

LETTER OF AGREEMENT

BETWEEN

BNSF RAILWAY COMPANY

and its employees represented by

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE  
WORKERS (IAMAW)

**3-On 4-Off / 4-On 3-Off Alternative Shift Agreement – Belen**

BNSF Railway and the International Association of Machinists and Aerospace Workers (IAMAW) hereby agree to provide a mechanism for mechanical employees at Belen, New Mexico to work 12-hour days in a work week (“alternative work week”) in lieu of five 8-hour days in a work week (“traditional work week”). The parties agree to amend the applicable hours of service rules of the controlling agreements to allow for this, subject to the following terms and conditions.

This agreement specifies the alternative shifts and relevant modifications to existing work rules for mechanical employees who work 12-hour shift schedules at Belen. Unless specifically amended by this agreement, the terms of the September 1, 2013 Agreement between BNSF and the IAMAW shall remain applicable for machinists working at Belen under the alternative schedule.

**I. Positions, Assignments, and Work Schedules**

Positions with twelve-hour shift schedules will have the regular starting time for first shift to be no earlier than 6:00 AM nor later than 8:00 AM. The regular time for second shift will be no earlier than 6:00 PM nor later than 8:00 PM.

Changes within the above starting time restriction may be made by the Company as necessary provided the employees involved are notified at least three days prior to the shift in which the change will become effective. Employees working a twelve-hour shift schedule pursuant to this agreement will work three 12-hour shifts, followed by four rest days, followed by four workdays, followed by three rest days, and so on.

**II. Overtime**

(a) It is understood that for employees working 12-hour shifts, due to the shift length and work schedule, employees may work more than 80 hours in a two-week cycle as part of their regular assignment. Accordingly, overtime (time and one-half) shall be paid on the minute basis for all regularly assigned time worked in excess of 80 straight-time hours in a two-week work cycle. This provision will not apply to situations where an employee moves from one assignment to another. There shall be no overtime on overtime.

(b) All overtime continuous with regular bulletined hours will be paid for at the overtime rate (time and one-half) until relieved, except as may be provided in rules hereinafter set out.

(c) Employees required to perform work on their rest days or on the holidays listed in the applicable National Agreement (provided when any of the above holidays fall on Sunday and the day observed by the State, Nation, or by Proclamation shall be considered the holiday) shall be paid for at the rate of time and one-half, except as provided in Section II (d) below.

(d) Work performed on the third rest day of an employee's assignment shall be paid at double the basic straight time rate provided the employee has worked all the hours of his assignment in that work week and has worked the previous rest days of his work week, except that emergency work paid for under the call rules will not be counted as qualifying service under this rule, nor will it be paid for under the provisions hereof. Work performed by an employee due to moving from one assignment to another will not be counted as qualifying service under this rule, nor will it be paid for under the provisions hereof.

### **III. Vacations**

(a) Vacation pay shall be calculated at the straight-time hourly rate. Where the Vacation Agreement refers to five days' pay, it shall mean one week with pay at 40 hours of straight time. Where the Vacation Agreement refers to ten days' pay, it shall mean two weeks of pay at 80 hours of straight time.

(b) For purposes of this agreement, an employee taking one week of vacation will be compensated at 40 hours of straight time. Those days must be connected and not separated by rest days. This formula will be used for employees with additional weeks of vacation as well.

(c) An employee taking vacation in less than one-week increments will be paid 12 hours of straight time for each day taken and for each single vacation day taken, 12 hours will be deducted from the employee's vacation allotment. Forty hours of vacation may be split into 3 single days of 12 hours each, a total of 36 hours. The remaining 4 hours will be added to a floating vacation bank. Eighty hours of vacation may be split into 6 single days of 12 hours each, a total of 72 hours. The remaining 8 hours will be handled the same as for a one-week split.

(d) An employee splitting one week of vacation into single days shall have the option to take the remaining 4 hours in his or her bank as a partial vacation day. If the employee splits two weeks of vacation into single days, the employee shall have the option to take the remaining 8 hours in his or her bank in two increments of 4 hours as partial vacation days. Employees electing to utilize partial vacation days in this manner may only take such partial vacation days in increments of 4 hours and such partial vacation days must be taken either at the beginning of a shift (i.e., the first four hours) or the end of a shift (i.e.,

the last four hours). If an employee does not elect this option, the unused vacation hours in the employee's bank will be paid out consistent with existing practices.

An employee observing a four-hour partial vacation day may be assigned to any job the employee is qualified to fill and the employee's assigned position may be filled by another employee at the discretion of management, and such practice will not be considered a violation of any part of the collective bargaining agreement.

#### **IV. Vacation Qualifying**

With respect to vacation qualifying, each 12-hour shift worked will count as one and a half days of compensated service. If at the end of the year an employee is half a day short of being qualified for a vacation in the following year, the employee will be credited with an additional half day of credit toward vacation qualifying. It is understood that Section 1(h) of the Non-Operation National Vacation Agreement will be applicable to employees working 12-hour shifts.

#### **V. Personal Leave Days**

Personal leave days shall be governed by the applicable Personal Leave rules. Employees who take a personal leave day while working an alternative work week assignment will be granted leave for the full day. Personal leave days will be paid at eight hours' straight time, regardless of the length of the employee's actual shift. Each personal leave day taken will be accounted for as one day of personal leave.

#### **VI. Holiday Pay**

When a holiday falls on a day an employee would normally be scheduled to work, holiday pay will be paid at 12 hours of straight time. If a holiday falls on an employee's rest day, the holiday will be paid at 8 hours.

#### **VII. Other Leave**

Agreement rules covering jury duty and bereavement leave are amended for purposes of this Agreement to mean a maximum of twelve hours' pay at the straight time rate for each day absent from work when working an alternative work week.

#### **VIII. Apprentice Probationary Period**

All apprentices who begin their apprenticeship working a 12-hour shift position shall be subject to a probationary period of one hundred (100) workdays, during which they may be released from the apprenticeship program at any time they are determined by the Carrier to show insufficient aptitude or interest to learn the trade. If an employee works an 8-hour shift position at any time prior to completing the probationary period, that employee would default back and be subject to the probationary period of one hundred and twenty-two (122) workdays.

**IX. Effective date, cancellation clause, and non-referable clause**

This agreement and its application is made without prejudice to the position of any of the parties involved and will not be referred to by the parties signatory hereto in any manner for any reason or purpose except for any dispute arising under this agreement. In the event circumstances or operational needs change that may require a change to this agreement, every effort will be made to resolve the matter in a spirit of cooperation.

Upon a 45-day advance written notice this agreement may be canceled by either party signatory hereto. During such advance notice period, the parties will meet in an attempt to resolve the issues involved. If the parties fail to resolve such issues within 45 days, this agreement shall be terminated unless otherwise mutually agreed.

Upon cancellation of this agreement, the rights of the Company shall revert to those existing before the implementation of this agreement.

This agreement shall be effective as of November 1st, 2025 and shall continue in effect until it is cancelled or until it is otherwise altered or modified by agreement of the parties.

AGREED:

*Derek Cargill*

\_\_\_\_\_  
Derek Cargill  
General Director, Labor Relations  
BNSF Railway

*Heath Jacobs*

\_\_\_\_\_  
Heath Jacobs  
General Chairman, IAMAW