

## UNION PACIFIC RAILROAD COMPANY



February 10, 2004

Mr. T. L. Johnson  
General Chairman  
United Transportation Union  
4411 Old Bullard Road, Suite 600  
Tyler, Texas 75703

Dear Sir:

This refers to the Memorandum of Agreement dated June 29, 1981 contained on pages 152 and 153 of the controlling T&P Agreement; specifically relating to guidelines for ranking newly hired train service employees.

Effective immediately, employees hired for train service and assigned to a particular training class will be ranked within said class pursuant to the June 29, 1981 Memorandum of Agreement except Section 2, Items (a) and (b) are amended to read:

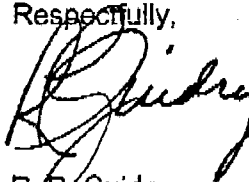
**(a)** Employees transferring from another craft or class of employee will be positioned on the roster as a group ahead of new employees. Should two- (2) or more employees within this group possess identical ranking criteria (e. g., same length of prior service with the company), social security numbers will be utilized to determine ranking as stipulated in Section 2, Item (b) below.

**(b)** Newly hired employees will be ranked in the class by the last four- (4) digits of their social security number. The newly hired employee with the lowest last four- (4) digits will be ranked first, and other newly hired employees within the class will follow in ascending sequential order. In the event the last four (4) digits of newly hired employees' social security number are identical, then the next two- (2) digits of those employees' social security number will be utilized, with the lowest number placed on the seniority roster first and the other(s) will follow in ascending sequential order.

If the foregoing properly and accurately reflects the parties' understanding, please indicate by affixing your signature in the space provided and returning a fully executed copy to my office.

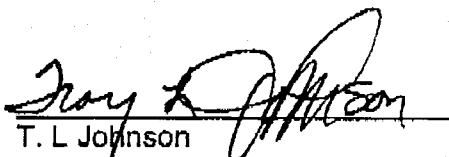
Thanking you in advance.

Respectfully,



R. P. Guidry  
Director - Labor Relations

Agreed:

  
T. L. Johnson  
General Chairman - UTU