

Letter of Understanding
March 7, 1997
(Reserve Board Compensation)

Mr. L. W. Parsons, Sr.

This has reference to the parties' recent discussions regarding compensation afforded employees assigned to Reserve Board positions and, in particular, whether said compensation should be pro rated on a five (5) or seven (7) day basis.

Presently, employees assigned to Gulf Coast Lines Reserve Board positions are compensated on the basis of five (5) days per week. Employees assigned thereto are not compensated for Saturday and/or Sunday even though said employees are assigned to the Reserve Board on those days. The weekly compensation is pro rated on the basis of a five (5) day week and employees are paid for each day Monday through Friday, inclusive, they are on the board at this one-fifth (1/5) rate.

The parties have discussed at length the rationale underlying payment of employees on Reserve Board positions on the basis of a five (5) and/or seven (7) day week basis. Notwithstanding earlier practice on this property, the parties hereto agree to convert payment procedures for employees on Gulf Coast Lines Reserve Boards to a seven (7) day basis. Specifically, it is agreed applicable Reserve Board rates for a week will be pro rated on the basis of seven (7) days per week. This change shall be made effective April 1, 1997 and will apply to all Gulf Coast Lines Reserve Boards. Finally, nothing herein shall be construed to otherwise alter or increase the compensation afforded employees assigned to Reserve Board positions.

If the foregoing properly reflects the parties' understanding regarding 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 opportunity.

AGREED:
/s/ L. W. Parsons, Sr.
General Chairman, UTU

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

Letter of Understanding
February 23, 1998
(Bump Procedure - Twenty-Four (24) Hour)

Mr. L. W. Parsons, Sr.

This has reference to the parties' discussions regarding the time afforded trainmen to exercise displacement rights under the IGN Collective Bargaining Agreement and, specifically, our intent to ensure employees are afforded the same period in which to exercise such rights.

Article IV, Section (4), Paragraphs (c) and (d) of the August 6, 1993 Crew Consist Agreement (See Page 128) provide that employees force assigned to no bid vacancies or who have a displacement right, must accept the assignment or displace a junior employee within twenty-four (24) hours. A question has arisen with respect to what employees are governed by this twenty-four (24) hour period for exercising a displacement right. To avoid disputes regarding application of this provision, and to ensure their consistent application, this letter will confirm the parties' understanding the twenty-four (24) hour displacement period applies to all crafts (conductors, brakemen, switchmen, foremen, etc.) governed by the provisions of the August 6, 1993 Arbitrated Crew Consist Agreement. Other rules contrary to these provisions or understandings are considered superseded and the cited provisions and/or this understanding will apply.

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

AGREED:
/s/ L. W. Parsons, Sr.
General Chairman, UTU

Sincerely,
/s/ A. Terry Olin

- (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 and 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:

/s/ Jacob Seidenberg, Chairman

/s/ Don B. Hays, Member

/s/ Jack A. Warshaw, Member

Letter of Understanding

February 20, 1997

(Reserve Board - Movement To/From)

Mr. L. W. Parsons, Sr. Chairman

This has reference to your Organization's correspondence dated February 11, 1997, received in this office on February 17, 1997, wherein your Organization set forth its intent to cancel the Letter of Understanding dated September 27, 1993 (copy attached) governing the exercise of seniority to/from Reserve Board positions.

Pursuant to the foregoing and the parties discussions pertaining thereto, this letter shall serve to acknowledge and confirm your Organization's cancellation of the aforementioned understanding. Arrangements will be promptly made with CMS to ensure the provisions contained therein are no longer in force or effect.

In conjunction with this cancellation, this letter shall also serve to confirm the parties understanding that employees voluntarily exercising seniority to/from Reserve Board positions, and employees directly or indirectly affected thereby, are not entitled to any bonus or other payments in conjunction with the recall or "call back" procedures and provisions set forth in applicable Crew Consist Agreements.

/s/ A. Terry Olin

Letter of Understanding

March 5, 1997

(Reserve Board Call Back)

Mr. A. Terry Olin

Per our conversation of February 27, 1997, concerning your letter of February 20, 1997, about moving to and from the Reserve Board, and the possible misinterpretation that could occur in reading the last paragraph.

You will recall that we agreed that it was our intent that any employee who bumps to the Reserve Board or one who passes up the Reserve board not be entitled to the bonus payments involved in the "call back" procedures described in the Crew Consist Agreements. We both agreed that the phrase in the last paragraph "voluntarily exercise seniority to/from the Reserve Board" did not refer to an individual who was on the board and had put in a request to be removed from the board the next time the board was adjusted. It was agreed this individual would still be entitled to the call back bonus as described in the agreements.

If this is your understanding of this conversation and agreement, we concur that the Letter of Agreement dated February 27, 1993, is cancelled. Please so indicate your concurrence by your signature below and return one (1) copy to this office for filing.

/s/ Mr. A. Terry Olin

/s/ L. W. Parsons, Sr.

UNION PACIFIC RAILROAD COMPANY

March 24, 2000

1416 DODGE STREET
OMAHA, NEBRASKA 68102



File: 110.61-5
1940.35
1940.36

Mr. L.L. Overton
General Chairman UTU
400 Randal Way
Suite 102
Spring, TX 77388

RE: Article XII 1996 UTU National Agreement 48 Hour Bump Rule

Dear Mr. Overton:

This refers to our discussions and your repeated calls and concern that the Carrier is not consistently applying Article XII of the 1996 UTU National Agreement to employees who are displaced from an assignment and subsequently placed on a bump board.

We concur there is no agreement granting employees the right to stay in displaced/bump status for an indefinite period of time. Article XII clearly provides that an employee with a displacement right on any position **must, from the time of proper notification, exercise that displacement right within 48 hours** by notifying CMS such employee elects to displace a junior employee or exercise seniority to an open vacancy either within thirty miles from the former assignment or to an outlying location. If an employee fails to exercise displacement rights within the 48 hour period, such employee will be assigned to the extra board protecting the assignment from which displaced, seniority permitting.

We also agreed Article IV, Section 4 of the 1993 Crew Consist Agreement, as clarified by the February 2, 1998, letter of understanding providing for force assignment was not amended or modified by Article XII of the 1996 UTU National Agreement. Therefore, trainmen (conductors, foremen, brakemen, switchmen) force assigned to no bid vacancies or who have a displacement right, must accept the assignment or displace a junior employee within twenty-four (24) hours.

Accordingly, **employees who are force assigned only have 24 hours to displace a junior employee while all other displacement rights must be exercised within 48 hours.** Thus, employees who have a displacement right under Article XII who fail to exercise displacement rights within 48 hours and cannot hold the applicable extra board, shall forfeit their displacement rights and become furloughed.

We agreed due to the confusion among employees and the Carrier surrounding the application of these rules, employees currently on the bump board more than 48 hours will be notified to exercise their seniority on a one-time basis. CMS will contact such employees and give them 24 hours to place or force assign with no further displacement right. If there are no vacancies the employee can hold, place the employee in furlough status.

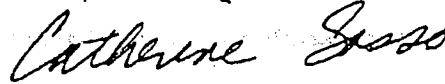
Henceforth, the following vacancy procedures will be applied to employees :

Once an employee is displaced and notified, the employee has either 24 hours or 48 hours to either:

- (1) Notify CMS of their decision to displace within a terminal, within 30 miles of the current reporting point, or to displace beyond the thirty miles.

- (2) Force assigned employees who fail to displace within 24 hours must accept the assignment. An employee with 48 hours to displace who fails to do so will be placed on the extra board which protects the assignment from which displaced, seniority permitting. (Note: if there are no vacancies on the extra board, the junior employee shall be displaced).
- (3) If there are no vacancies on the extra board or the employee fails to place, the employee shall be furloughed.

Sincere regards,



Catherine Sosso
Director Labor Relations

Cc: Scott Hinckley
Harry Straub
Dave Martinez
Alan Weed
DeAna Shaffer