

BNSF



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June 17, 2002

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Mr. P.W. Tibbit
General Chairman UTU
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P.O. Box 3069
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Mr. J.F. Holden
General Chairman UTU
2110 East First Street
Suite 112
Santa Ana, CA. 92705-4095

Gentlemen,

This is in regard to our meeting in Reno, NV. And our discussions addressing application of Mr. Siegele's letters of December 5 and 20, 1995, regarding the payment of brakeman wages to employees required to make familiarization trips vis-à-vis my letter of May 7, 2002 and the so-called "flowback" agreement.

We understood that whenever any employee exercises seniority pursuant to the "flowback" agreement, that employee, under the literal terms of the agreement would be required to become familiarized and qualified without any additional compensation.

We further understood that Mr. Siegele's December 1995 letters providing for payment of brakeman wages to employees required to make familiarization trips were separate and distinct understandings with three General Chairmen representing three Grand Seniority Districts. Therefore, employees exercising seniority within a Grand Seniority District would be entitled to the brakeman's wages when required to make familiarization trips, but employees exercising seniority into a Grand Seniority District, or from one Grand Seniority District to another Grand Seniority District, would not be entitled to such compensation for making familiarization trips.

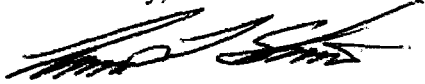
We also understood that whenever an employee desires to exercise seniority from a ground service position to another ground service position and familiarization trips are necessary,

the actual displacement shall not occur until the employee is qualified to perform service, regardless of familiarization compensation.

Finally, we agreed that the attendant 30-day "hold down" period is to begin when the employee becomes qualified and performs service on the new territory.

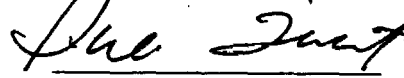
If the foregoing accurately reflects our understanding, please affix your signature in the space provided below.

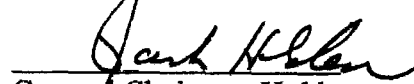
Sincerely,



I CONCUR


General Chairman Huston


General Chairman Tibbit


General Chairman Holden