shall be severed and remain intact unless otherwise agreed to.

The parties further agree that should any unforeseen issues arise with the implementation or terms of this side letter before the 36 month review occurs; the General Chairman, the Chief Mechanical Officer, the General Director Labor Relations, and/or their designees shall meet promptly to discuss the matter and seek resolution.

This Agreement shall be retroactive to May 28, 2013.

Agreed:

Ollie D. Wick / MW  
Ollie D. Wick  
General Director Labor Relations

Dale E. Doyle  
Dale Doyle  
IBEW General Chairman – System Council 16

Date: July 27, 2017

Date: July 24, 2017

**LETTER OF INTENT NO. 4**

**BETWEEN**

**BNSF RAILWAY COMPANY (BNSF)**

**AND**

**INTERNATIONAL BROTHERHOOD OF**

**ELECTRICAL WORKERS (IBEW)**

This Agreement encompasses all Mechanical Department electricians who wish to become qualified as Level 3 electricians as described in the Memorandum of Agreement effective May 28, 2013 (“level agreement”) and apply for the position of Electrician System Training Instructor or Electrician Assistant System Training Instructor. This Letter of Intent will be attached to the level agreement and made a part thereof as if originally included with respect to Section II. New Journeymen Levels and Note 2.

The following establishes a monthly-rated System Training Instructor position:

1. System Training Instructor – An employee may be appointed or designated by BNSF to assist in designing and implementing training plans to meet the needs of employees in the electrician craft, scheduling and conducting training and testing, conducting performance evaluations and providing management with results, and taking other appropriate actions to ensure training accomplishes desired results for all electricians. This position will provide leadership and oversight to the entire BNSF Mechanical Electrician craft, which will require travel to train and evaluate Electrician trainers at other BNSF locations, as needed.
2. System Training Instructor is a monthly-rated position, paying 5% above the Level 3 electrician monthly rate, subject to all future general wage increases and/COLAs, if applicable.
3. The work week will be a six day a week assignment, consisting of five full working days of the week, one subject to call day for training purposes only and one rest day, preferably Sunday. However, it is understood that the workweek may vary at the Company’s discretion to meet training needs. The overtime rate applies only after the employee has worked 213 hours in the month or for service on the assigned rest day.
4. System Training Instructor positions are established and filled at BNSF’s discretion and therefore are exempt from the normal bid and bump provisions of the collective bargaining agreement.
5. Applications will be accepted from any electrician who holds seniority at any point/district under the applicable collective bargaining agreement and who is currently working as a trainer.

The following establishes monthly-rated Assistant System Training Instructor positions:

1. Assistant Training Instructor – An employee may be appointed or designated by BNSF to assist in designing and implementing training plans to meet the needs of employees in the electrician craft, scheduling and conducting training and testing, conducting performance evaluations and providing management with results, and taking other appropriate actions to ensure training accomplishes desired results for all electricians, which will require travel to train and evaluate electricians at other BNSF locations, as needed.
2. Assistant Training Instructor is a monthly-rated position, paying 2.5% above the Level 3 electrician monthly rate, subject to all future general wage increases and/COLAs, if applicable.
3. The work week will be a six day a week assignment, consisting of five full working days of the week, one subject to call day for training purposes only and one rest day, preferably Sunday. However, it is understood that the workweek may vary at the Company's discretion to meet training needs. The overtime rate applies only after the employee has worked 213 hours in the month or for service on the assigned rest day.
4. Assistant Training Instructor positions are established and filled at BNSF's discretion and therefore are exempt from the normal bid and bump provisions of the applicable collective bargaining agreement.
5. Applications will be accepted from any electrician who holds seniority at any point/district under the applicable collective bargaining agreement and who is currently performing electrician duties.

It is the intent of the parties that the positions described above will become Level 3 positions at such time as Level 3 Electrician positions are bulletined. As such, applicants must be Level 2 qualified.

The parties further agree that should any unforeseen issues arise with the implementation or terms of this side letter, the General Chairman, the Chief Mechanical Officer, the General Director Labor Relations, and/or their designees shall meet promptly to discuss the matter and seek resolution.

It is mutually understood and agreed that this Agreement and its application is made without prejudice to either party's contentions concerning the application of the agreement rules and that this proposal, or its application or acceptance thereof, will not be referred to as a precedent by either party under any circumstances.



**LETTER OF INTENT NO. 5  
BETWEEN  
BNSF RAILWAY COMPANY (BNSF)  
AND  
INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS (IBEW)**

In 2012, BNSF and the IBEW established an innovative, proficiency-based approach to training our electricians in the unique skills required of a successful locomotive journeyman electrician. This approach is the first of its kind in the rail industry and both BNSF and the IBEW are committed to its continued growth. While apprentices who were hired before or shortly after the proficiency program was conceived were given the option of completing the traditional time-based program of 976 work days (approximately four years) or demonstrating proficiency under the new program, all apprentices hired after July 31, 2014 must demonstrate their proficiency to become journeymen. This letter is to clarify the parties' expectations regarding time spent in the proficiency program and to remind those hired after July 31, 2014 of the consequences for failing to demonstrate proficiency.

This Letter of Intent will be attached to the level agreement and made a part thereof as if originally included with respect to Section I. Apprentice Proficiency, which shall now read:

“Section A. of the Apprentice Agreement (effective January 1, 2003) is modified as follows:

Types of Apprentices and Training Period – There shall be a single class of apprentice, consisting of regular apprentices who shall demonstrate ability to become journeymen based on tested proficiency, as evaluated by BNSF.

Employees may be promoted to journeyman anytime during their apprenticeship, provided they pass all standardized proficiency tests, both written and practical, which will be uniformly administered. These tests shall be established by BNSF, and web-based testing shall be the preferred method for the written tests. Employees who are promoted to journeymen as a result of this agreement change will be paid 100% journeyman's pay (Level 1 – see below) upon their promotion to journeyman and will have their seniority assigned per Section I. of the existing Apprentice Agreement (effective January 1, 2003), except that apprentices will not be given superior journeyman seniority dates over otherwise senior apprentices solely because of proficiency-related promotions.

*Expected Completion*

BNSF and the IBEW anticipate apprentices with backgrounds in the electrical field will attain proficiency and gain journeyman status in 12-24 months of diligent effort, while recognizing those entering the apprenticeship without electrical backgrounds might progress at a slower rate.

To accomplish this goal, the following is required of all apprentices:

1. All apprentices must attempt the Level 1 written proficiency exam within the first 12 months of their apprenticeship.

2. To ensure sufficient time to learn safety rules and practices, apprentices who complete Level 1 testing (written and practical) within six months of commencing their apprenticeship may remain assigned to a journeyman until reaching six months of service in the craft, at which time they will be placed on the Journeyman Seniority Roster. Apprentices who complete Level 1 testing within their first six months will receive the full journeyman's hourly rate of pay for the remainder of their apprenticeship.
3. An apprentice who fails the Level 1 written proficiency exam must wait at least three months to retake it, during which time s/he should undertake additional study, formal classes, or web-based training courses in needed areas, after discussing with the trainer what materials are available. A second attempt at the test must be undertaken by the time the apprentice attains 24 months of service and no later than every 6 months thereafter.
4. An apprentice who fails a second time must meet with the trainer and formulate a plan for formal classes and other study materials that are available in order to assist in addressing the areas where the apprentice may need specific training before subsequent retesting.

#### *24-month Review*

Any apprentice who reaches 24 months of service without attaining proficiency will have his/her progress reviewed by the trainer, local management, representatives of the TTC, and the local committee to determine why s/he is not progressing in a timely manner ("24 month progress review"). Apprentices who have not shown progress in both written exam scores and ability to perform the proficiency task list will receive an individual educational plan tailored to help them successfully complete the program.

If the progress review shows diligent efforts by the apprentice during the course of the apprenticeship to improve his/her test scores and proficiency, the trainer will closely monitor the apprentice's performance and promptly schedule any needed classes and appropriate job rotations, planning accordingly for the apprentice to successfully complete the apprenticeship. The trainer and apprentice are required to keep in close communication so that testing and training can be coordinated promptly.

#### *36-month Review*

Any apprentice who reaches 36 months of service without attaining proficiency will have his/her progress reviewed by the trainer, local management, representatives of the TTC, and the local committee to determine why he/she is not progressing in a timely manner ("36 month progress review").

If the progress review finds extenuating circumstances have delayed the apprentice's progress despite diligent efforts, the TTC may set a reasonable amount of time for the apprentice to complete the program. The trainer will notify the apprentice and work with him/her to develop an updated individual education plan to meet the deadline.

#### *Disqualification*

If, at any point during the apprenticeship, an apprentice is deemed by local management and the trainer to show insufficient aptitude or interest in learning the trade, the appropriate CMO and General Chairman will be notified and provided a copy of the employee's progress review (if available), as well as any subsequent efforts by the apprentice to qualify, so that the CMO and

General Chairman may perform the final review. If the CMO and General Chairman determine from the final review that the apprentice has insufficient aptitude or interest to learn the trade, the employee will then be notified of his or her disqualification and the employee's record will be closed.

Failure to attain proficiency within 976 days will result in automatic disqualification and the employee's record will be closed."

In addition, the following shall be added to Section II. New Journeymen Levels, after the paragraph for *Level 2*:

*"Level 2 Proficiency Qualification*

Upon successful completion of the Level 2 proficiency exam, Level 2 journeymen may bid on any open Level 1 or Level 2 position, or apply for open Level 3 positions.

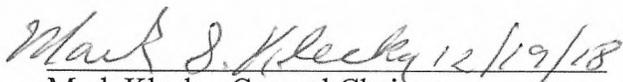
All Mechanical Department electrician journeymen as of January 1, 2019 who attain Level 2 journeyman status prior to January 1, 2022 will be eligible to place a one-time bump on any Level 2 position held by a junior employee within 24 hours of successfully passing the Level 2 proficiency exam."

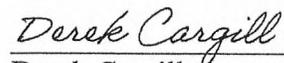
The parties further agree that should any unforeseen issues arise with the implementation or terms of this side letter, the General Chairman, the Chief Mechanical Officer, the General Director Labor Relations, and/or their designees shall meet promptly to discuss the matter and seek resolution.

This Agreement shall be effective January 1, 2019.

For IBEW:

For BNSF:

  
Mark Klecka, General Chairman  
IBEW System Council 16

  
Derek Cargill  
Director, Labor Relations

**LETTER OF INTENT NO. 6**

**BETWEEN**

**BNSF RAILWAY COMPANY (BNSF)**

**AND**

**INTERNATIONAL BROTHERHOOD OF**

**ELECTRICAL WORKERS (IBEW)**

In 2012, BNSF and the IBEW established an innovative, proficiency-based approach to training our electricians in the unique skills required of a successful locomotive journeyman electrician. This approach is the first of its kind in the rail industry and both BNSF and the IBEW are committed to its continued growth. On July 31, 2014, in furtherance of that shared goal, the parties entered into an interim agreement providing for "the classification of newly-hired employees represented by the International Brotherhood of Electrical Workers as Apprentices versus Journeymen." Since that time, BNSF has had the opportunity to hire several people with prior service as locomotive journeymen electricians for other railroads. The parties established a process for handling those applicants that we've followed each time, and this letter formalizes that process.

This Letter of Intent will be attached to the level agreement and made a part thereof as if originally included with respect to Section II. New Journeyman Levels, which shall now include after *Level 1* the following:

*"Level 1 Probationary Journeyman:*

Any applicant for an electrician position who presents proof of having previously attained IBEW carded locomotive journeyman status through locomotive electrical service at another railroad shall be hired as a probationary journeyman, subject to the following terms and conditions:

1. The employee will be assigned a seniority date on the journeyman roster in accordance with the controlling agreement.
2. S/he must pass the Level 1 written proficiency exam within the first six months of service.
3. If the employee fails the test or does not attempt it in that time, the Technical Training Center (TTC) will notify Mechanical Workforce Management to move the employee to an apprentice position, where the employee will be required to complete the full proficiency apprentice program.
  - a. The seniority date on the journeyman roster will be forfeited and the date will be moved to the apprentice roster.
  - b. Any days missed of the employee's own volition while in probationary journeyman status will be counted when determining the employee's retroactive journeyman date (see paragraph I. Completion of Apprenticeship in the Apprentice Agreement eff. 1.1.2003).
4. Employees hired in probationary journeyman status are subject to a 122 workday probationary period, during which time they may be dropped at any time they are determined by the company to show insufficient aptitude or interest to learn the trade. When a probationary journeyman is dropped during the probationary period, 5 calendar days' notice will be given to the local chairman."

This process shall apply to employees hired on or after the effective date of this agreement. Employees hired before the effective date are not subject to subparagraphs a. and b. of paragraph 3 or paragraph 4, above.

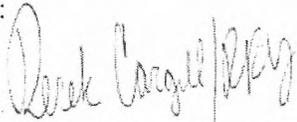
The parties further agree that should any unforeseen issues arise with the implementation or terms of this side letter, the General Chairman, the Chief Mechanical Officer, the General Director Labor Relations, and/or their designees shall meet promptly to discuss the matter and seek resolution.

It is mutually understood and agreed that this Agreement and its application is made without prejudice to either party's contentions concerning the application of the agreement rules and that this proposal, or its application or acceptance thereof, will not be referred to as a precedent by either party under any circumstances.

This Agreement may be cancelled by either party by the serving of a 30-day written notice on the other party.

This Agreement shall be effective September 1, 2018.

Agreed:



Derek Cargill  
Director Labor Relations



Mark Klecka  
IBEW General Chairman – System Council 16

Date: August 16, 2018

Date: 08/16/2018