

IMPLEMENTING AGREEMENT NO. 2

between

BURLINGTON NORTHERN RAILWAY  
THE ATCHISON, TOPEKA AND SANTA FE RAILWAY

and

UNITED TRANSPORTATION UNION (UTU)

The purpose of this agreement is to provide for expedited changes in services, facilities, operations, seniority districts and existing collective bargaining agreements to effectuate the common control approved by the I.C.C. in Finance Docket No. 32549. The purpose is also to enable the company to be created by consummation of the merger proposed in that Finance Docket to be immediately operated in the most efficient manner as one completely integrated railroad.

IT IS AGREED:

Maintenance of Traffic on BN Brookfield Line

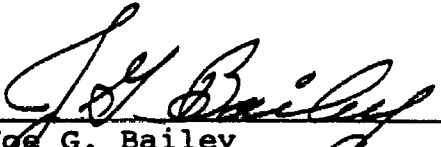
Initially, the Carrier will maintain the current level of traffic over the Brookfield line between Kansas City and Galesburg protected by former BN employees in the same manner as service was handled prior to the date of this agreement until such time that the Carrier serves notice on the Organization to reroute traffic. The service of such notice will be controlled by a separate agreement executed by the parties. Consistent with this commitment, the parties agree that Santa Fe crews on trains operating through Brookfield will not be allowed to set out or pick up, with the exception of bad order cars. Likewise, Santa Fe crews will not be allowed or required to perform station switching at any point between Galesburg and Kansas City where the right to do so did not exist prior to September 22, 1995.

If the BN line between Kansas City and Galesburg (via West Quincy) becomes impassable, BN employees will be allowed to follow any work, temporarily, to the Santa Fe line until such time as the BN track becomes passable. If this occurs, the work protected by BN employees over Santa Fe line will be divided between the former


CB&Q crews seniority districts as provided in applicable agreements.

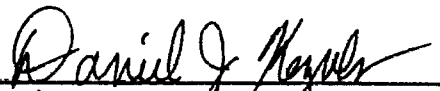
Signed and accepted at FT Worth TX this 12th day of April, 1996.

AGREED:


  
Joe G. Bailey  
General Chairman UTU

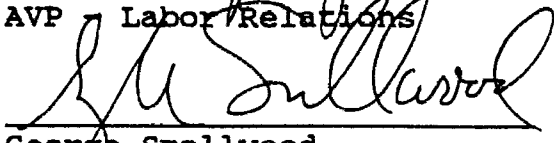
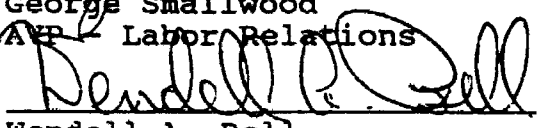
  
John J. Fleps  
Vice President  
Labor Relations


  
Ken Mason  
General Chairman - UTU

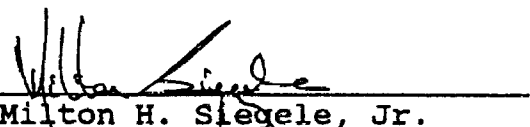
  
Daniel J. Kozak  
AVP - Labor Relations

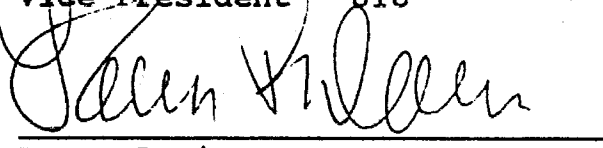
APPROVED:


  
Paul C. Thompson  
Vice President - UTU

  
George Smallwood  
AVP - Labor Relations  
  
Wendell A. Bell  
Director - Labor Relations

  
Al Lankford  
Vice President - UTU

  
Milton H. Siegele, Jr.  
Director - Labor Relations

  
Larry Davis  
Vice President - UTU

  
Gene Shire  
Director - Labor Relations

UTU2

February 20, 1996

Mr. J. G. Bailey, General Chairman  
United Transportation Union (CT&Y)  
8100 Marty, Suite 100  
Overland Park, Kansas 66204

Mr. Ken Mason, General Chairman  
United Transportation Union  
8250 W. 80th Ave. Units 7 & 8  
The Meadows Centre  
Arvada, CO 80005


Side Letter No. 1

Gentlemen:

This is to confirm the following matters:


- 1) Conductors and brakemen in the Kansas City/Galesburg Pool will receive a two hour call.
- 2) The Carrier will arrange for joint inspections of all lodging facilities with the appropriate local chairmen to determine if the lodging facilities meet the minimum standards required by agreement.
- 3) The Carrier will provide adequate lockers for trainmen.
- 4) Trading trains between pools will not be permissible.

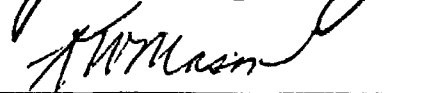
Yours truly,

  
Milton H. Siegele, Jr.

Wendell A. Bell

Agreed:

  
Joe G. Bailey

  
Ken Mason

February 20, 1996

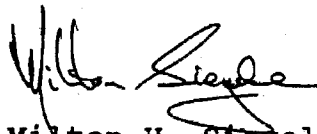
Mr. J. G. Bailey, General Chairman  
United Transportation Union (CT&Y)  
8100 Marty, Suite 100  
Overland Park, Kansas 66204

Side Letter No. 2

Dear Mr. Bailey:

In connection with our agreement establishing pool service between Galesburg and Kansas City, trainmen who live in Fort Madison area on the date of this agreement who take permanent assignments in Galesburg and who do not accept a lump sum allowance in lieu of moving or any moving benefits and elect to waive any entitlement to such benefits will receive a driving allowance when they drive a personal vehicle from Fort Madison to Galesburg to work. However, if a trainman elects to move after receiving the driving allowance, the amount of the driving allowance received by the trainman will be used to offset any monies paid by the carrier for the move. The carrier will pay the IRS authorized mileage allowance to such trainmen until six years after the date of this agreement. The payment of this driving allowance is made on a without prejudice basis and will not be referred to in any other forum.)

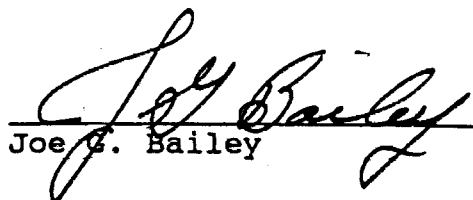
Yours truly,



Milton H. Siegele, Jr.

Wendell A. Bell

Agreed:



Joe G. Bailey

February 20, 1996

Mr. J. G. Bailey, General Chairman  
United Transportation Union (CT&Y)  
8100 Marty, Suite 100  
Overland Park, Kansas 66204

Side Letter No. 3


Dear Mr. Bailey:

This has reference to our agreement establishing pool service between Galesburg and Kansas City.

This is to confirm that applicable provisions of the agreement establishing pool service through Marceline, which were not changed by this agreement, will apply to the Kansas City/Galesburg pool. This will also confirm that applicable provisions of the agreement establishing pool service through Chillicothe, which were not changed by this agreement, will continue to apply to the Fort Madison/Chicago pool.

This agreement is reached on a without prejudice basis and will not be referred to in any other forum.

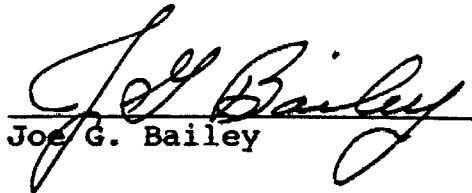
Yours truly,



Milton H. Siegele, Jr.

Wendell A. Bell

Agreed:

  
Joe G. Bailey

February 20, 1996

Mr. J. G. Bailey, General Chairman  
United Transportation Union (CT&Y)  
8100 Marty, Suite 100  
Overland Park, Kansas 66204

Side Letter No. 4

Dear Sir:

This is in reference to our agreements changing the way we handle service between Kansas City and Chicago.

All Santa Fe vacation vacancies in the Galesburg/Kansas City pool and the Santa Fe portion of the Galesburg/Chicago pool will be filled as permanent vacancies.

When trainmen in the Galesburg/Kansas City pool lay off, they will take their turns with them. If the Galesburg/Kansas City pool is exhausted, the Santa Fe trainmen's extra board at Galesburg, which is established here, will be the source of supply.

A Santa Fe combination extra board will be established at Galesburg to protect Santa Fe vacancies in the Galesburg/Chicago pool and to supplement the Galesburg/Kansas City pool only if it is exhausted. This pool will only protect Santa Fe Galesburg pool turns and hours of service law relief as specified in this agreement. Trainmen on this extra board will be paid under the terms of Article III, Section (b) of the Agreement dated December 3, 1990 between Santa Fe and the United Transportation Union. If this extra board is exhausted, vacancies normally protected by it will be protected by the Ft. Madison - East combination extra board.

The number of trainmen on this extra board will not be less than thirty-five percent of the number of Santa Fe turns in the Galesburg/Chicago pool. All fractions will be rounded to the next highest number. This board will be adjusted only on the first and the fifteenth day of each month.

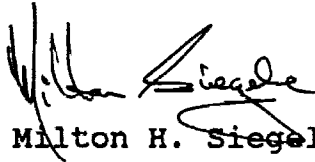
One year after the date of this agreement, the Carrier and the Organization will meet to determine if the thirty-five percent minimum is appropriate and will agree on a reasonable minimum at that time.

To avoid the unnecessary movement of trainmen between Fort Madison and Galesburg, the Carrier will work with the General Chairman and the Local Chairman to regulate this board as evenly as possible to avoid significant changes.

In calculating the number of extra board positions required on the Ft. Madison - East extra board, the number of turns, up to a maximum of fifteen, in the Santa Fe Galesburg/Chicago pool, will also be counted under the formula for determining the number of extra board positions required.

The turns in the Galesburg/Kansas City pool will be counted in the same manner in computing the number of extra board positions required on the Ft. Madison - East and West combination extra boards in accordance with each board's percentage of equity. There will be no limit on the number of turns which may be counted in the Galesburg/Kansas City pool in determining the number of extra board positions on the Ft. Madison extra boards.

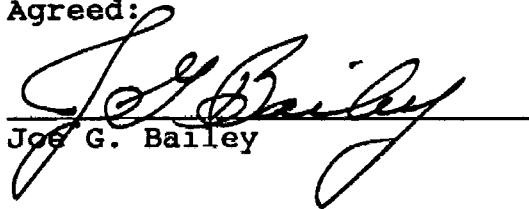
Yours truly,



Milton H. Siegele, Jr.

Wendell A. Bell

Agreed:



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Joe G. Bailey

February 20, 1996

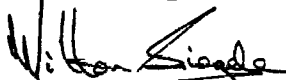
Mr. J. G. Bailey, General Chairman  
United Transportation Union (CT&Y)  
8100 Marty, Suite 100  
Overland Park, Kansas 66204

Dear Joe:

You raised a question about the number of moving benefits packages we intend to offer, and I write now to answer that question.

As I stated in our conversation earlier today, we will offer a number of moving benefits packages that corresponds to the number of Santa Fe positions available at Galesburg. In order to be eligible for a moving benefits package, the employee must make a bona fide move. Of course, all of this is contingent on ratification of the agreements.

Sincerely,



Milton Siegel and Wendell Bell