

Corporate Rule Military Leave

I. Scope

This Corporate Rule applies to Eligible Employees of BNSF.

II. Purpose

This Corporate Rule supplements the Leave of Absence Policy and provides requirements for Military Leave.

III. Definitions

<u>Eligible Employees</u>: Employees who leave the services of BNSF to enlist, be inducted or who are called or recalled to duty into the Armed Forces of the United States, the State National Guard, one of the various Reserve Units of the Armed Services, or any other service in the uniformed services as defined in the Uniformed Services Employment and Reemployment Rights Act (USERRA).

<u>Make Whole Pay</u>: The difference between the Eligible Employee's base military pay received from the U.S. Government and the Eligible Employee's base daily rate of pay for his or her regularly assigned position at BNSF.

<u>Military Leave</u>: A Leave of Absence permitted under USERRA (e.g., voluntary and involuntary active duty, or active or inactive duty for training in a uniformed service, including weekend drills. National Guard Duty, State National Guard Duty, as permitted under applicable state law, Active National Guard Reserves, or service as an intermittent disaster-response appointee upon activation of the National Disaster Medical System).

Overseas Contingency Operations: A military operation outside the United States and its territories and possessions that is designated as a contingency operation under 10 U.S.C. 101(a)(13).

IV. Corporate Rule Requirements

- A. Military Leave Pay
 - 1. All military leave is unpaid unless the leave qualifies for Make Whole Pay as provided below.
- B. Duration of Leave
 - 1. Military Leave will be granted for the duration of an employee's service in the United States uniformed services, up to the limit set by USERRA.
- C. Make Whole Pay
 - 1. Make Whole Pay can be provided for the duration of Military Leaves for Overseas Contingency Operations ("OCO Leaves").
 - 2. For operations that do not qualify as Overseas Contingency Operations ("Non-OCO Leaves"), Make Whole Pay can be provided for up to 25 calendar days per year. Non-OCO Leaves may include (a) reasonable travel time in connection with encampment or training maneuvers; and (b) guard duty during strikes, riots, floods, or other emergencies occurring within the United States in response to calls by the federal or state government. After 25 calendar days, a stipend of \$25 per day can be provided for Non-OCO Leaves.
 - 3. At any time, the President and Chief Executive Officer may designate additional military operations as eligible for Make Whole Pay.
 - 4. For Non-OCO Leaves, the employee must first return to active employment before he or she is eligible for Make Whole Pay, and only those days in the same calendar year as the employee's return will count toward Make Whole Pay.
 - 5. To be eligible for Make Whole Pay, employees must provide a Leave and Earnings Statement (LES) of government monies received. Employees must provide the LES to the appropriate BNSF employee and by the applicable deadline, as follows:
 - a. For OCO Leaves, an employee must provide the LES to the Military Leave Administrator at militaryleaves@bnsf.com. If an employee delays providing the LES until after his or her deployment



- begins, he or she is ineligible for Make Whole Pay for any period of OCO Leave that has passed before he or she provided the LES.
- b. For Non-OCO Leaves, an employee must provide the LES to the Timekeeping Department no later than 60 calendar days after his or her return to active employment.
- 6. Only current employees are eligible for Make Whole Pay. Employees who are separated from employment with BNSF are ineligible for Make Whole Pay.

D. Required Notification

| Requirements - Scheduled Employees | |
|---|--|
| Leaves less than 10 days | Employee must notify his or her immediate supervisor. |
| Leaves 10-30 days | Additional Requirements Employee must complete an Employee Central Military Leave Form. This form can be created by the employee, the employee's supervisor, or the Scheduled Military Leave Administrator. Once approved, a notification email will be sent to the employee and the employee's supervisor. If available, the employee should provide a copy of his or her military orders for the supervisor to provide to Personnel Records. |
| Leaves more than 30 days | Additional Requirements The employee should submit a copy of his or her orders, drill schedule, or Employer's Memo, if available, to the Scheduled Military Leave Administrator at militaryleaves@bnsf.com. |
| Requirements – Exempt Employees | |
| Weekend Drills | The employee must notify the Exempt Military Leave Administrator if the leave is on a regularly assigned work day, or if the leave requires travel before or after the scheduled drill on a regularly scheduled work day. |
| | The employee must notify his or her immediate supervisor. |
| Military Leaves (other than Weekend Drills) | If available, the employee should submit a copy of his or her orders, drills schedule, or Employer's Memo (if available) and a recent LES and provide his or her healthcare benefit selection to the Exempt Military Leave Administrator at militaryleaves@bnsf.com. |
| | The employee must notify his or her immediate supervisor. |
| Requirements – ALL Employees | |
| Timeliness of Notice | When possible, an employee must properly notify BNSF of the need for Military Leave at least 30 days before the military service departure, or as far in advance as is reasonable under the circumstances. |
| Changes | An employee must notify the Military Leave Administrator (Exempt or Scheduled) at militaryleaves@bnsf.com of any changes in his or her military orders or deployment, such as an early return or extension. |
| Furloughs | If an employee is placed on military orders or joins the Armed Forces while furloughed, the employee must inform the appropriate Military Leave Administrator and provide a copy of his or her orders to militaryleaves@bnsf.com . |



E. Benefits Continuation

- 1. While on Military Leave, benefits will continue as stated in the respective benefit plan document.
 - a. Scheduled employees who receive Make Whole Pay are eligible to receive an ICP award as provided in the respective collective bargaining agreement and Incentive Compensation Plan. Scheduled employees on unpaid military leave are ineligible to receive an ICP payout.
 - b. Exempt employees on paid military leave are eligible to receive an ICP award as provided in the Incentive Compensation Plan. Exempt employees on unpaid military leave are ineligible to receive an ICP payout for those days comprising the unpaid military leave period. The employee will receive a pro rata ICP payout based on the total of all otherwise eligible salaried service during the year, excluding the days on unpaid military leave of absence.
- 2. Employees may opt out of healthcare benefits coverage while on active duty orders.
- 3. Employees who choose to continue healthcare benefit coverage while on Military Leave are responsible for contributions for the coverage.
 - a. A scheduled employee who does not receive Make Whole Pay or whose Make Whole Pay is not enough to cover the full cost of healthcare benefits, will be responsible for payment of the difference upon his or her return to BNSF.
 - b. An exempt employee who does not receive Make Whole Pay or whose Make Whole Pay is not enough to cover the full cost of healthcare benefits, will be responsible for payment to the direct bill administrator.

F. Vacation and Holidays

- 1. The time while on Military Leave counts toward the number of days required to work for purposes of vacation accrual.
- 2. A collective bargaining agreement may require an employee to work the day before the holiday to be paid for the holiday. Unless expressly provided for in the collective bargaining agreement, Military Leave time does not count toward this requirement.

G. Return from Military Leave

 When an employee's period of military service has been completed, he or she must make a written or verbal request to return to BNSF service within the time limits mandated by USERRA as shown in the following table. Failure to do so within the time limits may subject the employee to discipline, up to and including termination.

| Leave Duration | Return to Service Time Limits |
|-------------------|--|
| 1 – 30 days | Eligible Employee due back next day |
| 31-180 days | Request to return must be submitted within 14 days after military service ends |
| 181 days or more | Request to return must be submitted within 90 days after military service ends |

H. Requirements for Employees on Military Leave Longer than Six Months

- 1. A copy of the employee's discharge orders (or Form DD 214, Member 4 copy) must be provided to the applicable Military Leave Administrator at militaryleaves@bnsf.com. Scheduled employees may also fax paperwork to 817-352-7453.
- 2. Medical clearance is required as part of the employee's return-to-work process. The Military Leave Administrator will provide the employee with contact information for the BNSF Medical and Environmental Health professional who will assist the employee in completing the medical review process.
- 3. Once cleared, the employee may work with his or her supervisor to complete the remaining return to work requirements.



- 4. Upon returning to service, employees have the right to make up any missed contributions to their 401(k) account, and may do so by contacting the Manager Benefit Plans at (817) 593-6446.
- I. Non-Discrimination/Non-Retaliation for Military Service
 - 1. Employment discrimination or retaliation because of past, current, or future military obligations is prohibited. This extends to hiring, promotion, re-employment, termination, performance evaluation and benefits.

V. Related Policies, Corporate Rules and Resources

Leave of Absence Policy

VI. Corporate Rule History

Effective Date: January 5, 2015 Last Revised: August 4, 2022