

JASON RINGSTAD Director Labor Relations

BURLINGTON NORTHERN SANTA FE

2600 Lou Menk Drive P.O. Box 961030 Fort Worth, Texas 76161-0030

Telephone: (817) 352-1019 Fax: (817) 352-7482

September 7, 2004

Mr. P.J. Williams General Chairman BLE 509 SW Wilshire, Suite D Burleson, TX 76028

Dear Mr. Williams,

This is to confirm our understanding regarding the settlement of the meal period issue. Going forward, we agreed that engineers in unassigned service, engineers on locals, road switchers, work trains, helpers, and other forms of freight service across the prior ATSF, who are not currently subject to existing agreement provisions providing payment in lieu of a meal period, would be handled as follows:

"When an engineer makes a timely request to eat and that request is denied (i.e., no meal period during the entire tour of duty), the engineer will receive:

- 1) No additional pay if on duty eight hours or less, or
- 2) \$5.00 if on duty greater than eight hours.

This allowance will not be subject to any wage increases or cost-of-living adjustments. It is understood that if any member of the crew request to stop the train en route to eat, and the request is granted, the allowance provided herein will not be applicable."

In addition, we agreed to settle the claims of record by allowing \$1.50 to an engineer who did not document a request for a meal and a \$5.00 payment for those who did document the request. However, this will only apply to the claims of record and will have no application, or prejudicial effect, going forward.

Please simply respond indicating your concurrence with the terms of this settlement.

Sincerely,

- King stall

AGREED:

BLE General Chairman