

UNION PACIFIC RAILROAD COMPANY

Gary Taggart
Director – Labor Relations



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BUILDING AMERICA

September 23, 2015

MR. ROY DAVIS
GENERAL CHAIRMAN – SMART-TD
400 RANDAL WAY
SUITE 102
SPRING, TEXAS 77388

DEAR SIR:

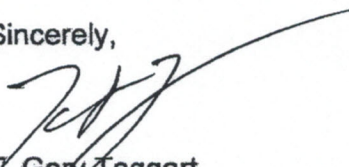
This refers to our recent discussions regarding Rule 32 of the Agreement between the Union Pacific Railroad Company and the United Transportation Union (now identified as SMART-TD) for the territory in the Houston Hub.

Specifically, Article 32 B, which reads in part, "...positions vacant for a period of twenty (20) days or more....", has historically been interpreted and applied to include vacancies that are known or anticipated to be vacant for twenty (20) days or more, excluding vacations.

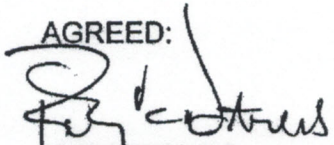
Examples of "known" or "anticipated" vacancies of twenty (20) days or longer include, but not limited to, are instances where the employee has been disciplined, has experienced a medical condition, etc.

If a dispute regarding this clarification of Rule 32, the General Chairman and Director of Labor Relations will agree to a resolution.

Sincerely,


T. Gary Taggart
Director – Labor Relations

AGREED:


Roy E. Davis

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