

**MERGER IMPLEMENTING AGREEMENT
(San Antonio Hub)**

between the

**UNION PACIFIC RAILROAD COMPANY
SOUTHERN PACIFIC TRANSPORTATION COMPANY**

and the

UNITED TRANSPORTATION UNION

In Finance Docket No. 32760, the U.S. Department of Transportation, Surface Transportation Board ("STB") approved the merger of the Union Pacific Corporation ("UPC"), Union Pacific Railroad Company/Missouri Pacific Railroad Company (collectively referred to as "UP") and Southern Pacific Rail Corporation, Southern Pacific Transportation Company ("SP"), St. Louis Southwestern Railway Company ("SSW"), SPCSL Corp., and The Denver & Rio Grande Western Railroad Company ("DRGW") (collectively referred to as "SP"). In approving this transaction, the STB imposed New York Dock labor protective conditions.

In order to achieve the benefits of operational changes made possible by the transaction, to consolidate the seniority of all employees working in the territory covered by this Agreement into one common seniority district covered under a single, common collective bargaining agreement,

IT IS AGREED:

I. San Antonio Hub

- A.** A new seniority district entitled the San Antonio Hub ("Hub") shall be created that encompasses the following area: Alpine (including) on the West, Laredo (including) on the South, Corpus Christi (including) on the Southeast, Hearne/Valley Jct (not including) on the Northeast, Katy (including) on the UP line to the East and Glidden (including) on the SP line to the East.
- B.** Employees with home terminals within the San Antonio Hub may work to points outside the Hub without infringing on the rights of other employees in other Hubs and employees outside the Hub may work to points inside the Hub without infringing on the rights of employees inside the San Antonio Hub. The Hub identifies the on-duty points for assignments and not the boundaries of such assignments.

EXAMPLE 1: A road switcher on duty at Taylor may work in any direction up to the limits of its radius as set by the controlling agreement, irrespective of the territorial description (boundaries) of the Hub.

EXAMPLE 2: A through freight train out of Smithville may operate to points outside the territorial definitions of the San Antonio Hub, such as to Galveston or Angleton.

NOTE 1: There are several points where this Hub meets zone 4 of the Houston Hub and several runs where employees from both Hubs may utilize the same tracks.

- C. If an assignment goes on duty at the dividing point between two Hubs and the work is performed in the other Hub except for terminal work at the dividing point then that assignment shall be part of the Hub where the road work is performed, however short term vacancies will be protected by a designated extra board.
- D. When new locals and pools are established after the implementation date of this agreement and not provided for in this agreement that will have an on duty point in this Hub and work both inside the Hub and outside the Hub, they shall be established in accordance with Article IX of the 1985 National Agreement
- E. There are several assignments that currently work into the San Antonio Hub such as the FT. Worth - Smithville Pool and the entering into this agreement does not interfere with their continued operation.

II. Seniority and Work Consolidation.

The following seniority consolidations will be made:

- A. A new seniority district, known as the San Antonio Hub, will be formed and master combined UP/SP/UTU San Antonio Hub Merged conductor's, brakemen, switchmen and firemen's Seniority Rosters, will be created from employees assigned/working in the territory comprising the new San Antonio Hub and those outside the Hub who have rights to place in the Hub and elect to place in the Hub. The number of trainmen who will be placed on the roster will be capped. As a result, but unlikely to happen, trainmen electing to come into the Hub may bump some trainmen out of the Hub. These elections and displacements shall be seniority moves and not entitled to a relocation allowance. The capping is to prevent an imbalance of trainmen moving between Hubs and CMS and the local chairmen will review each areas needs and the Carrier making the final decision on the number of employees in the Hub.

NOTE 1: The Hearne-Taylor shuttle pool positions and employees are in the San Antonio Hub. In addition the open slots from the single ending of the San Antonio - Houston pool are still open for Zone 4 employees as part of the equity arrangement of this agreement. These moves are not seniority moves but may be eligible for relocation benefits.

B. The Hub shall have only Hub rosters and there shall be no prior rights. The new rosters will be created as follows:

- 1.** Trainmen and switchmen assigned on the seniority rosters identified in Section **A** above will be placed onto brakeman and switchmen dovetailed rosters based upon their earliest retained UTU date within the craft, as applicable in the Hub. This shall include employees working in engine service (with an employee's seniority date on or after January 1, 1998) with trainman's seniority date. If this process results in employees having identical seniority dates, seniority ranking will be determined by the employee's earliest retained hire date with the Carrier. If this continues to result in identical seniority dates then they shall be alternated between the former UP and SP trainmen on a prorated basis.
- 2.** Conductors will be placed on the combined San Antonio Hub conductor's seniority rosters as follows:
 - a.** For the purpose of placement on the San Antonio Hub conductor rosters, a temporary list will be constructed by dovetailing UP and SP brakemen using each employee's earliest retained UTU brakeman's date. This temporary brakeman list will be used as a template to determine the designation (SP or UP) of each position (slot) on the combined conductor roster. Slots on the combined conductor roster will be allocated (SP or UP) according to the corresponding position on this brakeman list.
 - b.** For the purpose of placement on the combined conductor's roster three lists will be made. The lists will be as follows :
 - i)** All SP conductors by their relative current position.
 - ii)** All UP conductors by their relative current position.
 - iii)** All UP/MKT conductors by their relative current position.
 - c.** The three conductor lists in item **b** above will be used to fill the combined conductor roster slots. If slot 1 on the combined roster is UP and slot 2 is SP then the first conductor on the UP conductor list

is placed on slot 1 and the first conductor on the SP conductor list is placed on slot 2. This shall continue until all conductor's are placed on the roster.

d. Once placed on the roster, the order of employees shall be maintained. When an employee places in the Hub from the inactive roster, the employee will be placed as if they were dovetailed on the original roster.

3. All employees placed on the rosters may work all assignments protected by the roster in accordance with their seniority and the provisions set forth in this agreement and the controlling collective bargaining agreement.

4. Trainmen who elect to be placed on the San Antonio Hub Merged Seniority Rosters shall relinquish all seniority outside the Hub upon implementation of this Agreement and all seniority inside the Hub held by trainmen outside the Hub who do not elect to place in this Hub shall be eliminated. Those inside the Hub who elect to hold their seniority in abeyance(see side letter no. 5) shall be placed temporarily on the roster until such time as they elect to place on a post San Antonio Hub roster or there is no further election available to them and by default become a permanent Hub trainman.

5. Trainmen who are on an authorized leave of absence or who are dismissed and later reinstated will have the right to displace to any Hub and prior rights assignment which may have been established on his/her former territory, provided his/her seniority at time of selection would have permitted him/her to hold that selection. The parties will create an inactive roster for all such trainmen until they return to service in a Hub or other location at which time they will be placed on the appropriate seniority rosters and remove from the inactive roster. Trainmen who are in engine service with an engineer's seniority date prior to January 1, 1998 shall also be placed on the inactive roster.

C. All vacancies within the San Antonio Hub must be filled prior to any employee being reduced from the working list or prior to employees being permitted to exercise to a reserve board. All employees not eligible to hold a reserve board must be displaced prior to any employee holding a position on a reserve board. This does not eliminate provisions in the CBA that provide for employees to be allowed to remain on reserve boards while other employees are working under said CBA provisions.

- D. Employees will be treated for vacation, payment of arbitrables and personal leave days as though all their service on their original railroad had been performed on the merged railroad. Trainmen assigned to the San Antonio Hub on the effective date of this agreement shall have entry rate provisions waived and those hired/promoted after the implementation date of this agreement shall be subject to the rate progression provisions found in the selected CBA.
- E. The parties mutually commit to an expedited process of scheduling/conducting conductor promotion classes throughout the San Antonio Hub so that trainmen hired prior to the New York Dock notice date will have the opportunity to participate in such program on or before December 31, 1999.

III. POOL FREIGHT AND OTHER ROAD SERVICE OPERATIONS.

- A. Existing UP and SP pool freight operations in the San Antonio Hub shall be restructured. Where multiple routes exist between terminals the pools may operate over any and all routes or combination of routes as part of their assignments. Pools identified with a "/" between them such as Taylor/Hearne have multiple away from home terminals with crews being tied up at either location. The following shall govern such operations.
 - 1. Operations with home terminal at Del Rio shall be run as and governed by the following:
 - a. Del Rio-Alpine shall be run as a single pool.
 - b. Work between Del Rio - Eagle Pass (both directions) shall be handled by the Del Rio extra board. If exhausted then the next source of supply will be a San Antonio trainman at the away from home terminals of Eagle Pass and/or Del Rio. The pool employee performing this service shall at its completion be worked or deadheaded home.
 - 2. Pool(s) with home terminal at San Antonio shall be run as and governed by the following:
 - a. San Antonio to Del Rio/Eagle Pass shall be one pool with multiple away from home terminals.
 - b. San Antonio to Kingsville/ Corpus Christi shall be one pool with multiple away from home terminals .

- c. San Antonio-Taylor/Hearne shall be one pool with multiple away from home terminals.
 - d. San Antonio-Houston shall be one pool.
 - e. San Antonio-Glidden/Bloomington (including Coletto Creek and Victoria) shall be one pool with multiple away from home terminals.
 - f. San Antonio-Laredo shall be one pool.
3. Pool(s) with home terminal at Smithville shall be run as and governed by the following:
- a. Smithville-San Antonio/Taylor/Hearne shall be one pool with multiple away from home terminals. This pool may handle traffic between Hearne and LCRA via Giddings with crews being taken to Smithville for tie up when leaving the train at LCRA.
 - b. Smithville-Bloomington (including Coletto Creek and Victoria)/Glidden/Houston(including HL&P)/Galveston/Angleton/LCRA shall be one pool with multiple away from home terminals.
 - c. If either pool in 3, a or b above fall below four turns then the Carrier may combine the pools with a ten day notice.
4. Aggregate pool(s) with home terminal at Georgetown shall be run as and governed by the following:
- a. *Within the Hub trainmen may travel to any point, but no further than one tour of duty away from the home terminal. For example, they would not go to San Antonio, tie up for rest and then go to Laredo. They will tie up at the home terminal after the second tour of duty. They could take aggregate cars/trains to another point towards their home terminal, however, the aggregate cars do not need to go all the way to the home terminal. For example, if in the first tour of duty they took a train to San Antonio, on the second tour they could take an aggregate train to New Braunfels and deadhead on to Georgetown.*
 - b. They can deliver aggregate trains to any regular pool service point, i.e., San Antonio, Taylor, Smithville, and Hearne and pick up aggregate trains from any of these points. For

example, a Georgetown crew can take an aggregate train to Smithville and a Smithville crew will take it to Angleton. Upon return of the empties to Smithville a Georgetown crew could pick it up there or Smithville could take to Taylor for a Georgetown crew to handle to the quarry. If there is a rested available Georgetown crew at Smithville they would be used first back to Georgetown.

- c. Outside the hub a trainman can take aggregate trains to points up to and including Waco, Palestine, Corsicana, Houston, and Cleveland on the trackage rights. (Houston refers to points in the Houston area currently receiving aggregate trains.)
 - d. Employees assigned to this(these) pool(s) are not restricted in the number of times they may operate/work into or out of Georgetown or any other location. Employees assigned to this(these) pool(s) may handle/operate more than one aggregate train during a tour of duty in accordance with the provisions of 4(a) above.
5. Aggregate pool(s) with home terminal at New Braunfels shall be run as and governed by the following:
- a. Within the Hub trainmen may travel to any point, but no further than one tour of duty away from the home terminal. For example, they would not go to Gardendale, tie up for rest and then go to Laredo. They will tie up at the home terminal after the second tour of duty. They could take aggregate cars/trains to another point towards their home terminal, however, the cars do not need to go all the way to the home terminal. If the first tour of duty they took an aggregate train to Flatonio, on the return trip they could leave the aggregate train at San Antonio and deadhead on to New Braunfels.
 - b. They can deliver aggregate trains to any regular pool service point, i.e., San Antonio, Taylor, Smithville, and Hearne and pick up aggregate trains from any of these points. For example a New Braunfels crew can take an aggregate train to Smithville and a Smithville crew will take it to Angleton. Upon return of the empties to Smithville a New Braunfels crew could pick it up there, or Smithville could take to New Braunfels and deadhead on into San Antonio. If there is a rested and available New Braunfels crew they would be used first back to New Braunfels.

- c. Outside the hub a trainman can take aggregate trains to points up to and including Waco and Navasota.
- d. Employees assigned to this(these) pool(s) are not restricted in the number of times they may operate/work into or out of New Braunfels or any other location. Employees assigned to this (these) pool(s) may handle/operate more than one aggregate train during a tour of duty in accordance with the provisions of **5 (a)** above.

NOTE 1: Nothing in **4** and **5** above precludes using crews in turnaround service in one tour of duty or of being deadheaded home after one tour of duty.

NOTE 2: In **A, 1- 5** above, where sufficient miles (as provided in the selected CBA) are not run to warrant a pool, the protecting extra board shall be used until sufficient miles exist to establish a pool.

NOTE 3: There are several loading points in the New Braunfels area and the on duty location has not been developed as of the signing of this Agreement. When it is developed then the Carrier will designate the exact location.

- e. The pools in **4** and **5** are aggregate pools and it is not intended that they be used in non aggregate service. Aggregates are the various rock type products loaded in the Austin Sub area. It is immaterial as to the size of the aggregates.
- f. Georgetown pools will handle the aggregate business North of Austin(including) and the New Braunfels area pool will handle the aggregate business North of San Antonio up to but not including Austin.

B. The terms and conditions of the pool operations set forth in **Article III A.(1- 5)** above shall be the same for all pool freight runs whether run as combined pools or separate pools except as set forth in **11** below. The terms and conditions are those of the designated collective bargaining agreement as modified by subsequent national agreements, awards and implementing documents and those set forth in this Agreement.

1. A mileage chart will be prepared and attached to this document showing trip miles over the various routes that will be paid for service and combination deadhead/service.
2. When current temporary overtime rules expire on December 31, 1999, overtime will be paid in accordance with Article IV of the 1991 UTU National Agreement, except for the San Antonio - Houston pool and the Del Rio- Alpine pool. The pre existing overtime rule for those pools shall remain for employees hired prior to implementation and employees hired after that date shall be paid overtime in accordance with the National Rules governing same and in the same manner previously paid on the UP prior to the merger.
3. Transportation will be provided in accordance with Section 2(c) of Article IX of the October 31, 1985 National Agreement.
4. Meal allowances and eating en route will be governed by Section 2(d) and Section 2(e) of Article IX of the October 31, 1985 National Agreement, as amended by the 1991 UTU National Agreement.
5. Crews may use and/or operate over any route or combination of UP and former SP trackage between their initial and final terminal.

EXAMPLE: San Antonio - Hearne crews going to and from Hearne may operate via Austin, Smithville or Flatonio. They may not operate via Houston as that is covered by other pools. San Antonio - Houston crews may operate via Smithville or Harwood but not via Hearne.
6. There are no train length limitations and no work event restrictions other than those contained in the National Agreements, Awards and implementation Documents and the crew consist provisions of the selected CBA.
7. Pool crews shall receive continuous held-away-from-home terminal pay(HAHT) for all time so held at the far terminal after the expiration of sixteen (16) hours. All other provisions in the selected CBA pertaining to HAHT pay remain unchanged.
8. Overmiles shall be paid at the same rate paid for overmiles in the Houston - Livonia ID run.

9. Trainmen that tie up at Taylor shall not remain at Taylor for more than 24 hours without being worked back to San Antonio either direct or via Hearne or deadheaded direct to San Antonio.
10. Employees called to a destination shall be paid to that destination and movement to another destination shall only be in accordance with the repositioning provisions in C below.

Example: A crew is called to go from San Antonio to Hearne and expires on the hours of service at Taylor. CMS cannot change the call to Taylor and avoid payment to Hearne. The crew would be paid the miles to Hearne and repositioning back to Taylor if actually tied up at Taylor.

11. The same conditions shall apply to the aggregate pools in 4 and 5 except all miles worked in excess of the miles encompassed in the basic day shall be paid at the road switcher rate and overtime will be paid based on miles run; however in any case no later than 12 hours and for time consumed in excess of 12 hours until reaching their off duty point.

C. The following conditions shall apply for repositioning crews from one away from home terminal to another at the following locations: Eagle Pass-Del Rio; Taylor-Hearne; Kingsville-Corpus Christi and Houston - Galveston - Angleton. These conditions are restricted to these locations only.

1. Crews may be deadheaded prior to tie-up after the initial trip unless the tie-up is an Hours of Service tie-up, or the deadhead is not started within the twelve hour period, in which case the employee shall go on to or remain at the scheduled terminal:

EXAMPLE: A crew runs from San Antonio to Eagle Pass. It can be deadheaded from Eagle Pass to Del Rio for tie-up at Del Rio following its original trip from San Antonio provided the Hours of Service is not reached before departing in the Van.

2. Crews may also be deadheaded after tie-up and rest after the initial trip, however an employee will not be tied up for rest twice at different away from home terminals, unless it is due to a call and release caused by an emergency situation.

EXAMPLE: A crew runs from San Antonio to Eagle Pass. After rest, it may be deadheaded from Eagle Pass to Del Rio for a trip from Del Rio to San Antonio, but will not be tied up for rest again at Del Rio before being called on duty.

3. Crews will not be deadheaded by train from one away-from-home terminal to another away-from-home terminal.
4. Once deadheaded between two away-from-home terminals, an employee will not be deadheaded back unless the return trip is part of a combination deadhead/service trip towards the home terminal, except in an emergency situation. If not in combination service then the second deadhead shall be paid a basic day.

EXAMPLE: An employee deadheaded from Taylor to Hearne after a trip to Taylor may on a return trip to San Antonio be used in combination deadhead/service back through Taylor. However, an employee deadheaded from Hearne to Taylor after a trip to Hearne, will not be deadheaded back to Hearne.

5. The miles paid shall be the actual direct highway miles between the two away from home points unless time is greater, and then they shall be paid the greater amount. Time consumed shall be calculated from time released at the original destination. Payment shall be at the basic pro rata through freight rate, separate and apart from the service trip. This payment applies to both pre and post October 31, 1985 trainmen.
 6. The National Agreements permit an employee deadheading into a terminal to take a train out of that terminal (without a break in service) without creating a runaround if notified to perform service in this manner when called. As such the provisions of this rule do not create a runaround.
- D. 1. At all home and away from home terminals, both inside and outside the San Antonio Hub, pool crews may receive their train up to twenty-five (25) miles on the far side of the terminal and run on through to the scheduled (destination) terminal. Crews shall be paid an additional one-half (½) basic day for this service in addition to the miles run between the two terminals. If the time spent in this zone is greater than four (4) hours, then they shall be paid on a minute basis. This payment shall be at the pro rata through freight rate.

Example: A Del Rio - Alpine crew receives their westbound train fifteen (15) miles east of Del Rio and runs to Alpine. They shall be paid the actual miles established for the Del Rio - Alpine run and an additional one-half basic day for handling the train from the point fifteen (15) miles east of Del Rio back through Del Rio.

2. If a terminal's limits have not been changed, the 25 miles shall be made from the limits that existed in 1978. If the limits have been changed due to a consolidation then the 25 miles shall be measured from the new limits. This applies only to trains on the UP system and does not extend interchange moves beyond current Interchange moves.

E. 1. Except as provided in (D) above, hours-of-service relief at both home and away from home terminals shall be handled by extra boards, if available, prior to using pool crews in turn around service. Employees used for this service may be used for multiple trips/dogcatches in one tour of duty. Extra boards may handle this service in all directions out of a terminal. When pool crews are used in this service at the far terminal they shall be either run first out in pool service after rest or deadheaded on to the far terminal.

2. At San Antonio the two Road Extra Boards shall perform Hours of Service relief in their prescribed area rather than in all directions.

NOTE: Nothing in Article III (D) and (E) prevents the use of other crews to perform work currently permitted by prevailing agreements, including, but not limited to yard crews performing hours-of-service relief within road/yard zone(s), pool crews performing through freight combined service/deadheads between terminals, road switchers handling trains within their zones and using a trainman from a following train to work a preceding train.

F. Any work train, or road switcher service may be established pursuant to the controlling collective bargaining agreement to operate from any point to any other point within or without the new seniority district with the on duty point within the San Antonio Hub. The road switcher agreements that provide for equity adjustments when operated over two or more seniority districts shall govern when operating between two or more Hubs.

- G.** New pool or local operations not covered in this implementing Agreement working between Hubs or one Hub and a non-merged area or within a Hub will be handled per Article IX of the October 31, 1985 National Agreement.
- H.** The runaround rule shall be amended to read as follow:
1. Freight pool and extra board trainmen filling regular assigned trainman vacancies standing first out on the board at time of call and after taking charge of the train will not be considered runaround when another freight pool or extra board trainman called subsequent to the first out trainman departs from a separate location ahead of the first out trainman. Separate location is defined to mean yards, tracks, or exchange points, which would require a crew van to accomplish the trainman exchange. Trainmen cannot be runaround by trainmen going to a different destination (far terminal).
 2. Freight pool and extra board trainmen called to deadhead will continue to be exchanged with other freight pool trainmen on duty in order to comply with the first-in/first-out provisions except it will not be necessary to exchange crew when the working crew is called to handle a train from the one yard and the deadhead crew is called to deadhead from another yard.
 3. Freight pool and extra board trainmen filling regular assigned trainman vacancies standing first out on the board at time of call when required to relieve a train on the far side of the terminal under the "25-mile zone" provisions of this Agreement will be considered as having departed the terminal when such crew departs in the conveyance to said train.
 4. Because of recent experience with start up of new hub operations and to alleviate additional confusion during the initial three (3) pay periods after San Antonio Hub implementation, the terminal runaround rule will be suspended. No departure runarounds will be claimed during that period. Subsequent to those three (3) pay periods, all the provisions of this rule shall be applicable.
 5. A pool freight crew arriving at the far terminal out of position will, upon arrival at the far terminal, be placed in the same relative position on the board as the crew held at the home terminal. If the crew cannot be returned to the proper position because the crew has not received the necessary Hours of Service rest, the crew will, upon arrival at the home terminal, be placed in the same relative position on the board as the crew held at the home terminal at the start of the previous trip.

- I. The different pools may be established individually or in groups. If not established at time of implementation they shall be established upon ten days written notice to the General Chairman. Existing pools will remain in place until replaced by new pools, however shall be subject to the selected CBA.

IV. TERMINAL AND OTHER CONSOLIDATIONS

- A.
 1. At all joint terminal locations, all UP and SP operations shall be consolidated into unified terminal operations. Yard crews will not be restricted in a terminal where they can operate.
 2. Upon merger implementation, all other UP and SP facilities, stations, terminals, equipment and track shall be combined into a unified operation.
- B. A consolidated San Antonio Terminal will be created to include the entire area within the following limits:

SUBDIVISION / LINE		MILEPOST
Corpus Christi		4.8
Austin (Laredo)		267.0
Austin (Track #1)		259.1
Austin (Track #2)		247.2
Del Rio		222.25
Flatonia		199.54
Kerrville Branch		242.40
Rockport Branch		5.3

NOTE: See Side Letter No. 3 on the Rockport Branch.

- C. The provisions of Sections **A** and **B** of this **Article IV** will not, except as set forth therein, be used to enlarge or contract the current limits except to the extent necessary to combine into a unified operation.
- D. The Alpine terminal shall be expanded to include the territory up to the west end of the siding at Alpine Siding.

- E. Road crews may receive/leave their trains at any location within the consolidated terminals and may perform work within the terminals pursuant to the controlling collective bargaining agreement, including National Agreement provisions.
- F. Carrier will designate the on/off duty points for all road and yard crews. Such on/off duty points will have appropriate facilities as currently required by the controlling collective bargaining agreement and/or by governmental statute or regulation. Appropriate facilities will include adequate parking, lockers and restrooms.

V. EXTRA BOARDS

- A. Combination conductor/brakeman/switchmen (except where noted) extra boards will be established at the following locations with the following areas of coverage:

- 1. **Port Laredo** - Protect all vacancies on assignments with an on-duty point south of Gardendale to end of the UP line, hours of service relief on trains heading to Laredo that are between Gardendale and Laredo and other usual extra board work between those two points.

NOTE: Trainmen will be allowed a 30 minute driving allowance if called to work for an assignment at Laredo and they choose to drive their own auto. This payment is in lieu of reporting at Port Laredo and being transported to Laredo and back to Port Laredo after the assignment is ended.

- 2. **San Antonio-Southwest** (conductor/brakeman only)- to cover the pools to Del Rio/Eagle Pass, Laredo, Corpus Christi/Kingsville; hours of service relief for trains heading to San Antonio from those points up to Odlaw, Gardendale and George West; non pool assignments that operate on those lines with home terminals between San Antonio(including) and Odlaw, Gardendale and George West (all inclusive); and other usual extra board work in these areas.

NOTE: Depending on the needs of service the Carrier may establish a separate extra board for assignments in the San Antonio - Corpus Christi corridor. If established or recombined it shall be done pursuant to a ten day written notice to the General Chairman.

3. **San Antonio-Northeast** (conductor/brakeman only) - to cover the pools to Taylor/Hearne, Houston, Glidden/Bloomington; hours of service relief for trains heading to San Antonio from those points; non pool assignments that operate on those lines with home terminals between San Antonio (including) and Glidden (including) and Ogden (not including); and other usual extra board work in these areas. This extra board will also protect vacancies in assignments that work the Kerrville branch.
4. **Smithville** - to cover all Smithville pools; hours of service relief for trains heading to Smithville that are between Smithville and Sealy, Glidden, Dime Box, Taylor and Ajax (all inclusive); non pool assignments with home terminals at Smithville or between Sealy and Marjorie but not including Taylor, and Flatonia and Giddings (all inclusive); and other usual extra board work in these areas. In addition, hours of service relief on the tri-weekly local even if beyond the above points.
5. **Del Rio** - to cover the pool to Alpine; all other non pool assignments with an on duty point between Del Rio and Sanderson, Odlaw and Eagle Pass(all inclusive, including the yard); service between Eagle Pass and Del Rio in both directions; hours of service relief for trains heading to Del Rio and Eagle Pass between Sanderson and Odlaw (all inclusive); and other usual extra board work in these areas.

NOTE: The Carrier will establish a separate switchman's board at Eagle Pass. This board will be expected to cover all assignments at Eagle Pass even road assignments. This board shall be supplemented from the Del Rio extra board when exhausted.

6. **Alpine** - to cover hours of service relief for trains heading to Alpine that are within 65 miles of Alpine, all other non pool assignments in this area and other usual extra board work in this area. The San Antonio Hub shall protect the odd numbered assignments and the El Paso Hub shall protect the even numbered assignments.
7. **Georgetown** - to cover the Georgetown pool; all other non pool assignments with an on duty point between Austin(including) and Taylor (including); hours of service relief for trains heading to Georgetown and other usual extra board work in these areas. Until the DFW Hub is implemented this extra board shall also protect vacancies in the Hearne/Valley Jct. area that is currently protected by trainmen in the San Antonio Hub boundaries.

8. **New Braunfels** - to cover the New Braunfels pool all non pool assignments between Ogden (including) and Austin (not including), and not including Ajax: hours of service relief for trains heading to New Braunfels and other usual extra board work in these areas.
9. **Corpus Christi** -to cover non pool assignments in the Corpus Christi /Gregory area and up to George West (not including): hours of service relief for trains heading to Corpus Christi(from any direction) up to George West and Sinton (including) and other usual extra board work in these areas. The extra board shall be 50/50 zone four and San Antonio. San Antonio shall have the odd positions and zone four shall have the even positions.

NOTE: Kingsville will perform hours of service relief for trains heading to Kingsville up to Odom.

10. **Glidden** - to cover hours of service relief for trains heading to Glidden from either direction up to Harwood and Rosenberg, if both Houston and San Antonio have short pools operating to this point. The extra board shall be 50/50 zone four and San Antonio. On odd years San Antonio shall have the odd positions and on even years zone four shall have the odd positions.

- B. A switchman's extra board shall be established to cover all San Antonio terminal yard assignment vacancies and other extra board work usually associated with a yard board.
- C. When established, the operation and administration of such extra board(s) will be governed by applicable provisions of the extra board provisions of the controlling CBA.
- D. Carrier will give a ten (10)-day advanced written notice(s) of its intent to establish or consolidate (pre-merger) extra board(s) into **A, 1-10** and **B**, above. Existing extra boards not covered by a notice shall continue to operate until a notice is served abolishing or combining them. Beginning with implementation day these existing extra boards shall be governed by the provisions of the selected CBA.

VI. AGREEMENT COVERAGE

- A. Initial delay and final delay will be governed by the controlling collective bargaining agreement, including the Duplicate Pay and Final Terminal Delay provisions of the 1985 and 1991 National Arbitration and Implementing Agreements.

- B. Employees will be transported to/from their trains to/from their designated on/off duty point in accordance with Article VIII, Section 1 of the October 31, 1985 National Agreement.
- C. The current application of National Agreement provisions regarding road work and Hours of Service relief under the combined road/yard service Zone, shall continue to apply. Yard crews at any location within the Hub may perform such service in all directions out of their terminal.
- D. SPEL trainmen who are covered by this Implementing Agreement and who have earned vacation in 1998 for 1999 shall be entitled to obtain the benefits of the vacation agreement they worked under in 1998 for the calendar year 1999. Thereafter, vacation benefits shall be as set forth in the controlling agreement on the merged territory.
- E. SPEL trainmen shall be entitled to exercise personal leave buy back provisions for the calendar year 1999 (after November 1, 1999) whether or not they are still covered by the former SPEL contract at year end.
- F. The provisions of Article 5 of the UP(T&P) Agreement, "Local Freight, Dodgers Cane and Mixed Trains" shall not be extended to any territories within the San Antonio Hub which were not subject to such rule prior to the date of this Implementing Agreement.
- G. Employees working in the San Antonio Hub shall be governed, in addition to the provisions of this Agreement, by the Collective Bargaining Agreement selected by the Carrier, including all addenda and side letter agreements pertaining to that agreement, previous National Agreement / Award / Implementing Document provisions still applicable. Except as specifically provided herein, the system and national collective bargaining agreements, awards and interpretations shall prevail. None of the provisions of these agreements are retroactive. The Carrier has selected the Union Pacific (Texas and Pacific UTU Agreement last reprinted December 15, 1991) and the Union Pacific (Texas and Pacific Firemen Agreement effective September 1, 1949) as the collective bargaining agreements for this Hub.
- H. The Carrier will provide copies of the designated collective bargaining agreement to those trainmen who do not have a copy at the earliest possible date, but no later than by date of implementation of this Agreement.
- I. T & P rules governing the filling no bid conductor vacancies shall be amended to provide that no bid vacancies shall be filled by force assigning the junior conductor on the extra board that protects the no bid assignment.

VII. PROTECTION

- A.** Due to the parties voluntarily entering into this agreement the Carrier agrees to provide New York Dock wage protection (automatic certification) to all trainmen who are listed on the San Antonio Hub Merged Rosters and working an assignment (including a Reserve Board) during the period between July 15, 1998 and the implementation date of this agreement. Employees on medical or other leave will be placed on protection upon return to service. This protection will start with the effective (implementation) date of this agreement for all covered employees. The trainmen must comply with the requirements associated with New York Dock conditions or their protection will be reduced for such items as layoffs, bidding/displacing to lower paying assignments when they could hold higher paying assignments, etc. Protection offsets due to unavailability will be governed by New York Dock provisions.
- B.** This protection is wage only and hours will not be taken into account.
- C.** Trainmen required to relocate under this agreement will be governed by the relocation provisions of New York Dock. In lieu of New York Dock provisions, a trainman required to relocate may elect one of the following options:
1. Non-homeowners may elect to receive an "in lieu of" allowance in the amount of \$10,000 upon providing proof of actual relocation.
 2. Homeowners may elect to receive an "in lieu of" allowance in the amount of \$20,000 upon providing proof of actual relocation.
 3. Homeowners in Item 2 above, who provide proof of a bona fide sale of their home at fair value at the location from which relocated, shall be eligible to receive an additional allowance of \$10,000.
 - (a) This option shall expire five (5) years from date of application for the allowance under Item 2 above.
 - (b) Proof of sale must be in the form of sale documents, deeds, and filings of these documents with the appropriate agency.
 4. With the exception of Item 3 above, no claim for an "in lieu of" relocation allowance will be accepted after three (3) years from date of implementation of this agreement.

5. Trainmen receiving an "in lieu of" relocation allowance pursuant to this implementing agreement will be required to remain at the new location, seniority permitting, for a period of two (2) years.
 6. Under no circumstances shall a trainman be permitted to receive more than one (1) "in lieu of" relocation allowance under this implementing agreement.
 7. Where the Carrier moves assignments from one location to another then employees from the old location who bid in the new assignments will be treated as being required to relocate.
- D. There will be no pyramiding of benefits.
- E. The time frame to be used for calculating test period averages ("TPA") for this Agreement will be November 1, 1995 through October 31, 1996. Trainmen who were employed after this time period shall use the twelve month period prior to implementation. If a trainman is currently covered by an interim protection TPA due to the merger then the trainman may elect to retain that TPA. When TPA's are mailed to the trainmen they must respond within thirty days from the date of the letter if they elect to retain the interim TPA (This interim TPA may be adjusted if the trainmen is eligible for a productivity fund payment and participates in that program). Monies paid as productivity funds, whether as a lump sum or as part of a trip, shall not be counted as part of a TPA or used as an offset to TPA's. The TPA for union officers will be based on the two trainmen above and two trainmen below the officer with regular work records on the pre-merger roster or their regular TPA, whichever is larger.
- F. Those former SPEL and MKT (KATY) trainmen coming under the provisions of the crew consist productivity fund who have received "up-front" payments will be afforded the following options:
1. Retain the higher TPA with up-front crew consist monies included and for the period of time under that guarantee, waive participation in the productivity fund, or
 2. Accept a recalculated TPA with up-front crew consist monies removed, and participate fully in the productivity fund with no use of such disbursements as an offset against protection.

- G. National Termination of Seniority provisions shall not be applicable to trainmen hired prior to the effective date of this agreement

VIII. FAMILIARIZATION

- A. Trainmen will not be required to lose time or "ride the road" on their own time in order to qualify for the new operations. Trainmen will be provided with a sufficient number of familiarization trips in order to become familiar with the new territory. Issues concerning individual qualifications shall be handled with local operating officers. The parties recognize that different terrain and train tonnage impact the number of trips necessary, and the operating officer assigned to the merger will work with the local managers and Local Chairmen in implementing this Section. Issues concerning individual qualifications shall be handled with the local Operating Officer and Local Chairman. If not resolved at the local level, then the matter shall be referred to the General Chairman and Labor Relations for further handling.
- B. Employees hired subsequent to the effective date of this document will be qualified in accordance with the current CBA that will cover the Hub.

IX. CREW CONSIST

- A. Except as provided below, the crew consist agreement of the CBA selected by the Carrier shall govern.
- B. Trainmen who come under the coverage of the UP (T&P) Crew Consist Agreement shall be considered eligible to share in the post-merger productivity fund if their seniority date (12-1-1988) on their former Carrier would have qualified them for such status had they worked under the UP (T&P) Agreement since their entry into train service.
- C. Trainmen who come under the coverage of the UP (T&P) Crew Consist Agreement shall be considered eligible to receive special allowance payments if their seniority date on their former Carrier would have qualified them for such status had they worked under the UP (T&P) Agreement since their entry into train service.
- D. Only those employees with a trainman's seniority date prior to the date governing eligibility for holding a reserve board position (10-6-1996) of the selected CBA, shall be eligible to hold a reserve board position after implementation. They must, however, displace any non eligible employee in the Hub prior to holding such a position.
- E. The following procedures shall govern the handling of productivity funds in this Hub:

1. Productivity funds will be frozen as of the effective date of implementation of this Agreement. Monies in those funds will be distributed in accordance with the governing Productivity fund Agreements.
2. A new Productivity fund shall be created on implementation day that will cover those trainmen in the San Antonio Hub that are eligible and the funds that cover trainmen outside the Hub shall continue for the trainmen who remain outside the Hub. The San Antonio trainmen shall have no interest or share in payments made to those funds outside the Hub after implementation day.

X. IMPLEMENTATION

- A. The Carrier will give at least thirty (30) days' written notice of its intent to implement this Agreement.
- B.
 1. No later than ten (10) days after giving written notice, the appropriate Labor Relations Personnel, CMS Personnel, General Chairmen and Local Chairmen will convene a workshop to implement assembly of the merged seniority rosters. At this workshop, the representatives of the Organization will participate with the Carrier in constructing consolidated seniority rosters as set forth in **Article II** of this Implementing Agreement.
 2. Dependent upon the Carrier's manpower needs, the Carrier may develop a pool of representatives of the Organization, with the concurrence of the General Chairmen, which, in addition to assisting in the preparation of the rosters, will assist in answering trainmen's questions, including explanations of the seniority consolidation and implementing agreement issues, discussing merger integration issues with local Carrier officers and coordinating with respect to CMS issues relating to the transfer of trainmen from one zone to another or the assignment of trainmen to positions.
- C. The roster consolidation process shall be completed in five (5) days, after which the finalized agreed-to rosters will be posted for information and protest in accordance with the applicable agreements.
- D. Once rosters have been posted, those positions which have been created or consolidated will be bulletined for a period of seven (7) calendar days. Trainmen may bid on these bulletined assignments in accordance with applicable agreement rules. However, no later than ten (10) days after closing of the bulletins, assignments will be made.

- E. 1. After all assignments are made, trainmen assigned to positions which require them to relocate will be given the opportunity to relocate within the next thirty (30) day period. During this period, the affected trainmen may be allowed to continue to occupy their existing positions. If required to assume duties at the new location immediately upon implementation date and prior to having received their thirty (30) days to relocate, such trainmen will be paid normal and necessary expenses at the new location until relocated. Payment of expenses will not exceed thirty (30) calendar days.
- 2. The Carrier may, at its option, elect to phase-in the actual pool and extra board consolidations which are necessary in the implementation of this Agreement. Trainmen will be given ten (10) days' notice of when their specific relocation/reassignment is to occur.

XI. FIREMEN

- A. This Agreement covers firemen. Pre-October 31, 1985 firemen will only have the right to exercise their firemen's seniority if unable to work an engineer's assignment within the San Antonio Hub. If unable to hold such a position, a Pre-October 31, 1985 fireman would be permitted to exercise their fireman's seniority in accordance with the provisions contained in the current UP Firemen Agreement.
- B. Post-October 31, 1985 firemen shall continue to be restricted to mandatory fireman assignments and if unable to work an engineer's assignment within the San Antonio Hub, they will be required to exercise their train service seniority.
- C. The two SPEL "fixture hostlers" will have prior rights to hostling positions they occupied or could have occupied prior to the UP-SP Merger. In the event any such fixture hostler is unable to hold a prior rights hostling position at San Antonio, he will be permitted to exercise his existing seniority as a trainman pursuant to local or national agreements. The fixture hostler seniority roster will be maintained as a separate roster and will not be involved in trainman or fireman roster consolidations under this agreement.

XII. HEALTH AND WELFARE

- A. Employees currently are under either the National Plan or one of the Union Pacific Employees Hospital Associations. Employees coming under a new collective bargaining agreement will have 30 days to make an election as to keeping their old coverage or coming under the coverage of their new collective bargaining agreement. Employees who do not make an election will have been deemed to elect to retain their current coverage. Employees

hired after the date of implementation will be covered under the plan provided for in the surviving collective bargaining agreement.

- B. If a trainman is covered under a group life and/or disability insurance policy provided for in his/her collective bargaining agreement and that collective bargaining agreement is not the surviving collective bargaining agreement, the Carrier shall continue the premium payments required at the time of implementation of this agreement for those trainmen presently covered under those provisions for a period of six years, beginning January 1, 1998.

This San Antonio Hub Merger Agreement is entered into this 23rd day of April 1999.

**FOR THE UNITED
TRANSPORTATION UNION**

D. L. Haley
General Chairperson UTU

Luedel
General Chairperson UTU

Robert J. Ross, Sr.
General Chairperson UTU

E. H. [Signature]
General Chairperson UTU

J. A. Sanders
General Chairperson UTU

Paul C. Thompson
Vice President, UTU

M. B. [Signature]
Vice President, UTU

**FOR THE UNION PACIFIC RAILROAD
COMPANY:**

W. S. Hinchley
General Director-Labor Relations

H. E. Handley
Assistant Vice President Southern Region

UTU QUESTIONS AND ANSWERS SAN ANTONIO HUB

Article I - Hub

- Q1. What Hub is Hearne/Valley Jct. in?
A1. Assignments with a home terminal at Hearne/Valley Jct. will be in the Dallas/Ft. Worth Hub. Hearne/Valley Jct. will be an away from home terminal for employees from several different Hubs.
- Q2. Will employees from the San Antonio Hub have any right to assignments at Hearne/Valley Jct. if an extra board is established there?
A2. Yes, for example the road switcher agreement provides for equity and extra board equity will be discussed in the DFW Hub negotiations.
- Q3. In some places in this Agreement it refers to Hearne and others to Hearne/Valley Jct. Is there a difference?
A3. No, the references to Hearne are to the entire Hearne/Valley terminal Jct. area.
- Q4. What are the parameters of the entire Hearne/Valley terminal Jct. area?
A4. Since that area is in the DFW Hub those parameters will be subject to negotiations in that Hub.
- Q5. If a current assignment operates in two Hubs will both Hubs have equity in that assignment?
A5. Yes, Unless specifically provided otherwise in this agreement. That equity is in part reflected in the employees that were allowed to transfer into the Hub.
- Q6. Can you give an example for NOTE I of Article I?
A6. If an assignment goes on duty at Glidden and works totally in the area East towards Houston then it is not part of the San Antonio Hub.
- Q7. Does Article I permit the Carrier to change the home terminal of an established pool run and then shift the rights to the run without any further consideration for those who used to work the pool. For example, can the Carrier advise that the San Antonio-Houston pool will now be home terminalled at Houston?
A7. No, the Carrier would have to serve an Article IX National Agreement notice and meet with the parties to discuss the terms and conditions of that run including seniority.

Article II - SENIORITY AND WORK CONSOLIDATION

- Q8. How will SP conductors be ranked among themselves for placement on the consolidated roster?
A8. They will be dovetailed from their various rosters on the SP brakeman roster for placement on the SP slots on the consolidated conductor roster.
- Q9. Are there any prior rights?
A9. No.
- Q10. What happens to borrow outs in the Hub?
A10. It is the parties intent to release borrow out employees as soon as practical but without causing an added burden on those employees who remain in the Hub. When the change in operations result in sufficient employees to cover the service, then the borrow out employees services will no longer be required and they will be released, at which time they will have to elect to stay in the Hub and relinquish seniority where they borrowed out from or return to that location and relinquish seniority in this Hub.
- Q11. After the new rosters are created, will there be any distinctions between former UP and SP employees?
A11. No.
- Q12. How will eligibility for a reserve board be determined?
A12. Eligibility is based on the brakeman/switchman seniority date of the employee and the provisions of the selected CBA.
- Q13. Are full time union officers, Company officers, medical leaves and those on leave working for government agencies covered under Article II, B, 5?
A13. Yes.
- Q14. In Article II(C), what does it mean when it refers to protecting all vacancies within the Hub?
A14. If a vacancy exists anywhere in the Hub, it must be filled by an employee holding reserve board rights prior to placing any employees on reserve boards unless provided otherwise in the CBA.
- Q15. What is the status of post October 31, 1985 firemen seniority?
A15. A post October 31, 1985 employee will exercise their seniority as a trainman in accordance with the applicable agreements should they not be able to hold a position in engine service.

ARTICLE III - POOL OPERATIONS

Q16. How will the crews know the miles of the new assignments?

A16. The parties will meet and review the mileage and a chart will be given to timekeeping, Local Chairmen and posted at various locations.

Q17. Will existing pool freight terms and conditions apply on all pool freight runs?

A17. No, the terms and conditions set forth in the surviving collective bargaining agreements and this document will govern.

Q18. If trains destined to HL&P are not fully delivered by Smithville or San Antonio crews, which crews shall be used to complete the delivery?

A18. If the trains have passed Glidden or Sealy then Zone 4 crews will be used in accordance with their CBA and merger provisions. If not past those points either combination deadhead/service crews from Smithville or San Antonio shall be used.

Q19. Under Article III, C, who is responsible for notifying employees to deadhead prior to tie-up?

A19. The Carrier.

Q20. Is there any difference in the pay in Article III, C, for pre and post 1985 employees?

A20. No.

Q21. Does Article III, E, require the Carrier to use an extra board employee to perform hours of service relief prior to using a pool freight employee in straight away combination deadhead/service to handle the train?

A21. No, the language in E and the NOTE thereto permit the Carrier to use either employee depending on the needs of service.

Q22. If a crew in the 25 mile Zone is delayed in bringing the train into the original terminal so that it does not have time to go on to the far terminal, what will happen to the crew?

A22. Except in cases of emergency the crew will be deadheaded on to the far terminal if the origin terminal is the away from home terminal. If the origin terminal is the home terminal they will be released at the origin terminal and paid a basic day in addition to the time spent in the twenty-five mile zone.

Q23. How will an employee be paid who is used in the twenty-five mile zone to obtain a train, brings the train into the original on-duty terminal (now an intermediate point) and then deadheaded on to the far terminal because of insufficient time to continue with the train?

A23. The employee will be paid under the twenty-five mile provisions for the work in that Zone and deadheaded in combination deadhead/service. For example on a run of 190 miles, if an employee worked 8 hours in the 25 mile zone and then deadheaded on to the far terminal they would be paid 8 hours plus 190 miles.

Q24. Is it the intent of this agreement to use crews beyond the 25 mile zone?

A24. No.

Q25. In Article III D, is the ½ basic day for operating in the 25 mile zone frozen and/or is it a duplicate payment/ special allowance?

A25. No, it is subject to future wage and COLA adjustments and it is not a duplicate payment/special allowance.

Q26. How is a crew paid if they operate in the 25 mile zone?

A26. If a pre-October 31, 1985 employee is transported to it's train 10 miles east of Del Rio and he takes the train to Alpine and the time spent is one hour East of Del Rio and 10 hours between Del Rio and Alpine with no initial or final delay earned, the employee shall be paid as follows:

- A. One-half basic day for the service East of Del Rio because it is less than four hours spent in that service.
- B. The road miles between Del Rio and Alpine.
- C. Since employees do not go on overtime on this run in the ten hour running time no overtime is earned.

NOTE: Because there is no ITD/FTD earned on this trip, post October 31, 1985 employees would be paid the same.

Q27. Are miles in the 25 mile zone added to the district miles of the run?

A27. No and time spent in the zone does not factor into the computation of overtime; however, if the time spent within the zone, if factored into the computation of overtime, would produce road overtime earnings for the tour of duty in excess of the minimum four (4) hour payment, the higher overtime earnings would apply in lieu of the minimum four hour payment.

Example 1: A Trainman on a 130 mile run works 6 hours in the 25 mile zone and 7 hours completing their trip to the far terminal. The trainman shall compute his/her time in two ways:

- 1. 6 hours at straight time in the 25 mile zone and 130 miles for the 7 hours (straight time) on the 130 mile trip; or
- 2. 13 hours on duty for a 130 mile trip, eight hours at straight time and 5 hours overtime;

and shall be paid the greater amount.

Example 2: A trainman on a 130 mile run works 2 hours in the 25 mile zone and 10 hours completing their trip to the far terminal. The trainman shall compute his/her time in two ways:

1. 4 hours at straight time in the 25 mile zone and eight hours straight time and 2 hours overtime for the 130 miles; or
2. 12 hours on duty, eight hours at straight time and 4 hours on overtime;

And be paid the greater amount.

Q28. Would a post October 31, 1985 employee be paid the same?

A28. In this case yes, however the overtime divisor should be looked at separately for each run and individual. The controlling CBA should be referred to.

Q29. How will initial terminal delay be determined when performing service as outlined above?

A29. Initial terminal delay for crews entitled to such payments will be governed by the applicable collective bargaining agreement and will not commence when the crew operates back through the on duty point. Operation back through the on duty point shall be considered as operating through an intermediate point and crews may perform work only in connection with their own assignment at the intermediate point.

Q30. If an employee works ten hours in the twenty-five mile zone and is then deadheaded to the far terminal, how shall they be paid?

A30. Eight hours straight time and two hours overtime in addition to the payment for being deadheaded in combination service to the far terminal.

Q31. If the away from home terminal is outside this Hub will the 25 mile zone rule apply?

A31. If the away from home terminal is in a Hub that also has a 25 mile zone rule then this rule will apply for San Antonio employees while at the away from home terminal. If the away from home terminal is in a Hub or non merged area that does not have a similar rule then the rule will not apply while at that away from home terminal.

Q32. Where is the 25 mile zone measured from?

A32. The same terminal limits as used by yard crews in their road/yard zone.

Q33. There are several other non pool operations that currently exist that are not mentioned in this agreement, what happens to them at time of implementation?

A33. Those assignments will come under the surviving CBA provisions and those of this agreement. They will continue to operate unless abolished or changed in accordance with the provisions for doing so. The fact that they are not mentioned does not mean that they cease to exist.

- Q34. Are the aggregate pool assignments considered eligible for holiday pay?
A34. No, while their mileage rate is at the road switcher rate, they are in pool service and not entitled to holiday pay.

ARTICLE IV - TERMINAL CONSOLIDATIONS

- Q35. Are the national road/yard Zones covering yard crews (Article VIII of the 1985 National Agreement) measured from the new switching limits where the yard assignment goes on duty?
A35. The new switching limits where the yard crew goes on duty will govern. For example at San Antonio the limits will now be on both the former SP and UP lines and a yard crew will now be able to go out on all merged lines to perform this work.

ARTICLE V - EXTRA BOARDS

- Q36. How many extra boards will be combined at implementation?
A36. It is unknown at this time. The Carrier will give written notice of any consolidations whether at implementation or thereafter. The Carrier will advise the number of positions for each extra board and the effective date for the new extra board.
- Q37. Are these guaranteed extra boards?
A37. Yes. The pay provisions and guarantee offsets and reductions will be in accordance with the surviving CBA guaranteed extra board agreement.
- Q38. What extra board will cover the assignments at Eagle Pass?
A38. When the Eagle Pass extra board is exhausted, the vacancies shall be covered by the Del Rio extra board.
- Q39. Will a pool be established to handle through freight or turn around service between Del Rio and Eagle Pass?
A39. Not initially, however if sufficient traffic develops to warrant a pool, then at the request of the local chairman one will be established.
- Q40. Will the extra board at Corpus Christi cover vacancies in both the San Antonio Hub and Zone 4 of the Houston Hub?
A40. Yes, vacancies in non pool freight service at Corpus Christi/Gregory will be covered by this extra board.
- Q41. Will regular assignments in Corpus Christi/Gregory, both extra board and non pool, ever be filled by employees from the other Hub?
A41. If an assignment at these locations goes no bid by the Hub that has rights to it, then employees from the other Hub may bid them in. If it goes no bid from both Hubs then employees from the Hub that has prior rights will be forced.

- Q42. In Article V, A, 1, if an extra employee is called for a 4pm yard vacancy at Laredo and drives his/her own car to the assignment at what time shall they report?
A42. They should report at the start of the 4pm assignment if they drive their own car and if they elect to report to the extra board point at Port Laredo and be transported to Laredo they should report at the Port at 4pm.

ARTICLE VI - AGREEMENT COVERAGE

- Q43. When the surviving CBA becomes effective what happens to existing claims filed under the other collective bargaining agreements that formerly existed in the San Antonio Hub?
A43. The existing claims shall continue to be handled in accordance with those agreements and the Railway Labor Act. No new claims shall be filed under those agreements once the time limit for filing claims has expired for events that took place prior to the implementation date.
- Q44. Is the \$20 in lieu of lodging agreement for SP employees at the away from home terminal at Alpine still retained?
A44. Those SP employees who are in the pool at implementation who currently receive that payment shall be grand fathered for this payment. All other in lieu of lodging payments shall be governed by the selected CBA provisions.

ARTICLE VII - PROTECTION

- Q45. How long is New York Dock protection/
A45. Length of service with a maximum of six years.
- Q46. What is automatic certification?
A46. An understanding reached by the parties that an employee will be provided the benefits of the applicable labor protective conditions without having to prove he/she was adversely affected as a result of implementation of this Agreement.
- Q47. How will the test period average be determined?
A47. The TPA will be calculated in accordance with New York Dock provisions.
- Q48. How does the Carrier calculate test period earnings if, for example, an employee missed two (2) months compensated service in a 12 month period?
A48. If an employee had no compensated service in the two (2) months, the Carrier will go back fourteen (14) months to calculate the test period earnings based on twelve (12) months compensated service.
- Q49. How will an employee be advised of their test period earnings?
A49. Test period averages will be furnished to each individual and the General Chairmen.

- Q50. How is length of service calculated?
A50. It is the length of continuous service an employee has in the service of the Carrier with a month of credit for each month of compensated service.
- Q51. If an employee has two years of trainman's service and three years of conductor service, and one year of clerical service how many years of NYD protection will they have?
A51. Six.
- Q52. How will the employees know which jobs are higher rated?
A52. The Carrier will periodically post job groupings identifying the highest to lowest paid jobs.
- Q53. Will specific jobs be identified in each grouping?
A53. Pools, locals and extra boards may be identified separately but yard jobs and road switchers will not be.
- Q54. What rights does an employee have if he/she is already covered under labor protection provisions resulting from another transaction?
A54. Section 3 of New York Dock permits employees to elect which labor protection they wish to be protected under. By agreement between the parties, if an employee has three years remaining due to the previous implementation of Interdivisional Service the employee may elect to remain under that protection for three years and then switch to the number of years remaining under New York Dock. It is important to remember that an employee may not receive duplicate benefits, extend their protection period or count protection payments under another protection provision toward their test period average for this transaction.
- Q55. If an employee elects to keep a current protection, such as an ID protection, is their TPA frozen?
A55. No, that TPA would be subject to adjustments similar to the New York Dock TPA.
- Q56. If an employee has worked full time in yard service the previous 12 months, will they have to place in road service if it is the highest paying assignment to keep from having offsets?
A56. Recognizing that some employees have spent considerable time in the yard and have not been on the road in some time, the Carrier will allow these employees to remain in yard service. It will be the responsibility of the Local Chairmen to identify these individual.
- Q57. Why are there different dollar amounts for non-home owners and homeowners?
A57. New York Dock has two provisions covering relocating. One is Article I, Section 9, Moving Expenses and the other is Section 12, Losses from Home Removal. The \$10,000 is in lieu of New York Dock moving expenses and the remaining \$20,000 is in lieu of loss on sale of home.

- Q58. Why is there one price on loss on sale of home
A58. It is an in lieu of amount. Employees have an option of electing the in lieu of amount or claiming New York Dock benefits. Some people may not experience a loss on sale of home or want to go through the procedures to claim the loss under New York Dock.
- Q59. What is loss on sale of home for less than fair value under New York Dock?
A59. This refers to the loss on the value of the home that results from the Carrier implementing this merger transaction.
- Q60. If the parties cannot agree on the loss of fair value what happens?
A60. New York Dock Article I, Section 12(d) provides for a panel of real estate appraisers to be used.
- Q61. What happens if an employee sells the home for remarkably less than market value to a family member?
A61. That is not a bona fide sale.
- Q62. Who is required to relocate and thus eligible for the allowance?
A62. An employee who can no longer hold a position at his/her location and must relocate to hold a position as a result of the merger. This excludes employees who are borrow outs or forced inside the Hub and released.
- Q63. Are there mileage components that govern the eligibility for an allowance?
A63. Yes, the employee must have a reporting point farther than his/her old reporting point and at least 30 highway miles between the current home and the new reporting point and at least 30 highway miles between reporting points.(The mileage requirements are complicated and each case must be handled on its own individual circumstances. The parties are not in full agreement on the above Question and Answer as it may relate to a specific case and employees should check with their local chairman prior to moving.)
- Q64. Can you give some examples that are agreed upon?
A64. The following examples would be applicable.

Example 1: Employee A lives at Austin and works at Austin. After implementation he/she can no longer work at Austin and the employee places at San Antonio. The employee meets the requirement for an allowance and whether he/she is a home owner who sells their home or a non-homeowner determines the amount of the allowance

Example 2: Employee C lives in Smithville and is unable to hold an assignment within 30 miles of that location and places on an assignment at Georgetown. The employee meets the requirement for an allowance and whether he/she is a home owner who sells their home or a non-homeowner determines the amount of the allowance.

Example 3: Employee B lives 35 miles north of San Antonio and goes on duty at the SP yard office in San Antonio. As a result of the merger he/she goes on duty at the UP yard office which is three miles further away. No allowance is given.

Example 4: Employee D lives in Austin and holds an assignment in San Antonio. After the merger they cannot hold at that location and they can hold a position in New Braunfels. Because the employee can hold in New Braunfels, which is closer to his place of residence, no allowance is given no matter where they finally place.

Q65. Are there any seniority moves that are eligible for an allowance?

A65. Yes but only when assignments are relocated and only from the location where the assignments are moved from.

Example: The Carrier abolishes 2 turns at Smithville and establishes 2 new turns at Georgetown. Two senior bidders, if successful, from Smithville to Georgetown will be treated as required to relocate.

Q66. May an employee sell his home prior to the actual implementation of the merger and still be considered a home owner for relocation purposes?

A66. By agreement between the parties such an employee would be entitled to treatment as a "homeowner" provided:

1. Upon actual implementation of the Merger Implementing Agreement the employee meets the requisite test of having been "required to relocate",
2. The sale of the residence occurred at the same location where claimant was working immediately prior to implementation, and
3. The sale of the residence occurred after the date of this Agreement.

Q67. Will employees be allowed temporary lodging when relocating?

A67. Employees entitled to a relocation allowance shall be given temporary lodging for thirty (30) consecutive days as long as they are marked up.

Q68. Are there any restrictions on routing of traffic or consolidating assignments during the implementation period or thereafter?

A68. There are no restrictions on the routing of traffic in the San Antonio Hub once the 30 day notice of implementation has lapsed. There will be a single collective bargaining agreement and limitations that currently exist in that agreement will govern (e.g. radius provisions for road switchers, road/yard moves etc.). However, none of these restrictions cover through freight routing. The combining of assignments between the Carriers is covered in this agreement and is permitted.

- Q69. Will the Carrier offer separation allowances?
A69. The Carrier will review it's manpower needs at each location and may offer separation allowances if the Carrier determines that they will assist in the merger implementations.
- Q70. When will a reserve board be established and under what conditions will they be governed?
A70. Depending on manpower needs there may be employees on reserve boards on implementation day. The consolidated reserve board will be effective on that day however agreement provisions requiring all vacancies to be filled and the displacement of employees not entitled to reserve board positions must be complied with prior to the Carrier opening reserve board positions. The reserve board provisions of the controlling CBA will govern it's operation.
- Q71. Can an employee be forced outside the Hub after implementation?
A71. If the employee has made his/her seniority selection to be in the Hub then they cannot be forced outside the Hub unless it is to protect San Antonio Hub seniority that may exist due to equity provisions. One needs to remember that when elections are made if senior employees elect to come into the Hub creating a surplus, then other employees could be forced out in connection with this process.

ARTICLE IX - CREW CONSIST

- Q72. How do fund plugs and trip credits work for those employees who work on extra boards that protect in two Hubs, like the Corpus Christi extra board?
A72. An employee will share in only one Hub's productivity fund. The employee will get credit for each trip worked no matter which Hub it is worked in, however fund plugs are allocated by assignment not by who works them. Since Glidden and Corpus Christi extra boards are based on a 50/50 split the work will even out over time.

Example: A San Antonio employee on the Corpus Christi extra board works a vacancy at Gregory. Houston Hub zone 4 will get the fund plug and the San Antonio employee will get a trip credit against the San Antonio productivity fund. Likewise when a zone 4 employee works a Corpus Christi vacancy, San Antonio will get the fund plug and the zone 4 employee will get a trip credit against the zone 4 Houston productivity fund.

ARTICLE X - IMPLEMENTATION

- Q73. On implementation will all employees be contacted concerning job placement?
A73. The implementation process provides for notice of job changes and all trainmen will be so notified with an opportunity to bid.

Q74. During the execution of this Agreement, it is possible that the parties may discover errors or omissions relating to mile post designations, crew district mileages, etc. Is it the intent of either party to hold the other party to such items because there was simply not time to verify them for accuracy?

A74. No, these type of clerical errors may be corrected when discovered.

Q75. May the Carrier implement the agreement if all on duty points do not have "appropriate facilities" as defined in this agreement?

A75. Yes, Existing facilities may continue to be used and the Carrier will review each of them to determine the needs, if any, at those locations and make such improvements. The parties understand the need to continue to provide competitive transportation service while capital dollars are budgeted and improvements made. If new facilities are built, such as in the New Braunfels area, then those will be in compliance when opened.

January 28, 1999
Side Letter No. 1

Gentlemen:

This has reference to the Merger Implementing Agreement for the San Antonio Hub entered into this date.

During our negotiations there was considerable discussion surrounding the operational changes resulting from a merger of UP and SP operations. Specifically, it was your observation that the merged operation might possibly require an increased amount of transporting of employees, and your Organization has concerns regarding the quality of the vehicles presently used for transporting employees, as well as the drivers of said vehicles.

It was Carrier's position that there are existing procedures available to resolve any complaints regarding deficiencies in crew transportation and, as such, this was not a proper topic for inclusion in a Merger Implementing Agreement.

Without prejudice to the positions of the respective parties as set forth above, the Carrier believes it is in the best interests of all parties that routine, unannounced safety audits of crew transportation contractors be conducted, and that a process be established for prompt investigation and, if necessary, resolution of complaints of specific instances of deficiencies in this area. In this regard, this will confirm my advice given you during our negotiations that Carrier agreed it would direct its designated manager to contact a Local Chairman to be designated by your Organization for the purpose of scheduling and conducting field safety audits of transportation contractors in the hub. These safety audits will include, but not be limited to, inspection of vehicles, unannounced rides, interviewing crews, and meeting drivers. These safety audits will be performed no less frequently than quarterly.

If issues are raised by the safety audits which cannot be resolved to the satisfaction of your Organization, they may be referred to the appropriate Labor Relations Officer by the General Chairman for discussion in conference at the earliest possible date to seek a resolution. The conference will include the appropriate General Manager or his designate.

Yours truly,


W. S. Hinckley

Agreed:


General Chairperson UTU


General Chairperson UTU


General Chairperson UTU


General Chairperson UTU


General Chairperson UTU

January 28, 1999
Side Letter No. 2

Gentlemen:

This has reference to our negotiations covering the Merger Implementing Agreement entered into this date between the Union Pacific Railroad Company, Southern Pacific Lines and the United Transportation Union. During these negotiations, the Organization expressed concern that employees who expire on the Hours of Service Law would not be transported in a timely manner to the destination terminal.

This will confirm the advice given to you, i.e., that when an employee ties up on the Hours of Service before reaching the objective terminal, the Carrier will make every reasonable effort to relieve subject employee and transport him to the tie up point, expeditiously. The Carrier recognized the interests of the railroad and its employees are best served when a train reaches the final terminal within the hours of service. In the event this does not occur, the Carrier is committed to relieving that employee and providing transportation as soon as practical. It is understood that this commitment contemplates transportation in the form of passenger vehicle, and employees shall not be transported to the tie-up point after Hours of Service tie-ups by means of train except in case of emergency or extraordinary circumstances which make providing a vehicle impossible.

In the event the Organization feels that this commitment is not being observed at a particular location, the General Chairman shall promptly contact the Director of Labor Relations in writing stating the reasons or circumstances thereof. Within ten (10) days after being contacted the Director of Labor Relations will schedule a conference between the parties to discuss the matter and seek a resolution. The conference will include the appropriate General Manager or his designate.

Yours truly,



W. S. Hinckley
General Director-Labor Relations

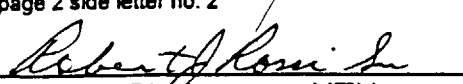
Agreed:



General Chairperson UTU

General Chairperson UTU

page 2 side letter no. 2


General Chairperson UTU


General Chairperson UTU


General Chairperson UTU

January 28, 1999
Side Letter No. 3

Gentlemen:

This refers to the note to Article IV B which concerns the coal spur (Rockport Branch). To efficiently serve the coal plant the Carrier proposed that the spur be included in the terminal. It was the concern of the Organization that this inclusion would grant the unloading company at the coal plant (Raillink) the right to reach into one of the San Antonio yards and pull trains from those locations into the plant using interchange principles.

In reaching a compromise that would retain road miles between the contractor and the terminal and provide for efficient operation of rail service to the plant the parties agreed to not expand the terminal limits on the spur, in this merger agreement, based on the following:

1. Road Crews may run through the terminal and handle coal trains to and from the plant. Pay will be based on the miles run of the assignment from the initial terminal to the plant or from the plant to the final terminal and not under the provisions of the 25 mile zone.
2. ITD/FTD where applicable will be based on receiving the train or delivering the train to the plant.
3. Yard crews may deliver or pull trains to/from the plant and they shall be treated for pay purposes as if all work was performed within terminal limits and road pay shall not apply to them.
4. These provisions only apply to coal trains to the power plant and if other industries are built or served between the terminal limits and the end of the spur they will be treated as in road territory.

While this Agreement does not expand the unloading company rights into the San Antonio yards, it likewise does not prohibit the future granting of such rights by the Carrier under procedures that exist to convey such rights including any applicable protection that may be afforded.

This side letter is entered into without prejudice to either party and deals with a unique set of facts and will not be cited by any party in any future negotiation or arbitration.

Yours truly,


W.S. Hinckley

Agreed:


General Chairperson UTU


General Chairperson UTU


General Chairperson UTU


General Chairperson UTU


General Chairperson UTU

Gentlemen:

In discussing various issues involved with the merger of the San Antonio Hub, the parties hereto realize that the merger of the former properties into a unified system is a complex undertaking and with the changes in operations and seniority territories, employees covered by this Agreement will be required to perform service on unfamiliar territory.

Familiarization will be a large undertaking, and it is to the benefit of both parties that this process begin as soon as possible so that implementation can occur in a more orderly and rapid manner. Therefore, it is understood that Carrier may begin qualifying trainmen on unfamiliar territory, to the extent feasible based upon operational and manpower constraints, between time of execution of this implementing Agreement and date of implementation thereof.

It is understood that familiarization will be accomplished in accordance with Article VIII Familiarization of this Agreement. Employees making familiarization trips which involve greater mileage than their existing (pre-merger) runs will be paid actual mileage to the new objective terminal. Local UTU officers will work with local Carrier officers to implement this Side Letter in the most effective manner.

If the foregoing adequately and accurately sets forth our agreement in this regard, please so indicate by signing in the space provided for that purpose below.

Yours truly, .

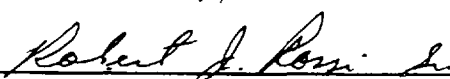


W. S. Hinckley
General Director-Labor Relations

Agreed:



General Chairperson UTU

General Chairperson UTU

General Chairperson UTU

General Chairperson UTU

General Chairperson UTU

January 28, 1999
Side Letter No. 5

Gentlemen:

This refers to Article II, B, 4, which discusses holding seniority in abeyance. It was agreed that those trainmen who participate in the roster formulation process for the San Antonio Hub who also hold seniority outside the San Antonio Hub in a non merged area, will hold that seniority in abeyance and may not utilize that non Hub seniority for any purposes except as follows:

- A. When subsequent implementing agreements are concluded in other Hubs which encompass seniority that has been held in abeyance, such seniority may be exercised during the roster formulation process for such Hubs subject to the following:
 - 1. The exercise of such option shall be considered a seniority move and shall be at the employee's own expense.
 - 2. An employee utilizing this provision to select a different Hub shall forfeit all seniority in the San Antonio Hub.
 - 3. Trainmen/yardmen making application for or receiving a relocation allowance in this Hub will be considered as forfeiting their option as set forth in this side letter.
- B. The rights set forth in A above may be exercised only to the extent that there is an unfilled need for trainmen at such Hub at the time rosters for such Hub are formulated. Carrier reserves the right to limit the number of such requests granted based upon manpower requirements and the number accepted will be in seniority order. In the event such move will create a shortage of trainmen/yardmen within the San Antonio Hub, Carrier may hold such applicants for a reasonable amount of time to allow for acquiring a replacement.
- C. If applications are declined pursuant to B, above, said applicants will be considered in the future on a seniority order basis prior to Carrier hiring additional trainmen/yardmen. Trainmen exercising this option will be placed on the roster at the new Hub in line with their original train service seniority date with all rights and privileges unimpaired.

- D. Trainmen/yardmen presently working in the San Antonio Hub who elect not to stay and participate in the formulation of the new rosters for the San Antonio Hub will forfeit all existing seniority in this Hub.

Yours truly,

W S Hinckley

W. S. Hinckley
General Director-Labor Relations

Agreed:

D. L. Hakey

General Chairperson UTU

Stuef

General Chairperson UTU

Robert J. Loni

General Chairperson UTU

Ed Loeffel

General Chairperson UTU

J. A. ...

General Chairperson UTU

March 17, 1999
Side Letter No. 6

Mr. C. L. Crawford
General Chairman
United Transportation Union
1854 Lockhill-Selma Road, Suite #102
San Antonio, TX 78213

Mr. S. B. Rudel
General Chairman
United Transportation Union
7817 Camelot Road
Fort Worth, TX 76134

Mr. R. J. Rossi
General Chairman
United Transportation Union
2040 North Loop West, Suite #310
Houston, TX 77018

Mr. D. L. Hakey
General Chairman
United Transportation Union
400 Randal Way, Suite #102
Spring, TX 77388

Mr. J. A. Saunders
General Chairman
United Transportation Union
P. O. Box 561
Smithville, TX 78957-0561

Mr. M. B. Futhey, Jr.
Vice President
United Transportation Union
7610 Stout Road
Germantown, Tenn 38138

Gentlemen:

This letter refers to the equity issues in the San Antonio Hub. Several times during the negotiations this issue was discussed and the Carrier advised that if equity issues needed further clarification, the Carrier would entertain having a number of employees bid into the hub but would not agree to a mileage payback system. Equity issues were dealt in part in the agreement and further identification of this issue was requested. The following represents the settlement of the issue:

1. Article II, A, identifies that employees working within the Hub would be placed on the roster. NOTE 1, advises this would incorporate those employees who are former Palestine employees who work between Taylor and Hearne.
2. The same NOTE identifies that there are also unfilled San Antonio-Houston slots still open to Zone 4 former SP employees.
3. Article V, A, 9, and 10 provide for Zone 4 of the Houston Hub participation in the extra boards at Corpus Christi and Glidden.
4. Q&A 41 states that Zone 4 employees will be able to bid on regular assignments in Corpus Christi if San Antonio employees do not bid on them.

5. One roster position will be offered to reflect Georgetown rock train assignments that may run to Houston. (zone 4 former SP)
6. Six additional positions (3 former SP, 3 former UP Kingsville) will be offered to reflect pool assignments from San Antonio and Smithville that may run into the Houston Hub such as Kingsville, Coletto Creek, etc.

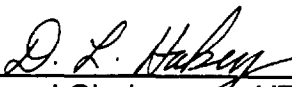
These positions (2,5,&6) will be offered during the implementation period and those that are not filled at that time will be forfeited and unavailable at a later date.

These positions (2,5,&6) will be offered during the implementation period and those that are not filled at that time will be forfeited and unavailable at a later date.

Yours truly,


W. S. Hinckley

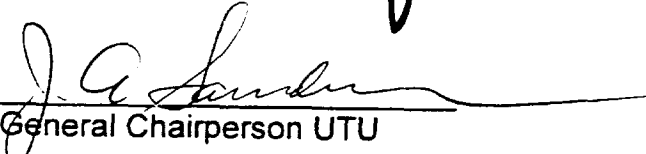
Agreed:


General Chairperson UTU


General Chairperson UTU


General Chairperson UTU


General Chairperson UTU


General Chairperson UTU

January 28, 1999

Gentlemen:

There were many unique circumstances dealt with in this Hub. The provisions herein reflect various compromises with those circumstances and do not create provisions that other Hub areas can claim under any "me too" provisions that may exist therein.

Yours truly,

W. S. Hinckley
W. S. Hinckley

Agreed:

D. L. Hahn
General Chairperson UTU

Rude
General Chairperson UTU

Robert J. Lomi Jr.
General Chairperson UTU

[Signature]
General Chairperson UTU

J. A. Sander
General Chairperson UTU

January 28, 1999

Dear Sir:

This refers to Article XIII Health and Welfare of the San Antonio Hub Agreement. In that Article we held several discussions that covered the topic of who was presently covered under SPEL group life and/or disability insurance.

As was discussed, only those hired in the Houston Hub at the time of implementation were covered and new hires after that were not covered. It was your position that newly hired trainmen in non hub areas would be covered and would be treated as such in future Hubs. It was the Carrier's position that no newly hired trainmen would be covered.

It was agreed that we would settle this issue by granting all such newly hired trainmen such status if they were hired prior to December 31, 1998. This would apply to all areas under the SPEL agreement and trainmen hired after that date would not be included in future Hub agreements as "presently covered" and as such will not be covered.

Yours truly,


W. S. Hinckley

Agreed:


General Chairperson UTU


General Chairperson UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



January 28, 1999

Mr. M. B. Futhey
Vice President - UTU
7610 Stout Road
Germantown, Tenn 38138

Dear Sir:

This refers to the San Antonio Hub proposal. In that document there are several references to employees relocating by seniority choice or being required to relocate. The parties have developed provisions covering who would be entitled to a relocation allowance and this letter is meant to clarify that issue. Part of the confusion is that other Hub provisions have also dealt with employees leaving those Hubs to go to other Hubs if needed and they have a notice on file to do so.

The main concern has been with those employees who are not in the Hub and also not in another Hub but in a non merged area. The concern has been the impact of these employees on moving into the San Antonio Hub. The Carrier has advised that it would not be proper to pay relocation allowances, if for example 100 employees from El Paso suddenly moved into the Hub at implementation and bumped 100 employees out of the Hub. The Carrier has advised that these would be considered seniority moves and thus not eligible for relocation benefits. However we further discussed the need to allow employees to move into the Hub to fill positions up to the number identified as the cap. For example this could include those replacing borrow out employees who elect to go back to their home location or those needed to fill positions up to the cap where no other employees are displaced.

Your Organization advised that you thought that the number of employees actually moving would be minimal. We agreed that these few moves would be covered under the relocation provisions.

Yours truly,

W S Hinckley
W. S. Hinckley

UNION PACIFIC RAILROAD COMPANY



1416 DODGE STREET
OMAHA, NEBRASKA 68179

March 29, 2000

File: 110.61-15(250)

Mr.S.B. Rudel
General Chairman UTU
137 Sycamore School Road, Suite 101
Fort Worth, TX 76134

RE: Noon Board Rotation Del Rio Extraboard XE80

Dear Mr. Rudel:

This refers to your request that the Del Rio extra board rotate at noon each day. The Carrier is agreeable to this request. Therefore, commencing on the payroll half following receipt of your signed acknowledgement, the first-out employee on Del Rio Conductors' extra board will automatically rotate to the bottom of the board at noon (12:00 p.m.) each day.

In addition, the parties agree that if an employee on this extra board requests a personal leave day, it will start at the time of the request and the employee will be automatically marked-up at the expiration of 24 hours.

Either party may discontinue the noon rotation upon fifteen (days) written notice to the other party. However, the General Chairman and Labor Relations will meet to discuss any overcoming any difficulties prior to the cancellation of this understanding.

If this arrangement is acceptable to you, please acknowledge your agreement by signing below and returning one original to this office for implementation.

Sincere regards,

A handwritten signature in cursive script that reads "Catherine Sosso".

Catherine Sosso
Director Labor Relations

AGREED:

A handwritten signature in cursive script that reads "Rudel".

S.B. Rudel
UTU General Chairman

cc: CMS
San Antonio Service Unit

MEMORANDUM OF AGREEMENT

between the

UNION PACIFIC RAILROAD COMPANY

and the

UNITED TRANSPORTATION UNION

(SAN ANTONIO HUB)

YARD EXTRA BOARD DRIVING ALLOWANCE

In order to eliminate delay associated with transporting San Antonio yard extra board(s) crews to and from their personal automobiles when reporting to assignments at locations other than their regular on and off duty points in the San Antonio Terminal, the parties agree as follows:

If an employee assigned to an extra board with a home terminal in San Antonio is called to report at a location other than the regular reporting point of the extra board, the employee may elect to drive directly to the reporting point of the assignment. Employees who do so will be allowed an one hour driving allowance in lieu of being transported to and from the regular reporting point in San Antonio at the beginning and end of the assignment. Assignments that go on duty in the same yard as the regular reporting point are not entitled to the allowance. Employees entitled to the one hour payment must include the on duty point of the assignment with their claim for the one hour payment on their timeslip in order to receive payment.

EXAMPLE :

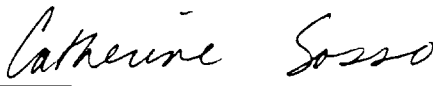
The San Antonio Yard Extra Board has a reporting point at East Yard. An extra board employee is called for a 7 AM assignment at SoSan Yard. The employee elects to report direct to SoSan Yard at 7 AM in lieu of reporting to East Yard at 7 AM. The employee shall be paid one hour in addition to all other earnings for the tour of duty.

Signed this 3rd day of April, 2000.

United Transportation Union:

Union Pacific Railroad Company:


General Chairman S.B. Rudel


Director Labor Relations C.J. Sosso

MEMORANDUM OF AGREEMENT

between

UNION PACIFIC RAILROAD COMPANY

and

**THE UNITED TRANSPORTATION UNION
(Former Texas and Pacific Railway Company)**

ESTABLISHMENT OF San Antonio HUB ROAD "PASS-UP" RULE

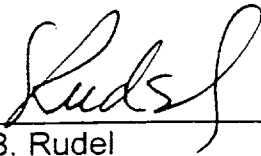
As a result of implementing the San Antonio Hub and the desire to have one consistent rule governing road service Conductors' and Brakemen's rights to voluntarily "pass up" his or her assignment over the entire San Antonio Hub territory, **IT IS AGREED**

1. An employee working as a road service conductor or brakeman in the San Antonio Hub may elect to voluntarily pass up his/her assignment in accordance with the following conditions:
 - A. The employee must have been on the assignment for a minimum of thirty (30) consecutive calendar days.
 - B. The employee must notify the proper Carrier official of his or her election to pass up the assignment.
 - C. The employee must "ride the bulletin" during the applicable bulletin period, regardless of whether the assignment is at the home terminal or at an outside point.
2. The Carrier will not incur any additional expense as a result of an eligible employee's election under this rule.
3. This agreement supercedes any existing "pass-up" rules applicable to road crews.

4. This Agreement may be canceled by the serving of a twenty (20)-day advanced written notice on the other party. In the event such notice is served, the parties agree to promptly meet to discuss the issues or problems underlying the intended cancellation.
5. The provisions of this Agreement will be implemented on the payroll half following signature of both parties to the agreement.

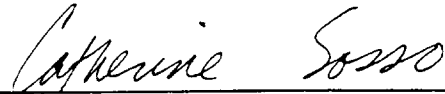
SIGNED THIS 27th DAY OF April, 2000.

**FOR THE UNITED
TRANSPORTATION UNION**



S. B. Rudel
General Chairman-UTU

FOR THE CARRIER:



C. J. Sosso
Director-Labor Relations

QUESTIONS AND ANSWERS
FOR THE
SAN ANTONIO HUB ROAD PASS UP RULE

- Q-1. May a person giving up a position under this Agreement place himself or herself on a Reserve Board?
A-1. No.
- Q-2. May a person occupying a position on a Reserve Board use the provisions of this Agreement to pass up his or her Reserve Board position?
A-2. No.
- Q-3. Must an employee exercise his/her placement immediately under this Agreement and protect his or her new position?
A-3. Yes, unless the employee requests to lay off and that request is approved.
- Q-4. May a Brakeman displace a Conductor (or vice versa) under this Agreement?
A-4. Yes, provided his or her seniority permits.
- Q-5. If displacing onto an extra board position, whom is to be removed from the extra board?
A-5. The senior person with request to be removed from the extra board. If there are no requests/applications, the junior employee on the extra board will be removed.
- Q-6. If an employee is assigned to a position on an extra board, is he or she entitled to exercise the provisions of the Agreement?
A-6. Yes.
- Q-7. May an employee passing up his or her assignment pursuant to this Agreement place on a yard assignment?
A-7. No. since the involved displacement is the result of a voluntary exercise of a rule applicable to road service employees, the displacement must be exercised in road service.
- Q-8. If an employee exercises seniority to a through freight pool, who should be displaced from the pool?
A-8. The junior employee in the pool.
- Q-9. Is it the intent of this agreement to permit an employee to displace an employee in the same pool?
A-9. No.

MEMORANDUM OF AGREEMENT

between

UNION PACIFIC RAILROAD COMPANY

and

THE UNITED TRANSPORTATION UNION
(Former Texas and Pacific Railway Company)

ESTABLISHMENT OF SAN ANTONIO HUB YARD "PASS-UP" RULE

As a result of implementing the San Antonio Hub and the desire to provide stability the terminal operations and the frequency a yard employee may elect to voluntarily "pass up" his or her assignment in various yards within the San Antonio Hub. **IT IS AGREED**

1. A trainman working a regularly assigned yard position in the San Antonio Hub may elect to voluntarily pass up his/her assignment in accordance with the following conditions:
 - A. The employee must have been on the assignment for a minimum of thirty (30) consecutive calendar days.
 - B. The employee must notify the proper Carrier official of his or her election to pass up the assignment.
2. The Carrier will not incur any additional expense as a result of an eligible employee's election under this rule.
3. This agreement supercedes any existing "pass-up" rules applicable to yard crews.
4. This Agreement may be canceled by the serving of a twenty (20)-day advanced written notice on the other party. In the event such notice is served, the parties agree to promptly meet to discuss the issues or problems underlying the intended cancellation.
5. The provisions of this Agreement will be implemented on the payroll half following signature of both parties to the agreement.

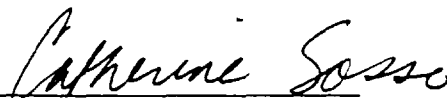
SIGNED THIS 12th DAY OF May, 2000.

FOR THE UNITED
TRANSPORTATION UNION



S. B. Rudel
General Chairman-UTU

FOR THE CARRIER:



C. J. Sosso
Director-Labor Relations

QUESTIONS AND ANSWERS

FOR THE

SAN ANTONIO HUB PASS UP RULE

Q-1. May a person giving up a position under this Agreement place himself or herself on a Reserve Board?

A-1. No.

Q-2. May a person occupying a position on a Reserve Board use the provisions of this Agreement to pass up his or her Reserve Board position?

A-2. No.

Q-3. Must an employee exercise his/her placement immediately under this Agreement and protect his or her new position?

A-3. Yes, unless the employee requests to lay off and that request is approved.

Q-4. May a yard helper displace a forman (or vice versa) under this Agreement?

A-4. Yes, provided his or her seniority permits.

Q-5. If displacing onto a yard extra board position, whom is to be removed from the extra board?

A-5. The senior person with request to be removed from the extra board. If there are no requests/applications, the junior employee on the extra board will be removed.

Q-6. If an employee is assigned to a position on a yard extra board, is he or she entitled to exercise the provisions of the Agreement?

A-6. Yes. On yard extra boards, not combination road/yard extra boards.

Q-7. May an employee passing up his or her assignment pursuant to this Agreement place on a road assignment?

A-7. No. Since the involved displacement is the result of a voluntary exercise of a rule applicable to yard service employees, the displacement must be exercised in yard service.

Memorandum of Agreement

Between

Union Pacific Railroad

And the

United Transportation Union

Carrier File # S180.20

Relating to the filling of train service assignments at Hearne Texas

Therefore **IT IS AGREED:**

Section 1 If applications are not received from San Antonio Hub Trainmen for their allotted vacancies at Hearne, Texas, then Dallas/Ft. Worth Hub Trainmen that have voluntarily applied for these positions may be assigned.

Section 2 If applications are not received from Houston Hub Trainmen for their allotted vacancies at Hearne, Texas, then Dallas/Ft. Worth Hub Trainmen that have voluntarily applied for these positions may be assigned.

Section 3 Houston and San Antonio Hub Trainmen retain all rights to their allotted positions at Hearne, Texas and may exercise rights to those positions consistent with existing agreements

Section 4 If no bids are received for the allotted positions at Hearne, Texas, from either the San Antonio, Ft. Worth, and/or Houston Hubs, then trainmen will be required to fill allotted positions from their respective Hub.

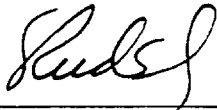
Section 5 This Agreement is without prejudice to the position of either party and will not be referred to in connection with any other case, agreement (local or national) and/or dispute resolution.

Section 6 (a) This Agreement may be cancelled by any party signatory hereto upon thirty- (30) days written notice to the other. During the intervening thirty- (30) day period or as mutually agreed, the parties may meet in an effort to resolve any issues precipitating the cancellation notice.

(b) In the event efforts to resolve conflicting issues are not successful and this agreement is cancelled, the method of assigning vacancies shall revert to processes outlined in the parties respective Hub Agreements.

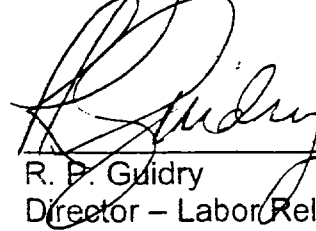
SIGNED THIS 8th DAY OF June, 2001

FOR THE
UNITED TRANSPORTATION
UNION



Mr. S. B. Rudel
General Chairman - UTU

FOR THE
UNION PACIFIC RAILROAD



R. P. Guidry
Director - Labor Relations



Mr. L. L. Overton
General Chairman - UTU