

**Memorandum of Agreement
Between
Union Pacific Railroad
And the
United Transportation Union**

**Remote Control Operator (RCO) Training
San Antonio Hub**

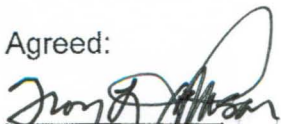
This refers to our discussion concerning instructor's allowance for employees providing Remote Control Operator (RCO) training. Currently, employees are required to pass conductor promotion prior to beginning RCO training. Accordingly, this has caused the employees (instructors) to no longer be entitled for the agreed upon training allowance. The parties recognize the importance and the additional duties that arise of the RCO instructor(s).

Accordingly, it is agreed:

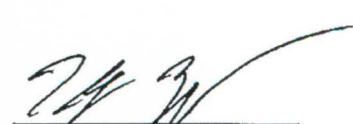
1. Conductors and/or yard foremen who assist in the on-the-job training of an RCO trainee will be entitled to the agreed upon training allowance.
2. Upon completion of the RCO training, employees operating the Remote Control Locomotive (RCL), will be afforded the forty-six (46) minutes as provided for under Section 2 of the Remote Control Agreement.
3. This agreement is only applicable when the RCO training is conducted with a new employee or an existing employee who has not been previously trained or qualified as an RCO Operator.
4. In instances where there are two (2) RCO trainees training on the same assignment, the brakeman/switchman who assist in the on-the job-training of an RCO trainee will be entitled to RCO training allowance of \$7.00.
5. The brakeman/switchman training allowance provided in Article 4 above will be subject to general wage increases and/or cost of living adjustments effective July 1, 2012.

If this correctly reflects your understanding, please indicated in the space provided below, returning a signed copy back to the office.

Agreed:



Troy Johnson
General Chairman – UTU



T. Gary Taggart
Director Labor Relations