

**MEMORANDUM OF AGREEMENT**  
**Between**  
**UNION PACIFIC RAILROAD COMPANY**  
**And**  
**UNITED TRANSPORTATION UNION**

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**VACATION AGREEMENT ADMINISTRATION MODIFICATIONS**

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Union Pacific Railroad Company (hereinafter "UP," "Company" or "Carrier" and the United Transportation Union (hereinafter "UTU" or "Organization") acknowledge that, because of the various rail mergers and consolidations, different practices and applications of some agreement provisions have evolved. Consequently, the parties recognize there is a benefit to both UP and its employees to have a more uniform and standardized method for applying certain agreement provisions. This agreement is thus a part of an effort to standardize system-wide the handling of certain agreement provisions.

UP and UTU jointly desire to modify, streamline and standardize agreement provisions governing the qualification for, and scheduling of, trainmen/yardmen vacation benefits. Accordingly, **IT IS AGREED:**

**ARTICLE I. CROSS-CRAFT QUALIFICATION**

- A.** Effective January 1, 2003, Article III, Section 1, Paragraphs (a), (b), (c), (d) and (e) of the January 27, 1972 UTU National Agreement, as amended, will be modified and applied as follows:

Previous years of service in a non-operating agreement covered craft with Union Pacific will be considered in determining the number of vacation week(s) a former non-operating craft employee will qualify for if he/she is employed in train service.

**Example:** A non-operating agreement covered employee with seven (7) years of prior service on Union Pacific is employed in train service. That employee has qualified for vacations under his/her non-operating vacation agreement all of the preceding seven (7) years. He/she will be considered as having met the minimum qualifying and accumulation requirements

necessary in qualifying for vacation weeks as a trainman for all seven (7) years. If a non-operating agreement covered employee qualified for vacation under the non-operating vacation agreement only five (5) of those seven (7) years, only the five (5) years he/she qualified for vacation would be considered in determining the number of weeks of vacation he/she would be entitled as a trainman. Thereafter, qualifying criteria would be governed/accumulated under the operating vacation agreement."

- B.** Non-operating craft employees will not be permitted to duplicate or pyramid vacation weeks upon transferring to train service. In the calendar year a transfer to train service occurs, non-operating employees may be required to observe all of their vacation from a non-operating craft before transferring, time and service requirements permitting. Unused vacation from a non-operating craft that cannot be observed prior to transferring to train service may, at the Carrier's discretion, be scheduled or paid in lieu thereof.
- C.** Employees not yet qualifying for a vacation in the following year in the pre-transfer craft or position will be entitled to combine the prior non-operating service with train service for such qualifying purposes in the calendar year of the transfer. In effect, the service in the pre-transfer craft or position will be treated as train service for qualifying purposes.

## **ARTICLE II. VACATION SPLITS**

Commencing January 1, 2003 - i.e., for vacation benefits for calendar year 2003 - employees may request the maximum number of splits to allow for a weekly scheduling of their allotted vacation weeks. Such splits shall not be in less than one-week increments. (Example: a maximum of four splits will be allowed for an employee qualifying for five (5) weeks of vacation.)

## **ARTICLE III. SINGLE DAY VACATION ALLOTMENT**

- A.** Commencing January 1, 2003, employees having less than three (3) weeks of single day vacations may designate up to three (3) weeks of their allotted number of vacation weeks to be utilized as single vacation day(s).

**NOTE:** Employees already entitled to more than three weeks of single day vacations, if any, will retain their present entitlement.

- B.** All single vacation days will be scheduled. If they are scheduled in a one-week block (or two or three-week block), employees can use single days

from that block prior to the scheduled time by rescheduling the day (or days) with CMS. Any unused portion of the single days must be taken at the scheduled time.

- C. 1. A week of single day's vacation for employees holding regular yard service assignments and extra lists protecting yard service exclusively shall consist of five (5) days.
- 2. A week of single day's vacation for employees holding positions in road service or on combination road/yard extra boards shall consist of seven (7) days.

#### **ARTICLE IV. VACATION GROUP**

- A. The scheduling of an employee's vacation for the upcoming or current year shall be based on the location and class(es) of service where he/she was assigned for a preponderance of the time during the six (6)-month qualification measurement period. The qualification measurement period shall be April 1 through September 30.

**NOTE:** This does not affect arrangements under which craft (i.e., engineer, hostler, and train service) is determined for vacation scheduling purposes.

- B. The provisions of this Article IV shall not serve to alter existing practices or Agreement provisions governing vacation groupings and other matters regarding the scheduling of vacation.

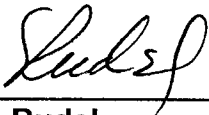
#### **ARTICLE V. GENERAL AND SAVINGS CLAUSES**

- A. The increasing of vacation opportunities and flexibility as set forth herein shall not cause Carrier to incur any additional employee protection expense or guarantee payments as a result thereof.
- B. In the event the provisions of this Agreement conflict with a provision of any other agreement, understanding or practice, the provisions set forth herein shall prevail and apply.
- C. Existing rules and practices regarding the handling of vacations not specifically amended by this Agreement, including, but not limited to, scheduling of vacations, scheduling of single days vacation, and handling of vacation splits and/or single day vacations, shall continue in effect without change.

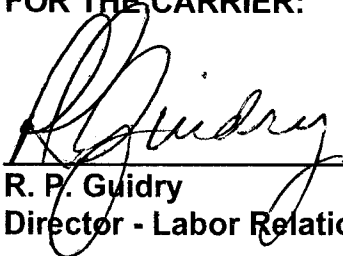
- D. This agreement is made without prejudice to the position of either party, will not be referred to in connection with any other agreement (local or national) and shall remain in effect subject to revision pursuant to the provisions of the Railway Labor Act.

**SIGNED THIS 12<sup>th</sup> DAY OF DECEMBER, 2002 IN SPRING, TEXAS.**

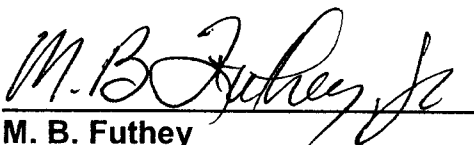
**FOR THE ORGANIZATION:**


  
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**S. B. Rudel**  
**General Chairman**

**FOR THE CARRIER:**

  
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**R. P. Guidry**  
**Director - Labor Relations**

**Approved:**

  
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**M. B. Futhey**  
**Vice President - UTU**

  
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**A. T. Olin**  
**General Director - Labor Relations**

December 12, 2002

File No. 2210.1

2210.20

2210.60

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

Dear Sir:

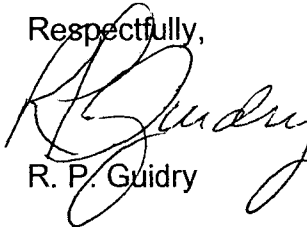
This will confirm our discussion concerning the intent of Article V, Item A of the December 12, 2002 Vacation Administration Modification Agreement reading:

"The increasing of vacation opportunities and flexibility as set forth herein shall not cause Carrier to incur any additional employee protection expense or guarantee payments as a result thereof."

The purpose of this section is to keep the Vacation Administration Modification Agreement cost neutral with respect to protection and administration costs. However, the application of this section is intended to be without prejudice to the positions of either party with respect to existing Labor Protection or Timekeeping administrative practices, i.e., manner in which the Protection Administration Group or Timekeeping applies offsets to guarantee which the Organization does not concur. Such disputes will be resolved through the normal grievance process with this agreement having no impact on the position of the parties.

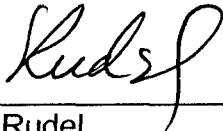
If this correctly reflects our shared understanding of the intent of this agreement please sign below in the space provided.

Respectfully,



R. P. Guidry

Agreed:



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S. B. Rudel  
General Chairman - UTU

UNION PACIFIC RAILROAD COMPANY

1416 Dodge Street  
Omaha, Nebraska 68179



December 12, 2002  
File No. 2210.1  
2210.20  
2210.60

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

Dear Sir:

This will confirm our discussion concerning the intent of Articles II and III of the December 12, 2002 Vacation Administration Modification Agreement.

The parties are in agreement single day vacation allotments and/or weekly splits scheduled, assigned and/or granted pursuant to the Vacation Modification Agreement does not extend additional vacation time or deprive any employee of vacation earned as provided by the National Vacation Agreements.

For example, an employee qualifying for only two weeks of vacation in a calendar year may designate only two weeks to be utilized as single days. Article III, Item A does not grant additional weeks or single days beyond that provided by the National Vacation Agreement.

If this correctly reflects our shared understanding of the intent of this agreement please sign below in the space provided.

Respectfully,

A handwritten signature in cursive script that reads "R. P. Guidry".

R. P. Guidry

Agreed:

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

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S. B. Rudel  
General Chairman - UTU

UNION PACIFIC RAILROAD COMPANY

1416 Dodge Street  
Omaha, Nebraska 68179



December 12, 2002  
File No. 2210.1  
2210.20  
2210.60

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

Dear Sir:

This will confirm our discussion concerning the December 12, 2002 Vacation Administration Modification Agreement applying to the "fixture" hostlers and trainmen assigned as hostlers pursuant to the October 31, 1985 UTU National Agreement.

The parties are in agreement that the provisions of the December 12, 2002 Vacation Administration Modification Agreement will apply to "fixture" hostlers and trainmen assigned as hostlers pursuant to the October 31, 1985 UTU National Agreement.

If this correctly reflects our shared understanding of the intent of this agreement please sign below in the space provided.

Respectfully,

A handwritten signature in black ink, appearing to read "R. F. Guidry".

R. F. Guidry

Agreed:

A handwritten signature in black ink, appearing to read "S. B. Rudel".

S. B. Rudel  
General Chairman - UTU