MEMORANDUM OF AGREEMENT

between the

UNION PACIFIC RAILROAD COMPANY For the Territory of the Former Texas and Pacific and the

UNITED TRANSPORTATION UNION

BRAKEMAN/YARDMAN TRAINING AGREEMENT

On the effective date of this Agreement, the Memorandum of Agreement of December 1, 1974, is cancelled and the following shall apply in lieu thereof in the interest of hiring and training desirable employees:

1. When the Carrier hires inexperienced brakemen or yardmen and desires to enter them into a training program, the trainees will be paid \$623.79 per week (seven days per week) or the appropriate pro rata portion thereof in the event the entire period is not completed. This payment will be for the first four (4) weeks of training, after which the employee will be paid the current yard helper rate of pay, subject to the rate progression as set forth in National Agreements. The first four (4) week of training rate is subject to general wage adjustments including COLA.

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2. Trainees under this Agreement will be subject to meal allowances and lodging (or allowances in lieu thereof) the same as regular crew members with whom they are in training. While otherwise engaged in the training program, such as classroom studies, etc., at points other than where hired, trainees will be allowed actual necessary expenses to cover meals, lodging, transportation, and miscellaneous costs. Meal and miscellaneous costs will not be reimbursed in excess of \$10.00 per day.

3. Conductors and engine foremen who assist in training new employees, when as requested by the Carrier, will be paid an instructor's allowance of \$10.71 per shift, subject to future wage adjustments for each tour of duty when so engaged, separate and apart from all other earnings.

4. The establishment of seniority, probationary time limits and other employment rights after completing the training program, passing required examinations, etc., are governed by the provisions set forth in the Memorandum of Agreement identified as #2806159983.

This Agreement will become effective on <u>JANUARY 1, 1999</u> and will remain in effect unless amended

and/or cancelled by the parties under the provisions of the Railway Labor Act.

Signed this <u>15th</u> day of <u>July</u>, 1999.

FOR The

FOR THE

UNITED TRANSPORTATION UNION:

UNION PACIFIC RAILROAD COMPANY

/s/ S. B. Rudel

General Chairman

/s/ L. A. Lambert

General Director Labor Relations

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MEMORANDUM OF AGREEMENT between the UNION PACIFIC RAILROAD COMPANY For the Territory of the Former Texas and Pacific and the

UNITED TRANSPORTATION UNION

Establishing Seniority Dates

In order to ensure seniority dates of new employees are correctly and uniformly established without dispute, the parties signatory hereto agree to terminate the June 29, 1981, Memorandum of Agreement (W281-558) and amend Article 16 of the Yard Schedule of Agreement and in lieu thereof the following will hereafter apply:

Brakeman's/yardmen's seniority rights will begin on ho first day an employee begins the training program. If more than one employee enters the training program at the same time, irrespective of location, the following criteria will be used to determine the employee's standing on the seniority roster:

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1. Employees transferring from another craft will be placed on the roster in the order of their employment with the Carrier, ahead of newly-hired employees. If more than one (1) employee has the same employment date, ranking shall be determined on the basis of age, with the oldest employee ranking senior. Should the foregoing fail to determine seniority ranking, employees will thereafter be ranked in alphabetical order based on the employee's last name.

2. Newly-hired employees' seniority ranking on the roster shall be determined on the basis of age, with the eldest employee ranking senior. Should the foregoing fail to determine seniority ranking, the next will be determined as set forth in Item 1 above.

3. New employees who are not required to attend a training program will acquire a seniority date on the date the employee first performs service. If more than one employee performs service on the same day, the ranking will be determined as set forth in Item 1 and 2, above.

4. The probationary period of all new employees will expire ninety (90) days from the date they acquired a seniority date. A new employee will be advised within this time period if his/her application for employment is rejected, which must be issued in writing to eh applicant. Section 2 of Article VII of the 1978 National Agreement continues to apply.

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5. The seniority date given to an employee will be the same date as a yardman, brakeman and/or conductor. This is in compliance with the modification of the Conductor Promotion Rule Agreement and under no circumstance will an employee have different seniority dates.

This Memorandum of Agreement will become effective on <u>January 1, 1999</u> and if this Agreement conflicts with any provisions or practices of other rules, the terms and intent of this Agreement shall prevail. This Agreement will remain in full force ant effect unless amended or cancelled by either party under the provisions of the Railway Labor Act.

FOR THE

Signed this <u>15th</u> day of <u>July</u>, 1999.

FOR The

UNITED TRANSPORTATION UNION:

UNION PACIFIC RAILROAD COMPANY:

/s/ S. B. Rudel General Chairman /s/ L. A. Lambert General Director Labor Relations