

UNION PACIFIC RAILROAD COMPANY

1400 DOUGLAS STREET
OMAHA, NEBRASKA 68179



August 9, 2010

Mr. T. L. Johnson
General Chairperson – UTU
4411 Old Bullard Road, Suite 600
Tyler, TX 75703

Dear Sir:

This letter serves to confirm our conference wherein we discussed the number of days in which supplemental extra board employees must work to qualify for vacation. Specifically, the Carrier referenced the limited number of days included under National Vacation Agreements in determining vacation qualification for supplemental extra board employees on days they are marked up and available but no service was performed.

As discussed, a supplemental extra board employee's vacation entitlement is contractually determined by provisions contained in the 1949 National Vacation Agreement (as modified). Controlling agreement language can be found in Article V, Section 2(b) of the 1996 UTU National Agreement which provides:

"(b) Calendar days on which an employee assigned to an extra list is available for service and on which days he performs no service, not exceeding ninety (90) days, will be included in the determination of qualification for vacation; ..."

Notwithstanding, UTU insisted that unique characteristics of supplemental extra boards preclude some train service employees from qualifying for their vacation. In an effort to address items of mutual interest, IT IS AGREED:

1. Employees who work on a supplemental extra board for more than ninety (90) days in the same calendar year will have their next year's vacation calculated pursuant to Item 2 below. Otherwise, employees will have their next year's vacation calculated pursuant to the April 29, 1949 Vacation as modified by Article V, Section 2(b) of the 1996 UTU National Agreement quoted above. This guideline and qualifier only apply to supplemental boards for the sole purpose of vacation qualification.
2. (a) Consistent with the qualifier outlined in Item 1 above, calendar days on which an employee assigned to a supplemental extra board protecting road or combination road/yard service is available for service and on which

days he or she performs no service will have not exceeding one hundred twenty (120) days included in the determination of qualification for vacation. All other provisions of Article V, Section 2(b) of the 1996 UTU National Agreement remain in full force and effect.

(b) Consistent with the qualifiers outlined in Items 1 and 2(a) above, calendar days on which an employee is exclusively assigned to a yard supplemental extra board during an entire calendar year is available for service and on which days he or she performs no service will have not exceeding one hundred fifty (150) days included in the determination of qualification for vacation. All other provisions of Article V, Section 2(b) of the 1996 UTU National Agreement remain in full force and effect.

Note 1: To qualify for the one hundred fifty (150) days outlined in Item 2(b) above, supplemental extra board employees must have been assigned to a yard supplemental extra board during an entire previous calendar/qualifying year. Otherwise the ninety (90) or one hundred (120) day limitation as the case may be will apply in the determination of qualification for vacation.

Note 2: It is completely understood and agreed the calculation provision in this Item 2 will apply only to employees assigned to supplemental extra boards for more than ninety (90) days and will not apply to other type or named extra boards such as, but not limited to, yard extra boards, combination extra boards, reserve boards, etc.

3. All employees assigned to a supplemental extra board must take vacation in weekly segments.
4. In addition to the qualifiers and requirements outlined in Items 1, 2 and 3 above, all employees who have qualified for and take a vacation week(s) while assigned to supplemental extra boards will be paid for each week of such vacation 1/52 of the compensation earned by such employee during the calendar year preceding the calendar year in which the vacation is taken.

Minimum payment requirements contained in controlling vacation agreements will not apply when vacation is taken while an employee is assigned to a supplemental extra board.

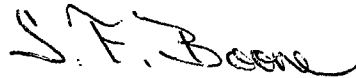
5. Article 22 of the April 1, 1980 Crew Consist Agreement and any subsequent modifications are hereby amended. Compensated personal leave days will commence within twenty-four (24) hours of its request subject to CMS approval. If the PL day(s) request is approved, CMS may require the

personal leave day(s) to commence at any time within the twenty-four (24) hours following such request.

6. This agreement does not change, amend or alter any of the applicable guarantee offset, proration or forfeiture provisions for any period(s) of unavailability.
7. It is understood this Agreement is designed to address unique circumstances to the mutual benefit of all parties. Accordingly, this Agreement will not prejudice the position of either party, will not establish any precedent, and will not be referred to in connection with any other case, agreement, negotiation (Local or National) and/or dispute resolution.
8. This agreement to may be cancelled with ten (10) days written notice by either party to the other on or before January 30th of each calendar year to be effective December 31st of the same calendar year. If such cancellation is served, it is understood vacation earned pursuant to this Agreement in the previous calendar year will be honored during the January 1st – December 31st timeframe as will other provisions contained herein.

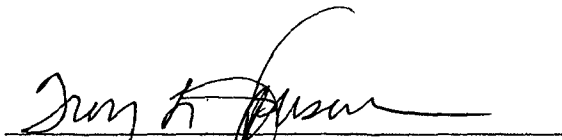
Your signature below will indicate the parties' concurrence in this matter.

Respectfully,



S. F. Boone
Director – Labor Relations

Agreed:



T. L. Johnson
General Chairperson – UTU



J. Previsich
Vice President - UTU

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August 9, 2010

Side Letter #1

Mr. T. L. Johnson
General Chairperson – UTU
4411 Old Bullard Road, Suite 600
Tyler, TX 75703

Dear Sir:

This refers to our Agreement dated August 9, 2010, modifying Article V, Section 2(b) of the 1996 UTU National Agreement for supplemental board employees. During negotiations, a question arose in connection with Item 4 of that Agreement reading:

“4. In addition to the qualifiers and requirements outlined in Items 1, 2 and 3 above, all employees who have qualified for and take a vacation week(s) while assigned to supplemental extra boards will be paid for each week of such vacation 1/52 of the compensation earned by such employee during the calendar year preceding the calendar year in which the vacation is taken.

Minimum payment requirements contained in controlling vacation agreements will not apply when vacation is taken while an employee is assigned to a supplemental extra board.”

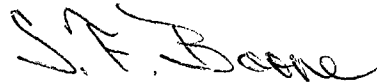
Specifically, UTU questioned whether minimum payment requirements contained in controlling vacation agreements would apply when an employee moves off the supplemental extra board to a regular assignment or traditional extra board position and thereafter observes his or her vacation. Assuming the supplemental extra board employee has qualified for vacation, minimum payment requirements will apply in such circumstance providing that employee has vacated the supplemental extra board and has worked a regular assignment or traditional extra board position for at least thirty (30) days prior to taking any vacation.

UTU further questioned whether minimum pay provisions would apply to that same employee should he or she return to the supplemental extra board and thereafter observe

any remaining vacation. The parties agree that minimum payment requirements contained in controlling vacation agreements will not apply to anyone taking any vacation while he or she is assigned to a supplemental extra board.

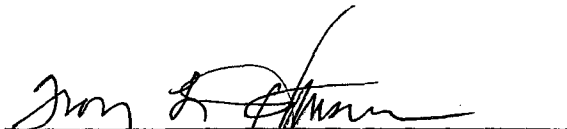
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Respectfully,



S. F. Boone
Director – Labor Relations

Agreed:



T. L. Johnson
General Chairperson – UTU



J. Previsich
Vice President – UTU

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August 9, 2010

Side Letter #2

Mr. T. L. Johnson
General Chairperson – UTU
4411 Old Bullard Road, Suite 600
Tyler, TX 75703

Dear Sir:

This refers to our Agreement dated August 9, 2010, modifying Article V, Section 2(b) of the 1996 UTU National Agreement for supplemental board employees.

Considering this modification could be implemented late in the year, employees listed on Attachment A hereto will be scheduled a 2010 vacation contingent upon the terms, conditions and understandings outlined herein.

1. The August 9, 2010 modification and related Side Letters must be ratified and executed by the parties for employees named on Attachment A to be scheduled a 2010 vacation.
2. The scheduling of a 2010 vacation to employees listed on Attachment A will not be construed or interpreted as their qualifying for vacation under controlling vacation agreements, will not establish any precedent and will not be referenced in any manner.
3. Vacation scheduling for employees listed on Attachment A will be determined by the CMS Southern Region Director contingent upon anticipated service requirements. Individual requests may be submitted to the CMS Director through the UTU General Chairman in an effort to accommodate these employees to the extent service requirements permit.
4. Vacation scheduling will be in blocks of one or more weeks consistent with the August 9, 2010 modification. Employees listed on Attachment A will not be allowed to take single vacation days in 2010.

5. Minimum payment requirements contained in controlling vacation agreements will not apply to the named employees regardless of the assignment he or she occupies while observing their 2010 assigned vacation.
6. It is understood and agreed that all employees must hereafter qualify for and earn their vacation pursuant to the controlling vacation agreements.
7. All claims and/or grievances filed in connection with and/or on behalf of employees involved in this dispute will be withdrawn and will not be progressed by the Organization.
8. All provisions of the August 9, 2010 Agreement modification will otherwise apply.


Your signature below will indicate the parties' concurrence in this matter.

Respectfully,



S. F. Boone
Director – Labor Relations

Agreed:



T. L. Johnson
General Chairperson – UTU



J. Previsich
Vice President – UTU

Attachment A

Side Letter 2 - August 9, 2010

	Name	Employee ID
1.	E. Bowers	115814
2.	A. Sarmiento	298474
3.	J. T. Hess	401607
4.	L. C. Martin	065685
5.	R. J. McDowell	263368
6.	G. S. Tryon	404049
7.	S. L. Rakowitz	058232
8.	E. C. Briggs	240616
9.	G. Redden	124062