

AGREEMENT

Covering Guaranteed Combination Extra Boards
And Supplemental Extra Boards

BETWEEN THE

UNION PACIFIC RAILROAD COMPANY

(FORMER TEXAS & PACIFIC)



AND THE

UNITED TRANSPORTATION UNION (C&T)



Effective September 5, 1996

**MEMORANDUM
of
AGREEMENT**

between

UNION PACIFIC RAILROAD COMPANY

and the

UNITED TRANSPORTATION UNION

for the territory

TEXAS AND PACIFIC RAILWAY

**GUARANTEED COMBINATION EXTRA BOARDS
and SUPPLEMENTAL EXTRA BOARDS**

In connection with modifications to existing crew consist provisions, the parties have agreed to amend certain provisions pertaining to the operation and administration of guaranteed extra boards and to establish Guaranteed Combination Extra Boards and Supplemental Extra Boards. Accordingly, it is agreed the following conditions shall apply:

I. COMBINATION EXTRA BOARDS

ESTABLISHMENT

A. Conductor and Brakeman Extra Boards (guaranteed or non-guaranteed) in existence, if any, at the locations listed below shall be eliminated. In place thereof, Guaranteed Combination Road Extra Boards shall be established at the following locations:

- 1) New Orleans
- 2) Shreveport
- 3) Mineola
- 4) Fort Worth - North (McAlester - Chickasha)
- 5) Fort Worth - West
- 6) Big Spring
- 7) El Paso.

B. Conductor, Brakeman and Yardman Extra Boards (guaranteed or non-guaranteed) in existence, if any, and Road / Yard (Brakeman / Yardman) Extra Boards in existence, if any, at the locations identified below shall be eliminated. In place thereof, Guaranteed Combination Road / Yard Extra Boards shall be established at the following locations:

- 1) Livonia
- 2) Denison

NOTE: Assignments to Guaranteed Combination Road / Yard Extra Boards will be made subject to applicable prior rights and / or work equity considerations.

C. Guaranteed Combination Road Extra Boards shall protect Conductor, Brakeman and road Utility position vacancies. Guaranteed Combination Road / Yard Extra Boards shall protect Conductor, Brakeman, Foreman, Yard Helper, Hostler, Hostler Helper, road Utility positions and yard Utility positions.

D. An employee must be a qualified Conductor to hold a position on a Guaranteed Combination Road Extra Board or the Guaranteed Combination Road / Yard Extra Board. An employee's seniority date as a Conductor will be used in making assignments to these boards.

E. Guaranteed Yard Extra Boards will be established at the locations listed below and will protect Foreman, Yard Helper, Hostler, Hostler Helper and yard Utility positions:

- 1) Shreveport
- 2) Texarkana
- 3) Longview
- 4) Dallas
- 5) Fort Worth
- 6) Big Spring
- 7) El Paso.

NOTE: At those locations where both a Guaranteed Combination Road Extra Board and a Guaranteed Yard Extra Board exist, the parties may, by mutual agreement, consolidate such boards and establish a Guaranteed Combination Road / Yard Extra Board.

F. Assignments to a Guaranteed Yard Extra Board will be made in accordance with the employee's seniority as a Yardman.

COMPENSATION

G. The guarantee for extra boards established pursuant to this Agreement shall be as follows:

1) Guaranteed Combination Road Extra Boards and Guaranteed Combination Road / Yard Extra Boards – \$2,226.97 per pay period (as of June 1, 1996), which equates to one thousand eight hundred (1,800) miles at the Conductor's local rate.

2) Guaranteed Yard Extra Boards – \$1,523.53 per pay period (as of June 1, 1996), which equates to 11.5 days at the five (5) - day Yard Helper rate.

3) The guarantees set forth in this Section G will be subject to all applicable general wage and cost-of-living adjustments.

4) (a) An employee assigned to a guaranteed extra board established pursuant to this Agreement and who is available for an entire pay period (or is reduced by the Carrier prior to the completion of the pay period) shall be entitled to one (1) lay-off day (24-hour period or portion thereof) during the pay period for which no deduction will be made from the guarantee, PROVIDED:

(1). Must be other than first-out at time of layoff.

(2). Lay-off must be taken at any time commencing 12:01 am Monday and concluded by 11:59 pm Thursday.

(3). Lay-off must not exceed twenty four (24) hours.

(4). The agreement governing paid holidays is not affected or modified in any manner by this agreement.

(b) Employees assigned to a guaranteed extra board at the same location for an entire pay period who remain marked up and available for service during the entire period and who elect not to avail themselves of the lay-off day provided for under Paragraph (a) above shall be allowed payment of one (1) pro rated guaranteed day in lieu thereof. This payment is for being available for the entire pay period and shall be paid without regard to whether or not the employee does or does not exceed his/her guarantee for the pay period.

5) Employees assigned to a guaranteed extra board established pursuant to this Agreement for less than a pay period will have their guarantee pro rated proportionate to the amount of time they are assigned to the board during a pay period. Employees

going to or from the guaranteed board at their option (seniority move) will be allowed one (1) guarantee day for each 24-hour period they are on the guaranteed extra board. Employees reduced from the board by the Carrier reducing the board will be allowed (1) guaranteed day for each 24-hour period or portion thereof they are on the guaranteed extra board.

NOTE: This Section G is intended to establish the guarantee for employees assigned to Guaranteed Combination Road Extra Boards, Guaranteed Combination Road / Yard Extra Boards or Guaranteed Yard Extra Boards and is not intended to modify the rate of pay for any position(s).

H. Newly hired employees assigned to a Guaranteed Combination Road Extra Board, Guaranteed Combination Road / Yard Extra Board or Guaranteed Yard Extra Board established pursuant to this Agreement shall have their guarantee paid in accordance with the percentage applicable to such employees' earnings as set forth in Article IV, Section 6 of the October 31, 1985 UTU National Agreement, as amended.

I. Payment of the guarantee shall be made in the payroll half for the payroll period in which the guarantee payment was incurred.

J. All earnings, excluding penalty time claims, received by employees assigned to Guaranteed Combination Road Extra Boards, Guaranteed Combination Road / Yard Extra Boards or Guaranteed Yard Extra Boards will be used in computing the employees' guarantee. An employee assigned to a Guaranteed Combination Road Extra Board, Guaranteed Combination Road / Yard Extra Board or a Guaranteed Yard Extra Board laying-off on call, missing call or not available for service, will have his / her guarantee reduced by the amount he / she would have earned had he / she not laid off on call, missed call or not been available for service, with a minimum reduction of one (1) guarantee day.

NOTE: The "Special Yard / Local Allowance" provided pursuant to Section 1, Paragraph B of the Crew Consist Agreement (Conductor- / Foreman-Only Operations) shall not be included in the calculation of earnings in computing an employee's guarantee.

K. Employees assigned to Guaranteed Combination Road Extra Boards or Guaranteed Combination Road / Yard Extra Boards who miss a call when other than first-out will have their guarantee reduced by one (1) day for each 24-hour period or portion thereof they are off the board.

EXAMPLE: Conductor A is first out and Conductor B is second out. Conductor A missed call for a 7:00 a.m. local. Conductor B also missed call for the 7:00 a.m. local. Conductor A's guarantee is reduced under the

provisions of Paragraph J above and Conductor B's guarantee is reduced under the provisions of Paragraph K above.

- L. (1) Employees assigned to a Guaranteed Combination Road Extra Board or a Guaranteed Combination Road / Yard Extra Board marking off will not lose their place on the guaranteed extra board unless they are not available at call time. At call time, employees in marked off status will be "hooked" to the assignment missed and will forfeit one (1) day's guarantee for each 24-hour period thereof they are laid off from time they first marked off.

NOTE: Employees marking off will not have their names removed from the extra board until call time when they are first-out.

- (2) For employees assigned to Guaranteed Yard Extra Boards, existing yard rules in connection with laying off are unchanged and yard employees marking off will forfeit one day's guarantee for each 24- hour period or portion thereof they are marked off and not available for service.

- (3) An employee who is assigned to either a Guaranteed Combination Road Extra Board, Guaranteed Combination Road / Yard Extra Board or a Guaranteed Yard Extra Board who lays off or is unavailable for service on more than two (2) occurrences in a pay period will forfeit his / her guarantee for that pay period.

- M. All guarantee compensation paid to employees will be considered as service rendered for vacation pay and qualification purposes.

REGULATION

- N. The Carrier shall regulate the number of employees on the Guaranteed Combination Road Extra Boards, Guaranteed Combination Road / Yard Extra Boards and Guaranteed Yard Extra Boards established pursuant to this Agreement. The number of employees assigned to the Guaranteed Combination Road Extra Boards, Guaranteed Combination Road / Yard Extra Boards and / or Guaranteed Yard Extra Boards at a location shall not, however, be less than thirty (30) percent, rounded to the nearest full position (0.5 or more to be rounded upward), of the total number of regular positions, including regularly assigned utility positions, protected by that extra board, except as provided in the NOTE in Article II, Section E and Side Letter No. 1 of this Agreement. Should the last position on an extra board established pursuant to this Agreement be abolished, such board shall be considered inactive, but will be reactivated in accordance with the terms and conditions of this Agreement. Guaranteed Combination Road Extra Boards, Guaranteed Combination Road / Yard Extra Boards and / or Guaranteed Yard Boards may be increased at any time based upon the needs of the service; otherwise, adjustments will be made on Mondays.

II. SUPPLEMENTAL EXTRA BOARDS

ESTABLISHMENT

- A. (1) A Supplemental Extra Board shall be established at each location where a Guaranteed Combination Road Extra Board and/or Guaranteed Combination Road / Yard Extra Board is established. Employees assigned to Supplemental Extra Boards shall be used to protect all vacancies arising in the territory protected by the protecting Guaranteed Combination Road or Road / Yard Extra Board when that extra board is exhausted.
- (2) A Yard Supplemental Extra Board shall be established at each location where a Guaranteed Yard Extra Board is established. Employees assigned to Yard Supplemental Extra Boards shall be used to protect all yard vacancies arising in the territory protected by the protecting Guaranteed Yard Extra Board when that extra board is exhausted.
- B. (1) To hold an assignment on a Road or Road / Yard Supplemental Extra Board, the employee must be a qualified Conductor. Assignments to Road or Road / Yard Supplemental Extra Boards will be made in accordance with Conductor seniority.
- (2) Assignments to Yard Supplemental Extra Boards will be made in accordance with Yardman seniority.

COMPENSATION / REGULATION

- C. (1) Employees assigned to a Supplemental Extra Board shall be provided a guarantee equal to eighty five percent (85%) of the applicable Guaranteed Combination Road Extra Board or Guaranteed Combination Road / Yard Extra Board guarantee set forth in Article I, Section G, Paragraph 1 of this Agreement.
- (2) Employees assigned to a Yard Supplemental Extra Board shall be provided a guarantee equal to eight five percent (85%) of the applicable Guaranteed Yard Extra Board guarantee set forth in Article I, Section G, Paragraph 2, of this Agreement.
- D. (1) The provisions of Article I, Section G, Paragraph 4 are not applicable to employees assigned to Supplemental Extra Boards or Yard Supplemental Extra Boards.
- (2) Except as specifically set forth in this Article II, the guarantee afforded employees assigned to Supplemental Extra Boards and Yard Supplemental Extra

Boards shall be governed by applicable provisions set forth in Sections G through M, inclusive, of Article I of this Agreement.

- E. (1).** The number of positions comprising the Supplemental Extra Board at a location shall not be less than ten percent (10%), rounded to the nearest full position (0.5 or more to be rounded upward), of the total number of positions comprising the Guaranteed Combination Road Extra Board or Guaranteed Combination Road / Yard Extra Board at the location, except as provided in the NOTE in this Section E and Side Letter No. 1 of this Agreement. The number of positions comprising the Yard Supplemental Extra Board at a location shall not be less than ten percent (10%), rounded to the nearest full position (0.5 or more to be rounded upward), of the total number of positions comprising the Guaranteed Yard Extra Board at the location, except as provided in the NOTE in this Section E and Side Letter No. 1 of this Agreement. Each Supplemental Extra Board or Yard Supplemental Extra Board established pursuant to this arrangement will have a minimum of two (2) positions assigned thereto. If the 10% calculation set forth herein results in less than 0.5 for a given location, a Supplemental Extra Board or Yard Supplemental Extra Board need not be established at the location. Supplemental Extra Boards and Yard Supplemental Extra Boards may be increased at any time based upon the needs of the service; otherwise, adjustments will be made on Mondays.

EXAMPLE 1: There are 16 positions on a Guaranteed Combination Road / Yard Extra Board. Application of Section E calls for 1.6 trainmen on the Supplemental Extra Board. The Carrier would assign two (2) employees to the Supplemental Extra Board.

EXAMPLE 2: There are 4 trainmen on a Guaranteed Combination Road Extra Board. Application of Paragraph C calls for 0.4 trainmen on the Supplemental Extra Board. The Carrier would not be required to assign an employee to the Supplemental Extra Board. The Carrier may, however, establish a Supplemental Extra Board at the location, in which event a minimum of two (2) positions would have to be assigned.

NOTE : Nothing herein shall serve to preclude the Organization's Local Chairman and the appropriate CMS Director from transferring by mutual agreement, during those periods when the guaranteed extra board(s) is (are) rotating slowly, positions under the involved Local Chairman's jurisdiction between the guaranteed extra board(s) and Supplemental Extra Board(s).

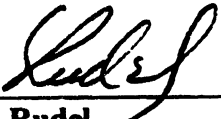
(2). An employee who is first-out on the Supplemental Extra Board will automatically rotate to the bottom of the board at noon (12:00).

III. GENERAL

In the event the provisions of existing agreement rules conflict with the terms and / or intent of this Agreement, the provisions of this Agreement shall apply.

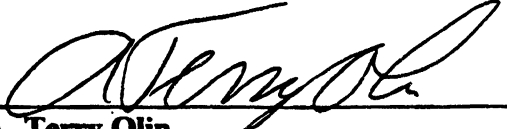
Signed this 5th day of September, 1996 in Fort Worth, Texas.

**FOR THE UNITED TRANSPORTATION
UNION:**



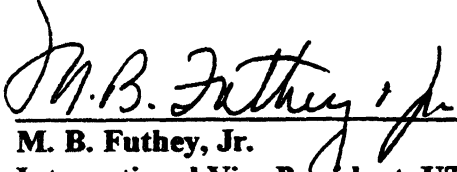
S. B. Rudel
General Chairman, UTU

**FOR THE UNION PACIFIC
RAILROAD COMPANY:**




A. Terry Olin
General Director - Labor Relations

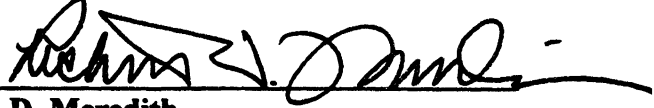
APPROVED:



M. B. Futhey, Jr.
International Vice President, UTU



W. S. Hinckley
General Director - Labor Relations



R. D. Meredith
**Assistant Vice President-Employee Relations
Planning**

**GUARANTEED COMBINATION EXTRA BOARDS
and
SUPPLEMENTAL EXTRA BOARDS**

TEXAS AND PACIFIC RAILWAY

AGREED-TO QUESTIONS AND ANSWERS

- Q-1.** How shall vacancies on the guaranteed extra boards be filled?
- A-1.** Initially by bulletin, then by requests of individual employees.
- Q-2.** In the event Carrier has no requests for extra board positions, how shall they be filled?
- A-2.** Inasmuch as such positions are considered must-fill, they will be filled in accordance with the provisions of Article I of the Crew Consist Modification Agreement dated December 1, 1988, as amended.
- Q-3A.** How shall the guaranteed extra boards be reduced?
- A-3A.** By cutting off the senior employee with request to be released. If no requests are on file, then employees will be removed in reverse seniority order.
- Q-3B.** How shall reductions from the extra board be handled in those situations where all trainmen possess a right, pursuant to Section 1, Paragraph C, to place on a Reserve Board?
- A-3B.** If all employees on a district are eligible to exercise seniority to a reserve board position pursuant to Section 1, Paragraph C, the Carrier will place the senior trainman with application for the Reserve Board onto the applicable reserve board. The resultant vacancy will be filled in accordance with existing agreement provisions. If there are no employees with application to the Reserve Board, the employee reduced from the extra board will be entitled a displacement in accordance with applicable rules.
- Q-3C.** How shall reductions from the extra board be handled in those situations where there are trainmen on the district who are not eligible to place on a Reserve Board?
- A-3C.** If there is a trainman on the district who is not, in accordance with Section 1, Paragraph C, eligible to exercise his/her seniority to a Reserve Board, the senior employee with request to be released from the extra board will be reduced. If no requests are on file, employees will be removed from the extra board in reverse seniority order. Employees removed from the extra board will be afforded a displacement in accordance with applicable rules. An eligible employee will not be placed on a Reserve Board until such time as all employees not eligible

to place on a Reserve Board have been displaced and / or furloughed.

- Q-4.** Are the mileage / shift limitations for extra board employees as contained in Article 7 of the basic Crew Consist Agreement, and other similar extra board limitations, set aside by this Agreement?
- A-4.** Guaranteed extra boards, including supplemental extra boards, will be regulated in accordance with the provisions set forth in the Guaranteed Combination Extra Board / Supplemental Extra Board Agreement.
- Q-5.** Will the extra boards be regulated at substantially the same time on adjustment day?
- A-5.** Yes. Boards will be regulated generally between 8:00 a.m. and 12:00 noon.
- Q-6.** What is meant by the phrase "not available for service" in Article I, Section J?
- A-6.** Failure to report after accepting call, laying off when not first out but not marking up or available when you would have otherwise been called, etc.
- Q-7.** Would an employee laying off a Guaranteed Combination Road Extra Board or a Guaranteed Combination Road / Yard Extra Board who marks up before losing his turn be charged with an occurrence?
- A-7.** Yes.
- Q-8.** Under the provisions of Article I, Section L, Paragraph (3), what incidents or events will not count toward the two (2) occurrences of being unavailable resulting in forfeiture of the guarantee?
- A-8.** Personal leave time, vacation time, absences at the request of the Carrier (e.g., court appearances and depositions, investigations, etc.), and Local Chairmen on union business.
- Q-9.** In Article I, Section L, Paragraph (3), what constitutes an "occurrence"?
- A-9.** Each layoff or period of unavailability, regardless of duration, constitutes a separate occurrence.
- Q-10.** At what rate of pay will an extra employee called from the Combination Road / Yard Extra Board to fill a Yardman vacancy be paid?
- Q-10.** An extra employee called from one of the guaranteed extra boards will assume all the conditions and obligations of the position the employee is protecting. In the instant example, the employee called from the Combination Road / Yard Extra Board would, even though he

/ she is a qualified Conductor, would be compensated at rates applicable to the Yardman position he / she is required to fill.

Q-11. If an individual with a bump places on a Guaranteed Combination Extra Board (Road or Road / Yard) or on a Supplemental Extra Board (or Yard Supplemental Extra Board), who is to be reduced from the board?

A-11. The senior employee with a request to be released from the board. If none, then the junior employee assigned to the board.

Q-12. May an individual with a bump place on a guaranteed (supplemental) extra board if there is no employee his junior assigned to the board?

A-12. Yes, if there is an employee with a request to be released off the extra board.

NOTE: Questions 11 and 12 assume the number of positions of the board is not being changed.

Q-13. May an employee bid (bump, if applicable) from one Supplemental Extra Board (or Yard Supplemental Extra Board) to another Supplemental Extra Board (or Yard Supplemental Extra Board) at the same or different location?

A-13. An employee may bid or bump from one Supplemental Extra Board (or Yard Supplemental Extra Board) to another Supplemental Extra Board (or Yard Supplemental Extra Board) if such exercises of seniority are consistent with applicable Agreement rules.

Q-14. Are the guarantees set forth in Section 1, Paragraph G and Section II, Paragraph C subject to application of the entry rate provisions?

A-14. Yes. See Section 1, Paragraph H and Section II, Paragraph D (2).

Q-15. Is an employee who is displaced from a guaranteed extra board required to displace immediately onto another guaranteed extra board at the same location in order to be eligible to receive the "bonus day" payment set forth in Article I, Section G, Paragraph 4?

A-15. Yes, if, upon proper notification of the displacement by CMS, the employee displaces immediately onto another guaranteed extra board at the same location.

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 1

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

Dear Mr. Rudel:

This refers to the parties' discussions regarding establishment of Guaranteed Combination Extra Boards in conjunction with modification of existing Crew Consist Agreement provisions on the T&P.

One of the concerns of your Organization was the Carrier might not maintain sufficient manpower levels to satisfactorily protect business levels and to allow train service employees reasonable opportunities to lay off. In response to those concerns, the parties incorporated staffing thresholds for the Guaranteed Combination Extra Boards and Supplemental Extra Boards. While it is the objective of the thirty percent (30%) threshold for the Guaranteed Extra Boards and the ten percent (10%) threshold for the Supplemental Extra Boards to ensure sufficient manpower levels, the parties recognize the nature and unpredictability of railroad traffic levels mandate certain flexibility in the administration of those thresholds.

The parties recognize there exists a multitude of factors and events that make the management of manpower levels and the associated administration of the threshold levels established in the Guaranteed Combination Extra Board / Supplemental Extra Board Agreement an exceedingly difficult task. As a result, assignments on the Guaranteed Combination Extra Boards may temporarily not be at levels dictated by the thresholds, particularly when one also takes into account the protracted time frames for hiring and training operating crafts personnel. Such a circumstance does not, in light of the above, constitute a violation of the Agreement. It is not the parties' intent that these thresholds instantly require the Carrier to hire additional trainmen each time the number of employees on the Guaranteed Combination Extra Boards or Supplemental Boards falls below the respective 30% or 10% threshold. Rather, these thresholds are intended to serve as advanced indicators of the potential need for hiring and to serve as a triggering mechanism that would prompt careful monitoring and analysis of the manpower situation and if a manpower deficit, as measured by these thresholds, continues to exist, would initiate hiring and training programs.

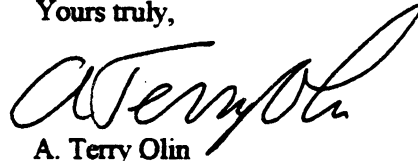
It is understood the thresholds are designed to provide a mechanism by which the parties may constructively and cooperatively address manpower problems or issues. The extended time frames required for training of a new Switchman or Brakeman alone would preclude the Carrier from constantly satisfying the 30% and / or 10% thresholds.

Finally, a concern of your Organization was that the unforeseen, unpredicted or temporary events of the nature referenced herein could exist for extended periods and that under such circumstances the Carrier should commence hiring additional employees. In that regard, the Carrier committed that in the event it is known certain

events (e.g., maintenance-of-way programs, etc.) might last more than thirty (30) days, the Carrier will timely notify the involved General Chairman. In addition, in those instances where it appears increased traffic volumes appear to be more than temporary fluctuations, or traffic conditions warrant greater than thirty percent on the guaranteed extra boards, the Carrier will also review the situation with the involved General Chairman and, if warranted, make expedient arrangements for additional temporary manpower and / or commence hiring additional employees.

If the foregoing accurately reflects our understandings regarding this matter, please so indicate by affixing your signature in the space provided below.

Yours truly,



A. Terry Olin
General Director - Labor Relations

AGREED:



S. B. Rudel
General Chairman, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 2

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

Dear Mr. Rudel:

This refers to the parties' discussions regarding the regulation of the road guaranteed extra boards (road or road / yard) established pursuant to the Guaranteed Combination Extra Boards and Supplemental Extra Boards Agreement.

The parties recognized that there would be times when the Carrier needed to regulate the guaranteed extra boards above the thirty percent (30%) minimum. The Organization was concerned that the Carrier would regulate the extra board to reduce the number of employees on the Reserve Board or, when the Reserve Board was short, to require additional work far in excess of the guarantee level. The Carrier agreed that this is not the intent of the agreement and that on Guaranteed Combination Road Extra Boards the Carrier would adjust the extra board if the earnings (miles) per equivalent full time employee moved outside the following range:

- * 1500 miles @ \$1.23721 per mile (Conductor's local rate) = \$1855.82 (reduce the board)
- * 1875 miles @ \$1.23721 per mile (Conductor's local rate) = \$2319.77 (add to the board)

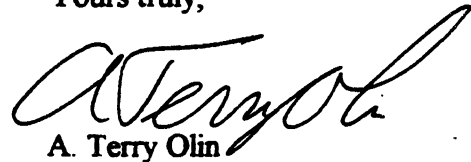
NOTE: The rate shown above (\$1.23721) will be adjusted to always equal the rate used to determine the extra board guarantee, which is currently \$1.23721 per mile x 1800 miles.

While the incorporation of the above regulating mechanisms effectively serve to place a "cap" on the number of employees assigned to the guaranteed extra boards, the parties acknowledge there exists certain events or situations (e.g., derailments, maintenance-of-way programs, etc.) which may require the temporary assignment of more trainmen on the guaranteed extra boards than what may be permissible under this "cap". In such circumstances, the parties agree to cooperatively address such matters in order to reduce or avoid any employee dislocations or additional Carrier expense.

If the foregoing accurately reflects our understandings regarding this matter, please so indicate


by affixing your signature in the space provided below.

Yours truly,



A. Terry Olin
General Director - Labor Relations

AGREED:



S. B. Rudel
General Chairman, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 3

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

Dear Mr. Rudel:

This refers to the parties' discussions regarding changes to applicable Agreement provisions governing the granting and taking of personal leave days in connection with the modification of existing Crew Consist Agreement provisions on the T&P.

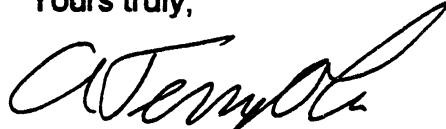
The parties agreed to amend Article 22(d) of the Crew Consist Agreement dated May 17, 1980 to provide for the following in connection with the taking of personal leave days:

- 1). Personal leave day or days may be scheduled or allowed to start on other than a work day of the employee's position.**
- 2). An employee requesting personal leave day or days will be advised by the Carrier at the time of such request whether the employee will be allowed to take the personal leave day or days.**
- 3). At the time an employee is making the request for personal leave day or days, such employee must advise CMS whether he/she desires to have the personal leave day or days commence, if approved, immediately - i.e., at time of request - or at the time said employee would have otherwise been called for duty.**
- 4). If an employee requests more than one personal leave day, the days granted will be commence at either the time of request or when the employee would have otherwise worked, as approved by the Carrier, and will run consecutively for twenty four (24) hours for each personal leave day requested and for which approval was granted.**

The foregoing provisions are intended to facilitate an employee's use of personal leave days and are not intended to encourage or facilitate sharp practices. Accordingly, it is agreed that in the event the foregoing provisions provide mechanisms for employees to engage in sharp practices, the parties, including the involved Local Chairman, will promptly meet to discuss and address such practices.

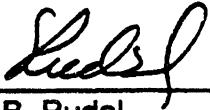
If the foregoing properly reflects our understandings regarding this matter, please so indicate by affixing your signature in the space provided below.

Yours truly,



A. Terry Olin
General Director

AGREED:



S. B. Rudel
General Chairman, UTU

UNION PACIFIC RAILROAD COMPANY

A. TERRY OLIN
GENERAL DIRECTOR - LABOR RELATIONS
OPERATING CRAFTS - SOUTH



1416 DODGE STREET, ROOM 332
OMAHA, NEBRASKA 68179-0332
(402) 271-3201
FAX: (402) 271-4474

SR. VICE PRESIDENT
JUL 20 1998
LABOR RELATIONS

June 26, 1998

S 1615 - 1 S 1615 - 5
S 560 - 1 S 560.50 - 1

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

Dear Mr. Rudel:

This has reference to the parties' discussions regarding application of the provisions of Article II, Paragraph E(2) and Side Letter No. 3 of the September 5, 1996 Guaranteed Combination Extra Boards and Supplemental Extra Boards Agreement. Specifically, the parties focused on when a personal leave day goes into effect for an employee assigned to a Supplemental Extra Board who requests that it begin when he or she is called for duty.

Side Letter 3 of the Guaranteed Combination Extra Boards and Supplemental Extra Boards Agreement gives an employee the option of choosing whether the personal leave day starts at time of request or when his or her assignment is called. Paragraph 3 of this Side Letter reads as follows:

- "3). *At the time an employee is making the request for personal leave day or days, such employee must advise CMS whether he/she desires to have the personal leave day or days commence, if approved, immediately - i.e., at the time of request - or at the time said employee would have otherwise been called for duty.*"

Article II, Paragraph E(2) of this agreement further provides, "*An employee who is first-out on the Supplemental Extra Board will automatically rotate to the bottom of the board at noon (12:00).*"

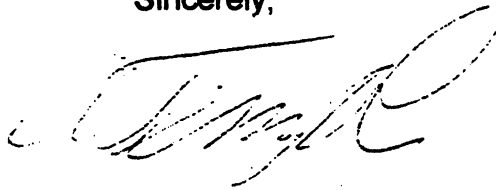
The above-cited provisions appear, in certain situations, to contradict each other. Specifically, the possible contradiction or confusion occurs when an employee assigned to a Supplemental Extra Board requests his or her personal leave day commence when we call their assignment for duty. The employee is thereafter not called for duty and, pursuant to Article II, Paragraph E(2), he or she is rotated to the bottom of the

Supplemental Extra Board. When this happens, the requested personal leave day does not start. In such circumstances, the employee is unable to work because he or she is rotated to the bottom of the board and, at the same time, is unable to take the requested personal leave day.

It is the parties intent herein to clarify the handling of such a circumstance. Accordingly, this letter will confirm the parties' understanding regarding the handling of personal leave days under such circumstances. First, the parties agree that if an employee assigned to a Supplemental Extra Board requests his or her personal day(s) commence at the time the employee would have been called for duty, the requested personal leave day, if approved, must start by the next noon (12:00). If said personal leave day does not start by this designated time -- i.e., noon, it will automatically be considered as canceled (not denied) and the request will be dropped. Secondly, the parties agree the provisions of this understanding apply only to employees assigned to a Supplemental Extra Board and who are, pursuant to Article II, Paragraph E(2), rotated to the bottom of the Supplemental Extra Board.

If the foregoing properly reflects our understanding on this matter, please so indicate by affixing your signature in the space provided below, returning one (1) fully executed copy to my office at your earliest convenience.

Sincerely,

A handwritten signature in cursive script, appearing to read "T. J. ...", written in black ink.

AGREED:



S. B. Rudel
General Chairman, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 4

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

Dear Mr. Rudel:

This has reference to the parties' discussions regarding the guaranteed extra boards established pursuant to the Guaranteed Combination Extra Boards and Supplemental Extra Boards Agreement.

In conjunction with the above-referenced discussions, your Organization raised a significant concern regarding the training to be afforded newly hired employees who are unable, due to a lack of sufficient seniority, to hold Brakeman or Switchman positions and, as a result of not being a qualified Conductor, are unable to hold positions on the combination extra boards. As pointed out by your Organization, agreement provisions pertaining to Conductor promotion stipulate an employee should have at least six (6) months train service experience before being placed into conductor training, unless there is an immediate need for conductors on a particular seniority district or the employees will be placed in furlough status.

The Carrier acknowledged it is both the Carrier's and Organization's desire that those employees promoted to the Conductor position are fully trained and capable of performing the required duties. In recognition of this concern, the Carrier acknowledged and reaffirmed its commitment to afford such employees additional training, i.e., additional student trips, as may be required to ensure such employees can safely perform the duties required of a Conductor. In addition, the Carrier also committed local Operating officers would work closely with your Organization's Local Chairmen to review the training and progress of such employees.

If the foregoing accurately reflects the parties' understandings regarding this matter, please so indicate by affixing your signature in the space provided below.

Yours truly,

A handwritten signature in cursive script, appearing to read "A. Terry Olin".

A. Terry Olin
General Director - Labor Relations

AGREED:

A handwritten signature in cursive script, appearing to read "S. B. Rudel".

S. B. Rudel
General Chairman, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 5

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

Dear Mr. Rudel:

This refers to the parties' discussions regarding the regulation of the Guaranteed Yard Extra Board established pursuant to the Guaranteed Combination Extra Boards and Supplemental Extra Boards Agreement.

The parties recognized that there would be times when the Carrier needed to regulate the guaranteed extra boards above the thirty percent (30%) minimum. The Organization was concerned that the Carrier would regulate the extra board to reduce the number of employees on the Reserve Board or, when the Reserve Board was short, to require additional work far in excess of the guarantee level. The Carrier agreed that this is not the intent of the agreement and that on the Guaranteed Yard Extra Boards the Carrier would adjust the extra board(s) if the earnings (days / shifts) per equivalent full time employee moved outside the following range:

- * 10 days @ \$132.4809 per day (5-day Yard Helper rate) = \$1324.81 (reduce the board)
- * 13 days @ \$132.4809 per day (5-day Yard Helper rate) = \$1722.25 (add to the board)

While the incorporation of the above regulating mechanisms effectively serve to place a "cap" on the number of employees assigned to the guaranteed extra boards, the parties acknowledge there exists certain events or situations (e.g., derailments, maintenance-of-way programs, etc.) which may require the temporary assignment of more trainmen on the guaranteed extra boards than what may be permissible under this "cap". In such circumstances, the parties agree to cooperatively address such matters in order to reduce or avoid any employee dislocations or additional Carrier expense.

If the foregoing accurately reflects our understandings regarding this matter, please so indicate by affixing your signature in the space provided below.

Yours truly,

A. Terry Olin
General Director - Labor Relations
Operating - South

AGREED:

S. B. Rudel
General Chairman, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA NEBRASKA 68179



March 31, 1997

J 380.30 - 1 S 380.10 - 4
J 560.30 - 1 S 560.30 - 6

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

Dear Mr. Rudel:

This refers to the parties' discussions regarding the September 5, 1996, Guaranteed Combination Extra Boards and Supplemental Extra Boards Agreement and, specifically, whether the provision pertaining to the applicability of "... *prior rights and / or work equity considerations*..." for T&P guaranteed extra boards contained in the "NOTE" of Article I, Section B thereof was also applicable to T&P Supplemental Extra Boards. This letter shall serve to confirm the parties' understanding regarding the application of the "NOTE" of Article I, Section B to T&P Supplemental Extra Boards.

In general terms, it was the parties' intent that a Supplemental Extra Board serve to protect vacancies in those instances when a guaranteed extra board at the location was exhausted. In other words, Supplemental Extra Boards are to be viewed as supplementing the extra board; i.e., an extra board for the extra board. With this in mind, it is likewise the parties intent that relevant prior rights and/or work equity considerations should also apply to the the filling of positions on the Supplemental Extra Board. Accordingly, the parties agree the "NOTE" of Article I, Section B shall apply in connection with assignment of employees to T&P Supplemental Extra Boards.

If the foregoing properly reflects the parties' understanding, please so indicate by affixing your signature in the space provided below; returning one (1) fully executed copy to my office.

Sincerely,

A. Terry Olin
General Director - Labor Relations
Operating - South

AGREED:

S. B. Rudel
General Chairman, UTU

CH. VICE PRESIDENT
APR 09 1997
LABOR RELATIONS