

MEMORANDUM OF AGREEMENT

between the

UNION PACIFIC RAILROAD

and the

**UNITED TRANSPORTATION UNION
(DFW, Longview, San Antonio Hub)**

Pool Board Regulation

In an effort to promote manpower stability, provide sufficient earning opportunity for the involved pool conductors and develop a clear and consistent manner in which to regulate freight pools, the parties have agreed that the below will supersede all agreements, or pertinent parts thereof, and/or practices in effect regarding regulation of freight pools on the UP Southern Region, except where noted herein.

IT IS AGREED:

Article I - Regulation and Adjustment of Pools

- a. Pool freight boards will be regulated on starts. A start is defined as any trip (terminal to terminal working trips, terminal to terminal deadhead trips, combined deadhead and service or combined service and deadhead trips, turnaround trips, etc.) made by either an assigned or made-up turn in the pool.

NOTE: This agreement will not be applicable to pools which have pre-existing agreements providing for starts as basis for regulation [TP250 RT55; HL011 RT81, TP250 RT45].

- b. Pool freight boards shall be regulated as follows:

POOL MILEAGE (TRIP)

170 district miles or less
171 to 220 district miles
221 district miles or greater

MONTHLY STARTS TARGET

Between 21 and 24
Between 19 and 22
Between 18 and 21

NOTE: The district miles of existing Pool Freight Boards for the purposes of this agreement are attached.

- c. Pools shall be regulated no more than once per week, unless otherwise mutually agreed by CMS and the UTU Local Chairman with jurisdiction over the concerned pool. Pools that operate with a home terminal in the Longview Hub and DFW Hub shall be regulated on Tuesday. Pools that operate with a home terminal in the San Antonio Hub shall be regulated on Wednesday. Every effort will be made to accomplish pool adjustments between 700AM and 1201PM on the designated adjustment day.

NOTE: The day of the week pools will be regulated as provided in subparagraph "c" above may be changed by mutual agreement between the General Chairman and the Director of Labor Relations.

- d. Regulation will be accomplished by reviewing the starts data for the pool during the concerned twenty- (20) day check period. Such "check periods" will be the period closing two (2) days prior to the designated adjustment day (e.g. If Wednesday the 26th is the designated adjustment day for a given pool, the 20-day check period for consideration would be the 5th – 24th). The number of starts made by the pool in the check period will be multiplied by 1.5 to arrive at the pool's prorated monthly starts.

Adjustment to the number of assigned turns in a given pool would be called for only if the pool's prorated monthly starts, when divided by the number of regular turns assigned, results in an average monthly starts per turn figure that is outside the applicable monthly starts target range for the pool. Were that to be the case, then adjustment in the number of assigned turns will be made to bring the average monthly starts per turn within the applicable monthly start range and as close as possible to the middle of that range, unless CMS and the UTU Local Chairman with jurisdiction over the concerned pool mutually agree to a different adjustment. When mid-range adjustment is the objective, resulting turn fractions of .51 or above will be rounded up and .50 and below rounded down.

Example 1: Pool (A) is a 140-mile run and has seven (7) turns assigned. On adjustment day, the pool had 110 starts in the previous twenty- (20) day check period. $110 \times 1.5 = 165$ divided by 7 = 23.571 average starts per month. Because the average number of starts falls between the 21 - 24 monthly starts target range for a pool of this mileage, no adjustment is called for and, absent mutual agreement to do otherwise, no adjustment will be made.

Example 2: Pool (B) is a 180-mile run and has seven (7) turns assigned. On adjustment day, the pool had 120 starts in the previous twenty- (20) day check period. $120 \times 1.5 = 180$ divided by $7 = 25.7$ average starts per month. Because the average number of starts is outside the 19 - 22 monthly starts target range, the pool will be adjusted by a sufficient number of turns to bring the average monthly starts per turn within the applicable start range and as close to mid-range (20.5) as possible, absent mutual agreement to do otherwise. 180 divided by $20.5 = 8.78$ or nine (9) turns. Two (2) turns would be added.

Example 3: Pool (C) is a 225-mile run and has five (5) turns assigned. On adjustment day, the pool had fifty (50) starts in the previous twenty- (20) day check period. $50 \times 1.5 = 75$ divided by $5 = 15$ average starts per month. Because the average number of starts falls below the 18 - 21 monthly start target range, the pool will be adjusted by a sufficient number of turns to bring the average monthly starts per turn within the applicable start range and as close to mid-range (19.5) as possible, absent mutual agreement to do otherwise. 75 divided by $19.5 = 3.846$ or four (4) turns. The pool will be adjusted by reducing one (1) turn.

Example 4: Pool (D) is a 190-mile run and has three (3) turns assigned. On adjustment day, the pool had thirty-six (36) starts in the previous twenty- (20) day check period. $36 \times 1.5 = 54$ divided by $3 = 18$ average starts per month. Because the average number of starts falls below the 19 - 22 monthly start target range, the pool will be adjusted by a sufficient number of turns to bring the average monthly starts per turn within the applicable start range and as close to mid-range (20.5) as possible, absent mutual agreement to do otherwise. 54 divided by $20.5 = 2.634$ or three (3) turns. The pool will not be adjusted.

Example 5: Pool (E) is 190-mile run and has three (3) turns assigned. On adjustment day, the pool had thirty-four (34) starts in the previous twenty- (20) day check period. $34 \times 1.5 = 51$ divided by $3 = 17$ average starts per month. Because the average number of starts falls below the 19 - 22 monthly start target range, the pool will be adjusted by a sufficient number of turns to bring the average monthly starts per turn within the applicable start range and as close to mid-range (20.5) as possible, absent mutual agreement to do otherwise. 51 divided by $20.5 = 2.487$ or two (2) turns. The pool will be adjusted by reducing the assigned number of turns to two (2).

Article II – Regulation Measurements

- a. The parties recognize that the regulation method provided in Article I above is intended to meet operational obligations, achieve manpower stability and provide sufficient earning opportunity for the involved employees. To ensure the success of this agreement, the monthly start regulation range of a specific pool may be modified, by mutual agreement between CMS and the UTU Local Chairman with jurisdiction, if the regulations results in any of the following:
 - i. Repeated weekly up/down adjustments
 - ii. An excessive number of assigned pool conductors in mandatory time off due to the Rail Safety Improvement Act (RSIA)
 - iii. Excessive and consistent number of made-up turns being necessary
 - iv. Trains consistently held for conductors
 - v. Consistently depressed earnings for the involved conductors
- b. The parties also recognize that there will be circumstances, such as reroutes due to scheduled track maintenance, derailments, weather, holiday slowdowns/shutdowns, etc., that may cause the traffic in a particular pool to temporarily experience abnormal fluctuation. In these instances, the parties will work together to ensure operational obligations are met and the assigned pool conductors are afforded opportunity to sustain their standard earning potential.
- c. Should any issues arise regarding this Article II which the Local Chairman and CMS cannot resolve, such will be forwarded to the General Chairman and the Director-Labor Relations for resolution.

Article III – Scheduling

All UPSR freight pools, governed by the terms and conditions of this agreement will have a work schedule arrangement applied. Pools that protect only turnaround service will be governed by a "5 and 1" scheduling and pools that protect any layover service will be governed by a "4 and 1" scheduling. Appended to this agreement are the terms and conditions of said scheduling as well as a list of the work scheduling option to be applied to each pool.

Article IV - General


- a. It is understood and agreed this Agreement does not establish any pool guarantees or assured earnings. Neither does it infer or mandate any "shop average" work minimums, attendance standards or expectations where the assigned pool conductors are concerned.
- b. After this agreement has been in effect for a period of ninety (90) days, the parties agree to meet and make every effort to resolve any unforeseen issues that may arise in its application.
- c. After this agreement has been implemented for a minimum of ninety (90) days, it may be cancelled by either party, serving a ten (10) day notice upon the other.

Signed this 26 day of August, 2013.

**For the United Transportation
Union:**


Steve Simpson
General Chairman - UTU

**For the Union Pacific
Railroad:**


T. Gary Taggart
Director - Labor Relations

DISTRICT MILES AND START RANGE OF POOLS (Current Pool ID's)

21 - 24 STARTS

AX226	RT50 (Taylor Agg TA)	100
AX308	RT55 (NB Agg TA)	100
AX345	RT34 (SA-Laredo)	156
BA110	RT76 (Smth-Hous)	130
HM436	RT40 (Chck Regional)	130
HM563	RT44 (Chico Agg)	112
MK662	RT46 (Denison-McAlester)	130
TP090	RT10 (LV-Dal)	130
TP090	RT12 (LV-FW)	165
TP250	RT50 (FW-Dal TA)	130
TP250	RT48 (FW-Denison)	130
TP250	RT65 (FW-Hearne)	162
TP448	RT51 (SW Short Pool)	145
TS316	RT83 (Shvpt-LV TA)	130
TS316	RT87 (Shvpt – Alex)	130

19 - 22 STARTS

AX345	RT31 (SA-CC/KV)	185
AX345	RT30 (SA-DR/EP)	175
AX345	RT40 (SA-Hearne)	175
AX345	RT41 (SA-Hous)	216
HM436	RT45 (Chck-Wch)	195
MO486	RT40 (OKC-Wch)	190
SO387	RT21 (DR-Alpine)	220
TP090	RT02 (LV-Hearne)	198
TP250	RT46 (FW-Chck)	183
TP448	RT50 (Swee-Pecos)	199
TS316	RT90 (Shvpt-Dal)	190
TS316	RT85 (Shvpt-Liv)	202

4 and 1 Work Schedule Layover Freight Pool Assignments

1. Employees assigned to the pools noted below will be required to observe 23-hours of undisturbed time off at their home terminal after working four (4) consecutive trips/tours of duty pursuant to the 2008 Rail Safety Improvement Act (RSIA), as amended.

NOTE: The required undisturbed time off listed above, may be changed by mutual agreement.

2. That which constitutes a single or continuous trip/tour of duty under the FRA interpretation of the freight Hours of Service Laws pursuant to the 2008 Rail Safety Improvement Act (RSIA), as amended, will similarly constitute a single or continuous trip/tour of duty under the terms of this agreement.
3. Consecutive trips/tours of duty as defined herein are those that are initiated back-to-back without being separated by at least a 24-hour rest period between the off-duty time of the previous trip/tour of duty and the on-duty time of the next trip/tour of duty. The time encompassed in normal layover/rest time between trips, as well as layoffs (compensated and/or uncompensated) or any other time off (i.e. missed call, no show, etc.) totaling 24 hours or more in the aggregate, will serve to reset the consecutive trip counter.
4. If an employee in these pools is at other than the home terminal following completion of a fourth consecutive trip/tour of duty as defined herein, that employee will, upon return to the home terminal, thereafter be required to observe either his/her allotted time off in accordance with the terms of this agreement or the RSIA rest requirements (FR/FZ), whichever is applicable.
5. While an employee in this pool is at the home terminal observing either undisturbed time off hours as outlined herein or the RSIA rest requirements (FR/FZ) if applicable, the employee will assume and remain on their regular turn in the pool and their turn will continue to advance/move up in the pool's rotation. If the employee's turn reaches first-out status in the pool prior to the expiration of either of the above-referenced rest periods as required, his/her turn will be held in the first-out position in the pool until the employee is rested and called for service.

6. An employee in these pools whose turn stands for service in the pool while they are laying off or otherwise unavailable for service (compensated or uncompensated) will not have their turn held on the home terminal pool board. In such instances, the turn will be filled and operated out of the home terminal in the usual manner by the protecting extra board in accordance with the controlling collective bargaining agreement.

Pools (Current Pool ID's) to be governed by the above provisions:

AX345	RT34 (SA-Laredo)
BA110	RT76 (Smth-Hous)
MK662	RT46 (McAlester)
TP090	Rt10 (LV-Dal)
TP090	Rt12 (LV-FW)
TP250	RT48 (FW-Denison)
TP250	RT65 (FW-Hearne)
TP448	RT51 (SW Short Pool)
AX345	RT31 (SA-CC)
AX345	RT30 (SA-DR/EP)
AX345	RT40 (SA-Hearne)
AX345	RT41 (SA-Hous)
HM436	RT45 (Chck-Wch)
MO486	RT40 (OKC-Wch)
SO387	RT21 (DR-Alpine)
TP090	RT02 (LV-Hearne)
TP250	RT46 (FW-Chck)
TP448	RT50 (Swee-Pecos)
TS316	RT90 (Shvpt-Dal)
TS316	RT85 (Shvpt-Liv)
TS316	RT87 (Shrvp – Alex)

5 and 1 Work Schedule

Turnaround Pool Freight Assignments

1. Employees assigned to the pools listed below will be required to observe 23-hours of undisturbed time off at their home terminal after working five (5) consecutive trips/tours of duty under the FRA interpretation of the freight Hours of Service Laws pursuant to the 2008 Rail Safety Improvement Act (RSIA), as amended.

NOTE: The required undisturbed time off listed above, may be changed by mutual agreement.

2. That which constitutes a single or continuous trip/tour of duty under the FRA interpretation of the freight Hours of Service Laws pursuant to the 2008 Rail Safety Improvement Act (RSIA), as amended, will similarly constitute a single or continuous trip/tour of duty under the terms of this agreement.

3. Consecutive trips/tours of duty as defined herein are those that are initiated back-to-back without being separated by at least a 24-hour rest period between the off-duty time of the previous trip/tour of duty and the on-duty time of the next trip/tour of duty. The time encompassed in normal layover/rest time between trips, as well as layoffs (compensated and/or uncompensated) or any other time off (i.e. missed call, no show, etc.) totaling 24 hours or more in the aggregate, will serve to reset the consecutive trip counter.

4. If an employee in these pools is at other than the home terminal following completion of a fifth consecutive trip/tour of duty as defined herein, that employee will, upon return to the home terminal, thereafter be required to observe either his/her allotted time off in accordance with the terms of this agreement or the RSIA rest requirements (FR/FZ), whichever is applicable.

5. While an employee in this pool is at the home terminal observing either undisturbed time off hours as outlined herein, or the RSIA rest requirements (FR/FZ) if applicable, the employee will assume and remain on their regular turn in the pool and their turn will continue to advance/move up in the pool's rotation. If the employee's turn reaches first-out status in the pool prior to the expiration of either of the above-referenced rest periods as required, his/her turn will be held in the first-out position in the pool until the employee is rested and called for service.

6. An employee in these pools whose turn stands for service in the pool while they are laying off or otherwise unavailable for service (compensated or uncompensated) will not have their turn held on the home terminal pool board. In such instances, the turn will be filled and operated out of the home terminal in the usual manner by the protecting extra board in accordance with the controlling collective bargaining agreement.

Pools (Current Pool IDs) to be governed by the above provisions:

AX226	RT50 (Taylor Agg)
AX308	RT55 (NB Agg)
HM436	RT40 (Chck Regional)
HM563	RT44 (Chico Agg)
TP250	RT50 (FW-Dal)
TS316	RT83 (Shvpt-LV)