

ARBITRATION AWARD

Constituting A

CREW CONSIST AGREEMENT

BETWEEN THE

UNION PACIFIC RAILROAD COMPANY

(FORMER TEXAS & PACIFIC)



AND THE

UNITED TRANSPORTATION UNION (C&T)



Effective August 6, 1993

ARBITRATION AWARD
Constituting An
AGREEMENT
between the
UNION PACIFIC RAILROAD COMPANY
and the
UNITED TRANSPORTATION UNION (C&T)
(FORMER TEXAS & PACIFIC)

It is agreed that all prior crew consist agreements between the parties are amended by the following:

ARTICLE I
CREW CONSIST

- (1) (a) The standard crew for through freight service and for all hours-of-service relief will be one (1) conductor.
- (b) Should the Carrier, after eighteen (18) months from implementation of this agreement, determine to operate assignments in local, road switcher, non-revenue or yard service with a crew of conductor/foreman-only, this agreement does not preclude the serving of a notice to that effect by the Director of Labor Relations upon the General Chairman. Should the parties, upon consideration and conference regarding the request, be unable to reach agreement within thirty (30) calendar days that such assignment(s) may be operated with a crew of conductor/foreman-only, the parties agree that such issue shall be resolved by final and binding arbitration. The arbitration proceeding shall be as follows:
- (i) an arbitrator shall be agreed upon within ten (10) calendar days of impasse, or the NMB will be asked to appoint an arbitrator within such time.
- (ii) Hearings shall be held within thirty (30) calendar days of the date of selection or appointment.
- (iii) The arbitrator shall render a decision within thirty (30) calendar days from the date on which the hearing is concluded and/or the record is closed. The arbitrator's decision is limited to whether or not the assignment(s) may be operated with a crew of conductor/foreman-only and may not consider any of the other issues contained in this Agreement. The

Carrier shall have the burden of presenting a thorough history of the particular assignment(s).

- (iv) Expenses of the proceeding will be borne by the party incurring them. The fees and expenses of the arbitrator shall be shared equally by the parties.
- (c) The Carrier may create single assignment positions to expedite operations. Such assignments will be compensated at the yard foreman rate of pay and may work with any number of through freight crews during a tour of duty. When conductor-only operations expand to all classes of service, such single assignments may work with any number of yard and/or road crews during a tour of duty.
- (d) The Carrier, at its discretion, may operate a through freight assignment with a brakeman in addition to the conductor. Any Brakeman position established pursuant to this section may be discontinued at the Carrier's discretion.
- (e) When conductor-only operations expand to all classes of service, the Carrier, at its discretion, may operate an assignment with a brakeman or yardman in addition to the conductor or foreman. Any brakeman/yardman position established pursuant to this section may be discontinued at the Carrier's discretion.
- (2) (a) There shall be no car count, train length limitation or work event restrictions on any of the Carrier's operations except as set forth in Section (2)(b).
- (b) Conductors working conductor-only on through-freight trains that are required to perform more than three (3) work events will be compensated actual time spent performing work in excess of three (3) events with a minimum of one (1) hour at the pro rata rate applicable to the trip for each excess work event.

A work event is considered to be (1) straight pick-up or one (1) straight set out. Picking up, setting out, or exchanging one or more locomotives and setting out bad order car(s) shall not be considered an event. Work performed in the initial and/or final terminal(s) will be governed by applicable rules.

- (3) (a) Conductor pools shall protect applicable pool freight service. It if is desired to use a brakeman on a pool turn, the vacancy will be filled from the appropriate extra board.
- (b) Brakemen used in pool freight service shall be independent from the conductor and shall make the return trip when called by the Carrier. A brakeman worked to the away-from-home terminal may be called to work back to the home terminal as a conductor if no other conductor is rested and available. It shall also be permissible to deadhead the brakeman back to the home terminal upon arrival or after obtaining rest.

ARTICLE II
VOLUNTARY SEPARATION ALLOWANCE

- (1) The Carrier will solicit voluntary separation allowances from eligible employees in accordance with the terms and conditions listed in Attachment I.
- (2) Employees who are in dismissed status at the time of this separation allowance offer will have, at the time of return to service, the opportunity to apply for this separation allowance. Such application must be made within fifteen (15) days of return to service, and the applicant must satisfy the eligibility requirements listed in Attachment I. No other individual on an applicable seniority roster but who does not meet the eligibility requirements listed in Attachment I at the time of this offer may subsequently qualify for this separation allowance opportunity.

ARTICLE III
RESERVE BOARDS

- (1) The Carrier will establish Reserve Boards at the following locations:

El Paso	Shreveport
Big Spring	Texarkana
Ft. Worth/ Dallas	Addis
Mineola	Avondale
Longview	

- (2) The rate of pay for employees on the Reserve Board shall be the greater of:
 - (a) 70% of the basic yard foreman's rate of pay five (5) days per week;
or,

- (b) 70% of the employee's 1992 compensation earned by such employee in train and/or engine service.

NOTE: Payments under paragraph (a) above are subject to wage increases or COLA adjustments; payments under paragraph (b) are not.

- (3) The number of Reserve Board positions at each location will equal the number of employees with seniority date on or before August 6, 1993 on the appropriate seniority roster protecting service at that location. Therefore, employees holding a seniority date on or before August 6, 1993 will not be subject to furlough.
- (4) An employee is eligible to exercise seniority to a Reserve Board if the employee is a trainman holding seniority date of August 6, 1993 or earlier on one of the territories covered by this Agreement and who is working in train service on one of the territories covered by this Agreement.
- (5) (a) No other payments (e.g., holiday, bereavement, jury duty, etc.) will be made to or on behalf of a trainman on the Reserve Board except for payment of premiums under applicable health and welfare plans. No deductions from pay will be made on behalf of a reserve trainman except for deductions of income, employment or payroll taxes (including railroad retirement taxes) pursuant to federal, state or local law, deductions of dues pursuant to an applicable union shop agreement and any other deductions authorized by agreement; and, any other legally required deduction. Trainman assigned to the Reserve Board will be eligible for the Carrier's Tuition Aid Program.
- (b) It is understood that the phrase "no other payments will be made to or on behalf of a trainman on the Reserve Board..." would not preclude a trainman on the Reserve Board from receiving payments on a pending penalty claim. Penalty claim payments due, if any, will be paid in addition to the earnings as a reserve trainman.
- (c) To the extent that an employee's entitlement to the lump-sum cost-of-living adjustments, provided for in the Recommendations of Presidential Emergency Board 219, is based upon vacation eligibility while receiving Reserve Board payments, such employee will be paid the full amount.
- (d) Compensation by the union during a Local Chairman's lost time for Company related and/or union business will be included in computing the earnings. The Organization will furnish the Carrier a list of such employees certifying as to the monies they were reimbursed by their committees for such union business.

- (e) **Qualified trainmen who were absent during a portion or all of their test period year account full time union work, discharge (and reinstated) and valid medical/health leave, will have as their 12-month test period all full employment months of their test period year plus compensation for additional required full employment months immediately preceding such year. It is understood an absence due to personal business is not applicable for purposes of this paragraph.**
- (f) **Carrier records (primarily W-2's) will be utilized for computing trainmen earnings. Payments such as Productivity Fund payments, protection payments, etc., will not be utilized in computing an employee's earnings.**

NOTE: Should there be any dispute over one's test period earnings, the General Chairman and Director of Labor Relations shall resolve the issue using Carrier payroll records.

- (6) **A trainman placed on the Reserve Board will remain in that status until:**
 - (a) **Discharged from employment by the Carrier in accordance with the applicable discipline rules;**
 - (b) **Resigns from the Carrier's employment;**
 - (c) **Recalled to active service. Recall will be in seniority order by those requesting application to be recalled. Absent a request, the junior employee shall be recalled.**

NOTE: Employees recalled from a Reserve Board will have a full bump and must exercise seniority upon reporting.

- (d) **Placed in engine service in accordance with Article XIII, Section (4) of the October 31, 1985, National Agreement or is recalled to engine service.**
- (7)
 - (a) **Trainmen on a Reserve Board must maintain their work proficiencies while in such status, including successfully completing any retraining or refresher programs required to maintain those proficiencies which may include the passing of any tests or examinations (including physical examinations) administered for purposes of determining whether such proficiencies have been maintained.**
 - (b) **The Carrier must achieve an attrition factor of four (4) percent or greater of those train service employees holding a seniority date on its system prior to August 6, 1993. If on an annual basis the attrition**

rate falls below this level, the Carrier may require all employees on the Reserve Board to work, seniority permitting, for six continuous months in each 30-month period. Employees who have not met this requirement at the end of 24 months shall have their Reserve or Surplus Board pay halted until they have completed this requirement unless prevented from doing so as a result of insufficient seniority. Upon falling below the four (4) percent attrition factor, the Carrier will notify the Organization and the parties will promptly meet to discuss the necessity of implementing this section. Thereafter, the Carrier may elect to implement this section upon 30-days' notice. If notice is not given within the first quarter of the year, no changes will be made until the first quarter of the following year provided the combined attrition factor remains below four (4) percent. Upon implementation the Carrier will notify all affected employees by certified mail of their obligations under this section.

- (8) Trainmen on a Reserve Board must hold themselves available for return to service upon fifteen (15) days notice. Those who return within 48 hours of being notified and remain marked up and in "ok" status for fifteen (15) days, shall receive in addition to monies earned reserve pay of seven (7) additional days. Failure to return to service in accordance with this Paragraph (4) shall result in the forfeiture of all service and seniority rights. Recall shall be by telephone. However, if employee cannot be reached by telephone, a certified letter of recall will be sent to the address of the employee being recalled. The forty-eight (48) hours and fifteen (15) day period will commence when notified by telephone or when certified letter is signed for or date of first attempt by Post Office to deliver letter whichever occurs first.
- (9) Reserve Board employees will be permitted to make application for emergency work and compensation for such service will be in addition to Reserve Board pay, and without reduction thereof. Monthly employee protective benefits will not be offset by emergency earnings of Reserve Board employees under these conditions. Those desiring emergency work must make application to the appropriate Carrier officer, after which they will be placed upon a list with other employees requesting emergency work. When emergency work arises, the Carrier will call employees from this list for such service in seniority order, however, once used an employee's name will be placed at the bottom of the list until all others have been called and given an opportunity to work. If the employee refuses the work when contacted, the employee's name will be removed from the list and disqualified from requesting such service for a period of thirty (30) days.

- (10) (a) Trainmen on a Reserve Board are "in-service employees" and hence are subject to the same physical examination and rule requirements as other in-service trainmen. Trainmen to be examined while on reserve status will be notified by registered mail sent to their address.

NOTE: Should a trainman in Reserve status suffer a debilitating injury or illness which is likely to last for fifteen (15) days or more, he/she shall be required to report such injury or illness in order that he/she will be removed from the Reserve Board until released to return to service.

- (b) Reserve Board trainmen must report for examinations but will not have their seniority rights terminated for a failure to pass, and failures to pass will be handled in the usual way. This is not intended to waive the requirements that Reserve Board trainmen must take and pass all required examinations. It is intended to ensure that Reserve Board trainmen will be treated the same as other active service trainmen.
- (11) Other employment while on a Reserve Board is permissible so long as there is no conflict of interest. Employees on a Reserve Board may participate in any Company-sponsored "borrow-out" program.
- (12) Vacation pay received while on a Reserve Board will offset pay received under Section 2, above. Time spent in Reserve status will count toward determining whether the trainman is eligible for vacation in succeeding years and for length of vacation to which a trainman, otherwise eligible, is entitled.

Should it be necessary for an employee to use time spent in Reserve status to qualify for vacation, pay for each week of such vacation shall be 1/52 of the compensation earned by such employee under schedule agreements held by the Organizations signatory to the April 29, 1949, Vacation Agreement, but in no event less than five (5) basic day's pay at his/her Reserve Board rate of pay.

- (13) Trainmen on a Reserve Board are not eligible for Holiday Pay, Personal Leave, Bereavement Leave, Jury Pay, and all other similar special allowances.
- (14) Trainmen on a Reserve Board are covered by Health and Welfare Plans, Union Shop, Dues Check-Off, Discipline Rules, and the Grievance Procedures that are applicable to trainmen in active service.

- (15) (a) It is understood that a Reserve Board will not operate when all eligible trainmen on the appropriate Seniority Roster (as defined in Section 3 of Article IV) on the date of this Agreement are placed on either a Guaranteed Extra Board position or a regular job. However, existing Reserve Board slots will continue and may be occupied when no regular or extra position is available.
- (b) Reserve Board positions may not be occupied when trainmen with seniority date of August 7, 1993 or later are working within such Reserve Board territory.
- (16) Initially, eligible employees may bid on a Reserve Board position only on the Reserve Board at the location where they are working prior to implementation.

Should an eligible employee wish to move voluntarily from one Reserve Board location to another Reserve Board location through the exercise of seniority, the employee must work at the location of the new Reserve Board for a minimum of ninety (90) days, seniority permitting, prior to being assigned to the Reserve Board at the new location. An employee may move from one Reserve Board location to another Reserve Board location without working the required ninety (90) days, if the employee can only hold the Reserve Board at the new location.

ARTICLE IV IMPLEMENTATION AND VACANCIES

- (1) Implementation of this Agreement shall be done in stages under the following schedule:
- (a) At least twenty (20) days prior to implementation, the Carrier shall bulletin for fifteen (15) days to all eligible employees on the territories covered by this Agreement, the opportunity to select one of the following options: Separation Allowance, Regular Assignment, Guaranteed Extra Board, or Reserve Board.
- NOTE: Eligible employees may exercise seniority to only those brakeman/ helper positions designated by the Carrier.
- (b) Five (5) days prior to the implementation date, the involved Local Chairmen and CMS personnel shall review the results of the bulletin process and make assignments.

- (c) Prior to the implementation date employees shall take the necessary action to be in place to perform the required service on their assignments.
- (2) Assignments to the options set forth in 1(a), above, shall be made by seniority preference. It is understood all assignments must be filled initially in the following order:
- (a) Regular Assignments
 - (b) Guarantee Extra Boards
 - (c) Reserve Boards

Those failing to bid or those failing to bid sufficient positions in order of choice to provide for assignment to a position will be force assigned to those working positions which go no bid.

- (3) An employee must have a seniority date on a territory covered by this Agreement in train/yard service prior to the date of this Agreement and must be working in such service in the territory of the assignment immediately prior to being assigned to a bulletined position.
- (4) (a) When permanent vacancies occur on a regular job, Extra Board position, or Reserve Board, eligible trainmen may elect, by seniority option, to fill the vacancy in accordance with existing rules.
- (b) If necessary to fill the resulting vacancy, it will be filled following the procedure set forth in (4) (a) above.
- (c) When there are no voluntary seniority options for a conductor/foreman vacancy, such vacancy shall be filled in accordance with existing rules, except that employees on a Reserve Board will not be force assigned to such vacancies, unless there are no others qualified.
- (d) When there are no voluntary seniority options for a regular brakeman/switchman vacancy, such vacancy shall be filled by assigning the junior employee from among those on the Bump Board and Reserve Board. Where there are Guaranteed Yard Extra Boards, extra yardmen will be assigned to yard vacancies and where there are Guaranteed Road Extra Boards, extra roadmen will be assigned to road vacancies.

Extra Board positions that go no bid (no applications to the Board) shall be filled by assigning the junior employee(s) from among those on the Bump Board and Reserve Board.

Employees assigned to no bid positions under this Paragraph (d), must within twenty-four (24) hours of notification, accept the assignment or displace anyone their junior. The employee displaced is then assigned to the no bid position and the process is repeated.

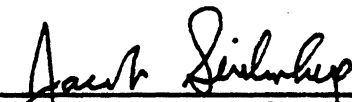
- (e) When the number of employees in active service needs to be increased, employees will be recalled from Reserve status.

ARTICLE V
GENERAL

- (1) (a) This Agreement modifies all applicable Crew Consist and Modified Crew Consist Agreements and, in the event of conflict, the intent and terms of this Agreement shall prevail.
- (b) All references in any prior Crew Consist or Modified Crew Consist Agreements to "make whole" allowances or payments associated with being forced from blankable to must-fill positions are eliminated and are not applicable to this Agreement.
- (2) (a) The parties to this Agreement shall not serve or progress any notice or proposal for changing the specific provisions of this Agreement.
- (b) The parties may make changes to this Agreement by mutual consent.

This Arbitration Award shall become effective August 6, 1993.

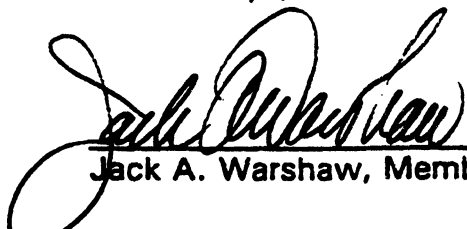
Arbitration Panel No. 18



Jacob Seidenberg, Chairman



Don B. Hays, Member



Jack A. Warshaw, Member

ATTACHMENT I

VOLUNTARY SEPARATION ALLOWANCE OFFER

Union Pacific Railroad Company (hereinafter "Company") is, for a very limited time, offering a one-time voluntary separation allowance program for individual train service employees currently active as such on the former Texas & Pacific and who satisfy the eligibility criteria set forth herein. The terms and conditions of this opportunity, together with procedures to be followed by employees who wish to voluntarily avail themselves to it, are as follows:

Separation Allowance Amount

- This severance offer provides a separation allowance of Sixty Thousand Dollars (\$60,000.00), plus an additional amount equal to One Thousand Dollars (\$1,000.00) for each year of continuous service with the Company as of Aug. 6, 1993 beginning with the last hire date.
- All payments made pursuant to this offer will be subject to all applicable Federal, State, and Railroad Retirement taxes.
- Accepted applicants will also be compensated for any unused vacation remaining in 1993, as well as vacation for 1994 whether earned or not. Accepted applicants must, upon receipt of lump-sum payments or first monthly installment, submit to Timekeeping a proper timeslip, with a photocopy of their signed release/resignation form attached, requesting payment for all unused, earned vacation.
- Applicants must choose one of the following three payment options:
 - (1) Separation allowance paid in a one-time lump-sum payment.
 - (2) Separation allowance paid in equal monthly payments for up to twelve (12) months.
 - (3) Separation allowance paid in equal monthly payments for up to twenty-four (24) months for employees eligible to retire within two years under the provisions of the Railroad Retirement Act.

Note: All health and welfare benefits for those employees selecting payment option (2) or (3) above, will be continued during the period the monthly installments are in effect. However, should an employee selecting either Option (2) or Option (3) die before all payments have been made, all remaining payments will be made to the employee's estate and all health and welfare benefits shall terminate.

Application Period/ Procedures

- The Company will receive applications for this offering for a period of approximately 21 days, commencing _____.
- All interested employees must submit a completed application form by (applications must be postmarked by _____). No extensions will be granted.
- Applications may also be sent via tele-fax (Fax number: (402) 271-2077).

- Applications postmarked/ faxed after _____ will not be accepted.
- All interested applicants must submit a completed application form (copy attached) to the following Company official:

Mr. J. E. Cvetas
Manager - Force Control
Union Pacific Railroad Company
1416 Dodge Street, Room 324
Omaha, Nebraska 68179

Eligibility Criteria

- Employees submitting applications for this separation allowance must, in order to be eligible, satisfy all of the following:
- Employees who are inactive, in disabled status, dismissed, on leave of absence account of medical or other such conditions, or have terminated their service rights in conjunction with a personal injury settlement are not eligible for this separation allowance.
- Trainmen employed by subsidiary companies, Amtrak, or as Company officials are ineligible.
- Trainmen currently working in engine service are also ineligible for this offering.
- Be actively employed and working as a trainman and receiving compensation from the Company as a result of holding a regular assigned or extra board position.
- Have seniority date on or before August 6, 1993.

Other

- The Company reserves the right to reject or limit the number of separation allowances accepted for any reason, including but not limited to, the needs of the Company's service and the continued safe and efficient operation of trains in each territory.
- Applicants will be required to continue working during the period between their application for the buyout and tender/ receipt of their separation allowance.
- Applicants will be required to sign a standard separation allowance release/ resignation form.
- All accepted applicants will be released as soon as possible.

If you have any questions regarding this offer, please contact Joe Cvetas, (402) 271-4577, at your convenience.

J. J. MARCHANT
Assistant Vice President
Labor Relations Department

TRAINMEN SEPARATION PROGRAM
REQUEST FOR SEPARATION ALLOWANCE

In accordance with the terms and conditions set forth in Attachment I, I hereby apply for the separation allowance benefits offered therein and request to execute one of the following options:

(Check One Option)

 Payment Option No. 1 \$60,000.00 plus \$1,000 x years of service.

 Payment Option No. 2 \$60,000.00 plus \$1,000 x years of service.

Payment of separation allowance in monthly installments (not to exceed 12 months).

 Payment Option No. 3 \$60,000.00 plus \$1,000 x years of service.

Payment of separation allowance in monthly installments (not to exceed 24 months or until reaching age 62, whichever occurs first for employees eligible to retire within two (2) years.

I acknowledge and understand the terms and conditions associated with this separation offering and that the amount of my separation allowance will be subject to all applicable withholdings, deductions, and adjustments set forth in the aforementioned Company notice.

PLEASE PRINT

FULL NAME _____

SOCIAL SECURITY NUMBER _____

SENIORITY DATE _____

POSITION AND LOCATION _____

CURRENT HOME ADDRESS _____

PHONENUMBER _____ **BIRTHDATE** _____

SIGNATURE _____ **DATE** _____

MAIL/FAX TO:

**Joe Cvetas
Union Pacific Railroad Company
Room 324, 1416 Dodge Street
Omaha, Nebraska 68179
Fax Number: (402) 271-2077**