

MEMORANDUM OF AGREEMENT

Between The
BNSF RAILWAY COMPANY

And
SMART TD

The parties agree to a 90-day trial period for a new pool at Galveston that will protect service between Galveston and Corpus Christi, Seadrift and Temple:

1. An unassigned service freight pool, governed by existing agreement provisions, may be established at Galveston to operate between Galveston and Corpus Christi; Galveston and Seadrift; and Galveston and Temple, TX:

1.1 The home terminal for the pool shall be Galveston, TX. The *away*-from-home terminals shall be Corpus Christi, Seadrift and Temple:

1.1.1 When a pool crew handles a train to Seadrift, the crew may be tied-up for rest at Seadrift or transported to Corpus Christi for rest without penalty:

1.1.1.1 When the crew transports to Corpus Christi for rest, the crew will be paid 14 MS miles (for the lead at Seadrift) in addition to the Alvin - Corpus Christi trip rate.

1.1.1.2 A crew tied up for rest at Seadrift may also deadhead to Corpus for a train back to Galveston. When this occurs, the crew is due the MS miles between Seadrift and Corpus in addition to the applicable trip rate.

1.1.1.2.1 It is understood that when this occurs the conductor will not be tied up for rest more than twice.

1.1.2 A crew in this pool may take their train at or to Manvel. If so used, they will be paid an additional 25 miles, and this will not be considered a duplicate time payment.

1.1.2.1 This will not apply to conductors operating trains in the Galveston - Temple Corridor.

1.2 When called for pool service, the applicable trip rate shall apply between the home and away-from-home terminals:

1.2.1 During the trial, when a crew handles a train between Galveston and Corpus, the crew will be due the Alvin - Corpus trip rate in addition to 22 MS miles between Galveston and Algoa.

1.3 Employees in this service shall operate first-in/first-out at the home and each of the *away*-from-home terminals.

2. Extra service:

2.1 Extra service (e.g., build up turns) at the home terminal shall be filled from the Galveston extra board.

2.2 Except in cases of emergency, employees in this service shall lay-off and report for service at the home terminal only:

2.2.1 Temporary vacancies at the away-from-home terminal shall not be filled. The vacant shall attach to the turn immediately ahead thereof and assume normal rotation at Galveston.

3. Dogcatching in the Galveston - Corpus Christi corridor will be handled on the following basis:

3.1 The extra list at the source of supply will be used for dogcatching on trains that are tied up at or east of Placedo.

3.2 A rested pool crew at the away from home terminal may be used to dogcatch trains that are tied up west of Placedo. If so used, the following will apply:

3.2.1 A crew used to dogcatch a train bound for Corpus or Robstown will next be used to handle a train or be deadheaded back to Galveston.

3.2.2 A conductor used to dogcatch a train bound for Corpus or Robstown will, if possible, be entitled to restoration of turn at Corpus.

3.2.3 If a conductor used to dogcatch a train bound for Corpus or Robstown was on held-away payment when called for such service, he will once again be eligible for such payments on conclusion of his rest following the dogcatching service.

4. Dogcatching in the Galveston – Temple corridor will be handled on the following basis:

4.1 Between Galveston and Bellville, including Bellville, northward, and between Temple and Bellville, including Bellville, southward, use ID pool freight crew standing first out at Galveston or Temple.

4.2 Between Bellville and Galveston, including Bellville, southward, or between Bellville and Temple, including Bellville, northward, use extra board crew at destination terminal.

5. Equity: The parties will work together to ensure Temple engineers are provided their equity in this new pool at Galveston. The Temple allocated turns will be filled accordingly:

5.1 During the ninety-day trial period, Temple trainmen (defined as trainmen in Temple on October 1, 2015) occupying positions on this board at Galveston will be provided lodging and paid a daily meal allowance of \$40.00. The daily meal allowance of \$40.00 will automatically expire on January 31, 2016.

5.1.1 Temple trainmen, holding Temple allocated turns, will be protected from displacement during this trial.

5.1.2 If Temple allocated positions in the Galveston pool go no bid, Galveston will have bid behind rights. And, for force assignment purposes, any vacancy will be treated as though it is a position allocated to Galveston.

5.2 Second option: Temple trainmen will recover their equity in the Temple - Houston pool.

6. Trainmen who require territorial qualification or familiarization trips will be compensated at the full working rate for a 30-day period (until December 3, 2015). Thereafter, compensation will be in accordance with existing Schedule Rules.

7. Held-away: Trainmen at the *away*-from-home-terminal will be placed under pay at the hourly rate of the last service performed after sixteen (16) hours off duty. Pay will be continuous until placed on duty at the AFHT.

8. Wait time: If a trainman in this pool expires under the hours of service law, the crew shall be paid, on a minute basis, for all time consumed between the time the hours of service expired and the departure of transportation to the objective terminal.

9. Employees shall be allowed a meal allowance, at the rate currently provided under National Agreements, after four hours at the away from home terminal and another allowance after being held an additional eight hours.

10. Employees in this service shall receive a Code 09 meal if on duty eight (8) hours or less, or a Code 72 meal if on duty in excess of eight (8) hours, for each service trip, or combined service trip.

11. All miles run in excess of the miles encompassed in the basic day shall be paid for at the current conductor-only over mile rate. Car scale and weight-on-drivers additives will apply to mileage rates calculated in accordance with this provision.

12. When a trainman is required to report for duty or is finally relieved from duty at a point other than the service established hereunder BNSF shall authorize suitable transportation for the employees.

13. Nothing in this agreement impedes BNSF's ability to implement the article IX ID notice once this "trail" agreement is no longer in effect.

This agreement will automatically extinguish at the end of the 90-day trail period. The trail period maybe extended by mutual agreement. During the 90-day trail period. The parties will meet to discuss permanent arrangement.

Signed on _____, 2015 and effective November 3, 2015.