

**IMPLEMENTING AGREEMENT
(Longview Hub)**

between the

UNION PACIFIC RAILROAD COMPANY

SOUTHERN PACIFIC TRANSPORTATION COMPANY

and the

UNITED TRANSPORTATION UNION

PREAMBLE

The U.S. Department of Transportation, Surface Transportation Board ("STB") approved the merger of the Union Pacific Corporation ("UPC"), Union Pacific Railroad Company/Missouri Pacific Railroad Company (collectively referred to as "UP") and Southern Pacific Rail Corporation, Southern Pacific Transportation Company ("SPT"), St. Louis Southwestern Railway Company ("SSW"), SPCSL Corp., and the Denver & Rio Grande Western Railroad Company ("DRGW") (collectively referred to as "SP") in Finance Docket 32760. In approving this transaction, the STB imposed New York Dock labor protective conditions. Copy of the New York Dock conditions is attached as Attachment "A" to this Agreement.

On May 14, 1997, the Carriers served notice of their intent to merge and consolidated operations generally in the following territories:

Union Pacific:	Longview to Ft. Worth (not including Mesquite or Ft. Worth or any stations between Mesquite and Ft. Worth.)
	Longview to Livonia (not including Alexandria or Livonia)
	Longview to Valley Junction (not including Valley Junction or Hearne)
	Texarkana Terminal Palestine, TX Troup, TX
Southern Pacific:	Big Sandy to Hearne (not including Hearne)

(St. Louis
Southwestern)

Big Sandy to Dallas (not including Mesquite or Dallas or
any station between Mesquite and Dallas).

Texarkana to Sulphur Springs (end of track) via the
SSW Commerce Subdivision

Texarkana Terminal
Lewisville, AR

Pursuant to Section 4 of the New York Dock protective conditions, in order to
achieve the benefits of operational changes made possible by the transaction and to
modify collective bargaining agreements to the extent necessary to obtain those benefits,

IT IS AGREED:

ARTICLE I - WORK AND ROAD POOL CONSOLIDATIONS

The following work/road pool consolidations and/or modifications will be made to
existing runs.

A. Zone 1 - Seniority District

Territory Covered: Longview to Livonia (not including Longview, Alexandria or
Livonia).

The above includes all UP/SP/SSW main lines, branch lines, industrial leads, yard
tracks and stations between or located at the points indicated. Where the phrase
"not including" is used above, it refers to other than through freight operations, but
does not restrict through freight crews from operating into/out of such
terminals/points or from performing work at such terminals/points pursuant to the
designated collective bargaining agreement provisions.

1. Pool freight operations between Longview and Livonia shall be
protected by either a long pool or two short pools. The long pool shall
operate Longview to Livonia with Longview as the home terminal.
The short pool will consist of:
 - a. One pool operating Longview to Shreveport, with Shreveport
as the home terminal, and
 - b. One pool operating Shreveport to Livonia, with Shreveport as
the home terminal.

For the first 180-day period following implementation of this
Agreement all pool freight operations shall be protected by the short
pools. Thereafter, Carrier may establish long pool operations by

service of a 15-day notice of intent to do so upon the appropriate General Chairman. It is understood no such service may be implemented until the parties have resolved the issue of relocation benefits (how many and to which employees) as provided under this Agreement.

2. Crews in this pool will be provided lodging at the away from home terminal pursuant to existing agreements and the Carrier shall provide transportation to crews between the on/off duty location and the designated lodging facility.
3. At Longview, crews called to operate pool freight service to Shreveport or Livonia may receive the train for which they were called up to twenty-five (25) miles on the far side of the terminal and run back through Longview to their destination without claim or complaint from any other trainman. At Shreveport, crews called to operate pool freight service to Longview or Livonia may receive the train for which they were called up to twenty-five (25) miles on the far side of the terminal and run back through Shreveport to their destination without claim or complaint from any other trainman. When so used, the crew shall be paid an additional one half (½) day at the basic pro rata through freight rate for this service in addition to the district miles of the run. If the time spent beyond the terminal under this provision is greater than four (4) hours, then they shall be paid on a minute basis at the basic pro rata through freight rate.
4. All road switcher/zone local and yard assignments at Marshall, Reisor, Lewisville or Shreveport shall be protected by trainmen from this seniority zone. Any such assignments, including irregular assignments (i.e., work train, wreck train, etc.) between Longview and Livonia (excluding Longview and Alexandria yards) shall be protected by trainmen from this seniority zone.
5. All UP, SP and SSW operations within the Shreveport terminal limits shall be consolidated into a single operation. For purposes of road crews leaving or receiving road trains, the terminal limits of Shreveport shall be extended westward to Mile Post 323.8 on the UP Reisor Subdivision. For purposes of yard operations the existing UP/SP/SSW switching limits of Shreveport yard will be combined to encompass all former yards and lines connecting same. All road crews may leave or receive their trains at any location within the terminal and may perform work within the terminal pursuant to the applicable collective bargaining agreement, including national agreements. Interchange rules are not applicable for intra-carrier moves within the terminal. The Carrier will designate the on/off duty points for all crews, with these on/off duty points having appropriate facilities as currently required in the collective bargaining agreement or by governmental statute or regulations.

6. All UP/SP/SSW rail lines, yards and/or sidings within or at Shreveport will be considered as common to all trainmen working in, into and out of Shreveport.

B. Zone 2 - Seniority District

Territory Covered: Longview to Valley Junction (not including Longview, Valley Junction or Hearne)

Big Sandy to Hearne (not including Hearne)

The above includes all UP/SP/SSW main lines, branch lines, industrial leads, yard tracks and stations between or located at the points indicated. Where the phrase "not including" is used above, it refers to other than through freight operations, but does not restrict through freight crews from operating into/out of such terminals/points or from performing work at such terminals/points pursuant to designated collective bargaining agreement provisions.

1. All Longview-Valley Junction and Big Sandy-Hearne pool operations shall be combined into one (1) pool with Longview as the home terminal. Valley Junction/Hearne will serve as the away from home terminal. Crews in this pool may operate between Longview/Big Sandy and Valley Junction/Hearne via any combination of former UP and SP/SSW trackage between these points. Crews going on duty at Longview and taking charge of their trains at Big Sandy or leaving their trains at Big Sandy and going off duty at Longview will be paid full district miles between Longview and Valley Junction/Hearne.
2. Crews in this pool will be provided lodging at the away from home terminal pursuant to existing agreements and the Carrier shall provide transportation to crews between the on/off duty location and the designated lodging facility.
3. At Longview or Big Sandy, crews called to operate pool freight service to Valley Junction/Hearne may receive the train for which they were called up to twenty-five (25) miles on the far side of the terminal and run back through Longview or Big Sandy to their destination without claim or complaint from any other trainman. At Valley Junction/Hearne, crews called to operate through freight service to Big Sandy/Longview may receive the train for which they were called up to twenty five (25) miles on the far side of the terminal and run back through Valley Junction/Hearne to their destination without claim or complaint from any other trainman. When so used, the crew shall be paid an additional one-half (1/2) day at the basic pro rata through freight rate for this service in addition to the district miles of the run. If the time spent beyond the terminal under this provision is greater than four (4) hours, then they shall be paid on a minute basis at the basic pro rata through freight rate.

4. All road switcher/zone local and yard assignments at Tyler, Troup, Corsicana or Big Sandy shall be protected by trainmen from this seniority zone. Any such assignments, including irregular assignments (i.e., work train, wreck train, etc.) between Longview and Valley Junction or Big Sandy and Hearne (excluding Longview and Hearne) shall be protected by trainmen from this seniority zone. (Note: It is acknowledged that assignments with an on duty location between Houston and Palestine, including Palestine, and working between such points, are covered by the Houston Hub Agreement. Operations at Palestine which operate between Palestine and Longview and between Palestine and Valley Junction/Hearne are covered by this Agreement).
5. Tyler terminal limits shall be extended to include the UP Tyler Industrial Lead between Mile Posts 8.0 and 26.3 (end of track). Pre-existing SSW Tyler Terminal limits remain unaffected. Upon implementation of this Agreement, Tyler will cease to function as a crew change location for through freight operations. Interchange rules are not applicable for intra-carrier moves within the terminal.
6. Any demarcation between former SP and SSW yards at Corsicana shall be extinguished and such yards shall be combined into a unified operation. Corsicana terminal limits shall extend between Mile Posts 208.0 and 211.0 on the SP Dallas Subdivision and to Mile Post 618.0 on the SSW Ennis Subdivision.

C. Zone 3 - Seniority District

Territory Covered:	Longview to Ft. Worth (not including Mesquite or Ft. Worth or any stations between Mesquite and Ft. Worth)
	Big Sandy to Dallas (not including Mesquite or Dallas or any stations between Mesquite and Dallas)
	Texarkana to Sulphur Springs (end of track) via SSW Commerce Subdivision

The above includes all UP/SP/SSW main lines, branch lines, industrial leads, yard tracks and stations between or located at the points indicated. Where the phrase "not including" is used above, it refers to other than through freight operations, but does not restrict through freight crews from operating into/out of such terminals/points or from performing work at such terminals/points pursuant to designated collective bargaining agreement provisions.

1. All Longview to Ft. Worth pool operations shall be combined into one (1) pool with Longview as the home terminal. Dallas/Ft. Worth will

serve as the destination terminal. Crews in this pool may operate between Longview and Ft. Worth via any combination of former UP or SSW trackage. Crews going on duty at Longview and taking charge of their trains at Big Sandy or leaving their trains at Big Sandy and going off duty at Longview will be paid full district miles between Longview and Ft. Worth

2. Crews in this pool will be provided lodging at the away from home terminal pursuant to existing agreements and the Carrier shall provide transportation to crews between the on/off duty location and the designated lodging facility.
3. Upon implementation of this Agreement, Mineola and Texarkana will cease to function as crew change locations for road operations except Texarkana will remain a crew change location for crews handling unit coal trains between North Little Rock/Pine Bluff and Winfield on the SSW Commerce Subdivision.
4. At Longview or Big Sandy, crews called to operate through freight service between Longview and Ft. Worth may receive the train for which they were called up to twenty-five (25) miles on the far side of the terminal and run back through Longview or Big Sandy to their destination without claim or complaint from any other trainman. When so used, the crew shall be paid an additional one half ($\frac{1}{2}$) day at the basic pro rata through freight rate for this service in addition to the district miles of the run. If the time spent beyond the terminal under this provision is greater than four (4) hours, then they shall be paid on a minute basis at the basic pro rata through freight rate.
5. All road switcher/zone local and yard assignments at Texarkana, Mt. Pleasant, Longview or Mineola shall be protected by trainmen from this seniority zone. Any such assignments, including irregular assignments (i.e., work train, wreck train, etc.) between Texarkana and Mesquite (excluding Marshall and Mesquite) or on the former SSW Commerce Subdivision between Texarkana and Sulphur Springs (end of track) will be protected by trainmen from this seniority zone.
6. The terminal limits of Longview shall extend between Mile Posts 88.5 and 96.2 on the UP Dallas Subdivision and to Mile Post 1.9 on the UP Palestine Subdivision. The terminal limits of Big Sandy shall extend between Mile Posts 524.0 and 527.0 on the SSW Pine Bluff Subdivision and between Mile Posts 112.0 and 115.0 on the UP Dallas Subdivision.
7. All UP and SSW operations within the Texarkana terminal limits shall be consolidated into a single operation.

8. All UP/SSW rail lines, yard and/or sidings at Texarkana will be considered as common to all trainmen working in, into and out of Texarkana. All road crews may receive or leave their trains at any location within the terminal and may perform work within the terminal pursuant to the applicable collective bargaining agreement, including national agreements.

ARTICLE II - OTHER OPERATIONS

- A. Certain trackage within the Longview Hub (e.g., the trackage between Texarkana and Big Sandy via Mt. Pleasant) is coextensive with trackage contained in the North Little Rock/Pine Bluff and Houston Hubs. Crews from either of these seniority districts may operate over such coextensive trackage as set forth in this Article without claim or complaint from other trainmen.
 1. Pool freight service originating at Houston and destined for Longview and/or Shreveport, and pool freight service originating at Longview and/or Shreveport and destined for Houston shall belong to trainmen of the Houston Hub.
 2. Pool freight service originating at North Little Rock/Pine Bluff destined for Longview/Big Sandy and/or Shreveport, and pool freight service originating at Longview/Big Sandy and/or Shreveport destined for North Little Rock/Pine Bluff shall belong to trainmen of the North Little Rock/Pine Bluff Hub.
 3. Trainmen of the Houston Hub have certain rights as defined in the Implementing Agreement for that hub to handle their own through freight trains between Longview and Marshall and between Shreveport and Marshall at times of main line service interruptions.
 4. Trainmen of the North Little Rock/Pine Bluff Hub have rights to operate over trackage between Marshall and Big Sandy in the handling of their own through freight trains between North Little Rock/Pine Bluff and Longview/ Big Sandy. (Note: In the event operating conditions require operations from North Little Rock/Pine Bluff to Longview/Big Sandy via Shreveport, such runs shall terminate at Shreveport and thereafter be handled between Shreveport and Longview by trainmen of the Longview Hub short pool.)
 5. Trainmen of the North Little Rock/Pine Bluff Hub may have certain rights, to be defined, if any, in the Implementing Agreement for that hub, to receive their through freight train up to twenty five (25) miles on the far side of the terminal and run back through the terminal to their destination.

6. Hours of Service relief of through freight trains originating at North Little Rock/Pine Bluff which have reached Lewisville or Texarkana or points beyond but which are not within the twenty-five (25) mile HOS relief zones described above, shall be performed by the Shreveport or Longview extra board unless a crew is dispatched from North Little Rock/Pine Bluff for crew balancing purposes. HOS relief for trains which have not reached Lewisville or Texarkana shall be protected by trainmen at North Little Rock/Pine Bluff.
7. Hours of Service relief of through freight trains originating at Longview/Big Sandy and destined Ft. Worth shall be performed by a Ft. Worth extra board if the train has reached Mesquite or beyond. It shall be determined between the Carrier and Organization prior to implementation which Ft. Worth extra board will be used for this purpose. If the train has not reached Mesquite, a Longview pool crew shall be used for such service. Hours of Service relief of through freight trains originating at Ft. Worth and destined Longview/Big Sandy shall be performed by away from home crews at Ft. Worth if the train has not reached Mesquite. If the train has reached Mesquite or beyond but is not within the 25-mile HOS zone of Longview/Big Sandy, such relief shall be performed by the Longview extra board.
8. Hours of Service relief of through freight crews originating at Longview/Big Sandy and destined Valley Junction/Hearne which have reached Corsicana but are not within the 25-mile zone of Valley Junction/Hearne shall be performed by the extra board at Hearne, if in existence. If not, it shall be performed by the first out rested away from home terminal crew. Upon completion of such service, said crew shall be placed first out upon rest for service back to Longview/Big Sandy. Hours of Service relief of through freight trains originating at Valley Junction/Hearne and destined Longview/Big Sandy which have reached Palestine but are not within the 25-mile zone of Longview/Big Sandy shall be performed by the Longview extra board. If the train has not reached Palestine, such relief shall be performed by away from home terminal crews from Valley Junction/Hearne.
9. Handling of the Winfield coal trains onto the SSW Commerce Subdivision west of Mt. Pleasant shall belong to trainmen of the Longview Hub. Such coal trains shall be handled by road extra board trainmen at Texarkana from Texarkana to the unloading point and return, or by extra board trainmen at Longview from Big Sandy to the unloading point and return.
10. When local, work, wreck, HOS relief, or other such road runs are called or assigned which operate exclusively within the territorial limits of one of the zones established in this Agreement, such service shall be protected by trainmen in such zone. If such run or assignment

extends across territory encompassing more than one zone contemplated by this Agreement, it will be protected by trainmen in the zone in which such service is home terminalled. For example, a local home terminalled at Texarkana operating to/from Palestine would be protected by Zone 3 trainmen.

11. Existing UP Mineola to North Little Rock, UP Texarkana to Palestine, SSW Pine Bluff to Tyler and SSW Tyler to Hearne ID runs will be suspended upon implementation of this Agreement.

ARTICLE III - SENIORITY CONSOLIDATIONS

A. To achieve the work efficiencies and allocation of forces that are necessary to make the Longview Hub operate efficiently as a unified system, a new seniority district will be formed and a master Trainmen Seniority Roster - UP Longview Merged Roster #1 will be created for the employees holding seniority in any territory comprehended by the Longview Hub on the effective date of this Agreement. (Where the word "trainmen" is used in this Agreement, it refers to conductors/foremen and brakemen/yardmen collectively.) The new roster will be divided into three (3) zones as described in Article I.A., I.B. and I.C.

B. Prior rights seniority rosters will be formed covering each of the three (3) zones outlined above. Trainmen who contributed work equity to their territory comprising each zone shall be entitled to placement on such rosters and awarding of prior rights on that zone. Placement on these rosters and awarding of prior rights to the respective zones shall be based upon the terms of the Agreement of October 8, 1996, and on the following:

1. Zone 1 - The roster will consist of former SSW trainmen with prior rights on SSW Shreveport (Roster No. 308502), former SP trainmen with prior rights on SP Shreveport Terminal (Roster No. 160501) and former trainmen with prior rights on UP Shreveport (TP) (Roster Nos. 015301, 015401, 015501 and 015502), Avondale (Roster Nos. 016301 and 016401) and Mineola (Roster Nos. 012301 and 012401).

The prior rights rosters for Zone 1 will consist of a prior rights conductor, brakeman and yardman (Shreveport and Marshall) roster.

2. Zone 2 - This roster will consist of former SP trainmen with prior rights on North End HTC (Roster Nos. 152301 and 152401), SSW Tyler (Roster Nos. 301301, 301401 and 308501), former UP trainmen with prior rights on Palestine Roster Merged 6B (Roster Nos. 014311 and 014411) and Mineola (Roster Nos. 012301 and 012401).

The prior rights roster for Zone 2 will consist of a prior rights conductor, brakeman and yardman (Tyler) roster.

3. Zone 3 - This roster will consist of former SSW trainmen with prior rights on SSW Dallas (Roster Nos. 307301 and 307401), SSW Texarkana (Roster No. 314501) and former UP trainmen on Mineola (Roster Nos. 012301, 012401, 012502 and 012503).

The prior rights rosters for Zone 3 will consist of a prior rights conductor, brakeman and yardman (Longview and Texarkana) roster.

- C. Seniority integration of the trainmen from the above affected former rosters into three (3) prior rights rosters will be done on the basis of work equity. The source of determining such equity will be furnished to the Organization and the Organization will furnish the Carrier with the necessary equity percentages prior to the roster formulation process.
- D. Entitlement to assignment on each prior rights roster shall be by canvass of the employees contributing equity to each of the zones set forth herein.
- E. Trainmen holding seniority on one or more prior rights rosters will be afforded common seniority on all other zone rosters in the Longview Hub. The common portion of the seniority roster for each zone shall be based upon seniority date as a trainman in the respective craft. If this process results in trainmen having identical common seniority dates, seniority will be determined by the age of the trainman, with the older trainman placed first.
- F. Union Pacific trainmen currently on an inactive roster pursuant to previous merger agreements and other UP, SP and SSW trainmen who are on long term leave of absence shall not participate in the roster formulation process described above; however, in the event they return to active service, they will take the appropriate equity slot to which they would have been entitled at such time of formulation of said roster and stand immediately ahead of the trainman assigned that slot. The Carrier and Organization shall jointly agree on all names of employees which are excluded from the roster formulation process and placed on an inactive roster.
- G. Subsequent to the implementation of this Agreement there shall be an annual adjustment of the seniority rosters, which shall occur on the anniversary date of the effective (implementation) date of this Agreement, to realign ("ratchet") the roster slots required due to trainmen returning to active service from an inactive roster. The precise method and details surrounding this annual roster adjustment will be determined between the Organization and the appropriate Director of Labor Relations during the 12-month period between the effective date of this Agreement and the first anniversary date thereof.
- H. With the creation of the new seniority district described herein, all previous seniority outside the Longview Hub held by trainmen on the new roster shall be eliminated and all seniority inside the new hub held by trainmen outside the district shall be eliminated.

- I. All trainmen vacancies within the Longview Hub must be filled prior to any trainmen being reduced from the working list or prior to trainmen being permitted to exercise to any reserve boards. This provision is not intended to modify or supersede existing agreement provisions, if any, which prohibit forcing prior rights trainmen to vacancies outside the territory comprehending their prior rights.
- J. Prior to the roster formulation process the Organization and the Carrier shall reach agreement upon the number of employees assigned to the new UP/UTU Longview Hub seniority district.
- K. Trainmen who have been promoted to engine service and held engine service seniority inside the Longview Hub on October 8, 1996 shall be placed on the appropriate roster(s) using their various trainmen seniority dates. Those engine service employees, who hold trainman seniority outside the Longview Hub will be canvassed during the roster formulation process for an election of where they desire to hold their trainman seniority after implementation, i.e., within or outside the Longview Hub.

ARTICLE IV - EXTRA BOARDS

- A. The following extra boards shall be established to protect vacancies and other extra board work into or out of the Longview Hub or in the vicinity thereof:
 - 1. Shreveport - One (1) combination conductor/brakeman extra board to protect all road extra service in Zone 1 except the Longview-Livonia pool, and one (1) yard extra board to protect all yard extra service in Zone 1.
 - 2. Longview - One combination conductor/brakeman extra board to protect each of the following:
 - a. Zone 1 pool freight extra service in the Longview-Livonia pool as defined in Article I.A.1. above.
 - b. All road extra service in Zone 2, except as modified by paragraph 3. below.
 - c. All road extra service in Zone 3, except as modified by paragraph 4. below.

In addition, there shall be one (1) yard extra board to protect all yard extra service in Zone 3.
 - 3. Tyler - One combination conductor/brakeman/switchman extra board to protect all assignments originating at Corsicana, Palestine or Tyler.

4. Texarkana - One combination conductor/brakeman extra board to protect all road extra service originating at Texarkana and one (1) yard extra board to protect all yard extra service at Texarkana.
- B. If additional extra boards are established or abolished after the date of implementation of this Agreement, it shall be done pursuant to the terms of the designated collective bargaining agreement. When established, the Carrier shall designate the geographic area the extra board will cover.

ARTICLE V - APPLICABLE AGREEMENTS

- A. All train service employees working in the territories comprehended by this Implementing Agreement will work under the Collective Bargaining Agreement currently in effect between the Union Pacific Railroad Company (former Texas Pacific Railroad), last reprinted December 15, 1991, including all applicable national agreements and all other side letters and addenda which have been entered into between date of last reprint and the date of this Implementing Agreement. Firemen shall likewise be governed by the current UP Agreement (between the former TP and BLF&E) effective September 1, 1949. Except as specifically provided herein, the system and national collective bargaining agreements, awards and interpretations shall prevail.
- B. Trainmen will be treated for vacation, entry rates and payment of arbitraries as though all their time on their original railroad had been performed on the merged railroad. Current SP/SSW trainmen coming under the coverage of the UP Agreement pursuant to this Implementing Agreement (including those engaged in trainmen training on such date) shall have entry rate provisions waived.
- C. The provisions of Article 5 of the UP(TP) Agreement, "Local Freight, Dodgers, Cane and Mixed Trains" shall not extended to any territories within the Longview Hub which were not subject to such rule prior to the date of this Implementing Agreement.
- D. Former SP/SSW trainmen who are covered by this Implementing Agreement and who were formerly covered by an SP/SSW Vacation Agreement shall be entitled to obtain the benefits of said SP/SSW Vacation Agreement for the balance of the calendar year 1997, and for the calendar year 1998 if otherwise earned in 1997. Thereafter, vacation benefits shall be as set forth by the UP(TP) Agreement on the merged territory.
- E. Trainmen protecting pool freight operations on the territories covered by this Agreement shall receive continuous held away from home terminal pay (HAHT) for all time so held at the distant terminal after the expiration of sixteen (16) hours. All other provisions in existing agreement rules and practices pertaining to HAHT pay remain unchanged.

F. Existing ID run provisions regarding overmile rate and meal allowances as contained in the current UP Texarkana to Palestine ID Agreement shall apply to the following through freight territories:

- Longview-Valley Junction/Hearne
- Longview-Ft. Worth
- Longview - Livonia
- Shreveport - Livonia

Current (non-ID) Agreement rules shall apply to the Longview-Shreveport short pool.

G. Except where specific terminal limits have been detailed in this Agreement, it is not intended to change existing terminal limits under applicable agreements.

H. Actual miles will be paid for runs in the Longview Hub. Examples are illustrated in Attachment "B".

ARTICLE VI - FAMILIARIZATION

A. Trainmen will not be required to lose time or "ride the road" on their own time in order to qualify for the new operations. Trainmen will be provided with a sufficient number of familiarization trips in order to become familiar with the new territory. Issues concerning individual qualifications shall be handled with local operating officers. The parties recognize that different terrain and train tonnage impact the number of trips necessary and the operating officer assigned to the merger will work with the local Managers and local chairmen in implementing this Section. It is understood that a Conductor who is making a familiarization trip pursuant to this provision shall undertake such trip with another Conductor who is familiar with such territory.

ARTICLE VII - IMPLEMENTATION

A. The Carrier will give at least thirty (30) days' written notice of its intent to implement this Agreement.

B. 1. Concurrent with the service of its notice, the Carrier will post a description of Zones 1, 2 and 3 described in Article I herein.

2. Ten (10) days after posting of the information described in B.1. above, the appropriate Labor Relations Personnel, CMS Personnel, General Chairmen and Local Chairmen will convene a workshop to implement assembly of the merged seniority rosters. At this workshop, the representatives of the Organization will construct consolidated

seniority rosters as set forth in Article III of this Implementing Agreement.

- C. The roster consolidation process shall be completed in five (5) days, after which the finalized agreed-to rosters will be posted for information and protest in accordance with the applicable agreements. If the participants have not finalized agreed-to rosters, the Carrier will prepare such rosters, post them for information and protest, will use those rosters in assigning positions, and will not be subject to claims or grievances as a result.
- D. Once rosters have been posted, those positions which have been created or consolidated will be bulletined for a period of seven (7) calendar days. Trainmen may bid on these bulletined assignments in accordance with applicable agreement rules. However, no later than ten (10) days after closing of the bulletins, assignments will be made.
- E.
 - 1. After all assignments are made, trainmen assigned to positions which require them to relocate will be given the opportunity to relocate within the next thirty (30) day period. During this period, the affected trainmen may be allowed to continue to occupy their existing positions. If required to assume duties at the new location immediately upon implementation date and prior to having received their thirty (30) days to relocate, such trainmen will be paid normal and necessary expenses at the new location until relocated. Payment of expenses will not exceed thirty (30) calendar days.
 - 2. The Carrier may, at its option, elect to phase-in the actual implementation of this Agreement. Trainmen will be given ten (10) days' notice of when their specific relocation/reassignment is to occur.

ARTICLE VIII - PROTECTIVE BENEFITS AND OBLIGATIONS

- A. All trainmen and firemen who are listed on the prior rights Longview Hub merged rosters shall be considered adversely affected by this transaction and consolidation and will be subject to the New York Dock protective conditions which were imposed by the STB. It is understood there shall not be any duplication or compounding of benefits under this Agreement and/or any other agreement or protective arrangement.
 - 1. Carrier will calculate and furnish TPA's for such employees to the Organization as soon as possible after implementation of the terms of this Agreement. The time frame used for calculating the TPA's in accordance with New York Dock will be November 1, 1995 through and including October 31, 1996.
 - 2. In consideration of blanket certification of all employees covered by this Agreement for wage protection, the provisions of New York Dock

protective conditions relating to "average monthly time paid for" are waived under this Implementing Agreement.

3. Test period averages for designated union officers will be adjusted to reflect lost earnings while conducting business with the Carrier.
 4. National Termination of Seniority provisions shall not be applicable to trainmen hired prior to the implementation date of this Agreement.
- B. Trainmen required to relocate under this Agreement will be governed by the relocation provisions of New York Dock. In lieu of New York Dock provisions, an employee required to relocate may elect one of the following options:
1. Non-homeowners may elect to receive an "in lieu of" allowance in the amount of \$10,000 upon providing proof of actual relocation.
 2. Homeowners may elect to receive an "in lieu of" allowance in the amount of \$20,000 upon providing proof of actual relocation.
 3. Homeowners in Item 2 above who provide proof of a bona fide sale of their home at fair value at the location from which relocated shall be eligible to receive an additional allowance of \$10,000.
 - a) This option shall expire within five (5) years from date of application for the allowance under Item 2 above.
 - b) Proof of sale must be in the form of sale documents, deeds, and filings of these documents with the appropriate agency.
- NOTE:** All requests for relocation allowances must be submitted on the prescribed form
4. With the exception of Item 3 above, no claim for an "in lieu of" relocation allowance will be accepted after two (2) years from date of implementation of this Agreement.
 5. Under no circumstances shall an employee be permitted to receive more than one (1) "in lieu of" relocation allowance under this Implementing Agreement.

6. Trainmen receiving an "in lieu of" relocation allowance pursuant to this Implementing Agreement will be required to remain at the new location, seniority permitting, for a period of two (2) years.

ARTICLE IX - CREW CONSIST

- A. Trainmen who come under the coverage of the UP(TP) Crew Consist Agreement shall be considered protected employees for crew consist purposes if their seniority date on their former carrier would have qualified them for such status had they worked under the UP(TP) Agreement since their entry into train service.
- B. As to the handling of the various productivity funds (where in existence), the following procedures will be followed:
 1. Productivity Funds will be frozen as of the effective date of implementation of the Merger Implementing Agreement. Monies in those funds will be distributed in accordance with the governing Productivity Fund Agreements.
 2. A new Productivity Fund shall be created on implementation day that will cover those trainmen in the Longview Hub, and the funds that cover trainmen outside the Hub shall continue for the trainmen who remain outside the Hub. The Longview Hub trainmen shall have no interest or share in payments made to those funds outside the hub after implementation date.
- C. Nothing in the Merger Implementing Agreement of this Article will change the manner in which Productivity Fund payments are made under applicable crew consist agreements.

ARTICLE X - FIREMEN

- A. This Agreement covers firemen. Pre-October 31, 1985 firemen will only have the right to exercise their fireman's seniority if unable to work an engineer's assignment within the Longview Hub. If unable to hold such a position, a pre-October 31, 1985 fireman would be permitted to exercise their fireman's seniority in accordance with the provisions contained in the current TP Firemen Agreement.
- B. Post October 31, 1985 firemen shall continue to be restricted to mandatory fireman assignments and if unable to work an engineer's assignment within the Longview Hub, they will be required to exercise their train service seniority.

- C. The seniority rosters for firemen will be a straight seniority dovetail roster maintaining existing prior rights.
- D. It is the Carrier's intent to execute a standby agreement with the Organization which represents firemen on the former SSW. Upon execution on that Agreement, said firemen on the former SSW will be fully covered by this Implementing Agreement as though the Organization representing them had been signatory hereto.

ARTICLE XI - HEALTH AND WELFARE

All trainmen of both carriers who are presently covered under United Health Care (former Travelers GA-23000) benefits shall continue to maintain such coverage after implementation of this Agreement. Any trainman who presently belongs to the Union Pacific Hospital Association will be granted an option to retain such coverage, it being understood, however, that once such election is made, such employee may not elect at a later date to revert to United Health Care coverage.

ARTICLE XII - SAVINGS CLAUSES


- A. The provisions of the applicable Schedule Agreement will apply unless specifically modified herein.
- B. Nothing in this Agreement will preclude the use of any trainmen to perform work permitted by other applicable agreements within the new seniority districts described herein, i.e., yardmen performing Hours of Service Law relief within the road/yard zone, ID trainmen performing service and deadheads between terminals, road switchers handling trains within their zones, etc.
- C. The provisions of this Agreement shall be applied to all employees covered by said Agreement without regard to race, creed, color, age, sex, national origin, or physical handicap, except in those cases where a bona fide occupational qualification exists. The masculine terminology herein is for the purpose of convenience only and does not intend to convey sex preference.


ARTICLE XIII - EFFECTIVE DATE

This Agreement implements the merger of the Union Pacific and Southern Pacific railroad operations in the area covered by Notice dated May 14, 1997.

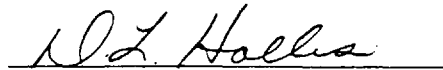
Signed at Omaha, Nebraska, this 20th day of August, 1997.


**FOR THE UNITED
TRANSPORTATION UNION:**


R. J. Rossi
General Chairman, UTU

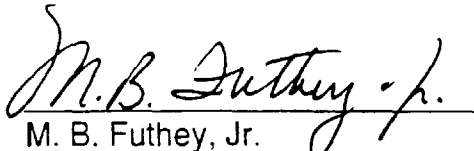

L. W. Parsons
General Chairman, UTU

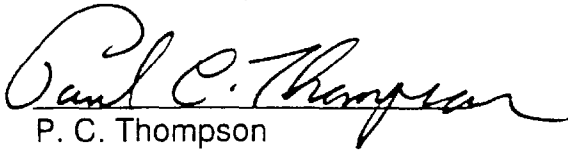

S. B. Rudel
General Chairman, UTU


D. L. Hollis
General Chairman, UTU

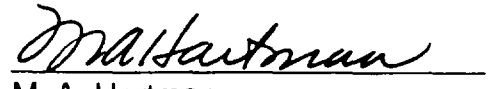

C. L. Crawford
General Chairman, UTU

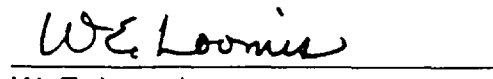
APPROVED:


M. B. Futhey, Jr.
Vice President, UTU


P. C. Thompson
Vice President, UTU

FOR THE CARRIERS:


M. A. Hartman
General Director-Labor Relations


W. E. Loomis
Director-Labor Relations

UNION PACIFIC RAILROAD COMPANY



1416 DODGE STREET
OMAHA, NEBRASKA 68179

Side Letter No. 1

August 20, 1997

MR. C. L. CRAWFORD
GENERAL CHAIRMAN, UTU
3104 EDLOE ST, STE. 207
HOUSTON, TX 77027

MR. D. L. HOLLIS
GENERAL CHAIRMAN, UTU
401 E. FRONT ST., STE. 140
TYLER, TX 75702

MR. L. W. PARSONS
GENERAL CHAIRMAN, UTU
SUITE 130
515 N. SAM HOUSTON PKWY E
HOUSTON, TX 77060

MR. R. J. ROSSI
GENERAL CHAIRMAN, UTU
2040 N. LOOP WEST, STE. 310
NORTH LOOP OFFICE PARK
HOUSTON, TX 77018

MR. S. B. RUDEL
GENERAL CHAIRMAN, UTU
7817 CAMELOT RD.
FT. WORTH TX, 76134

Gentlemen:

This refers to the Merger Implementing Agreement entered into this date between the Union Pacific Railroad Company, Southern Pacific Lines and the United Transportation Union.

During our negotiations we discussed Agreement provisions involving life insurance and disability insurance between Southern Pacific Lines and your Organization as follows:

UTU - C&T: Articles 4 and 6 of the Agreement dated May 1, 1996

UTU - S: Articles 2 and 8 of the Agreement dated May 21, 1996

UTU - E: Articles 9 and 15 of the Agreement dated July 16, 1996

It was your position that coverages provided by the former agreement should be preserved for the former Southern Pacific employees covered by this implementing Agreement.

This will confirm that Carrier agreed that these insurance premiums would be maintained at current levels and would be grandfathered to those former Southern Pacific employees who are covered by this Implementing Agreement and who are presently covered under those plans. These insurance premiums will be maintained at current levels for such employees for a six (6) year period commencing January 1, 1998, unless extended or modified pursuant to the Railway Labor Act.

It is understood this Agreement is made without prejudice to the positions of either party regarding whether or not such benefits are subject to preservation under New York Dock and it will not be cited by any party in any other negotiations or proceedings.


Side Letter No. 1
August 20, 1997
Mr. C. L. Crawford
Mr. D. L. Hollis
Mr. L. W. Parsons
Mr. R. J. Rossi
Mr. S. B. Rudel
Page 2

If the foregoing adequately and accurately sets forth our agreement in this matter, please so indicate by signing in the space provided for that purpose below.

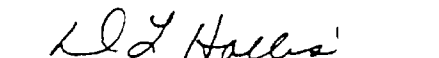
Yours truly,




M. A. Hartman
General Director - Labor Relations




C. L. Crawford
General Chairman, UTU



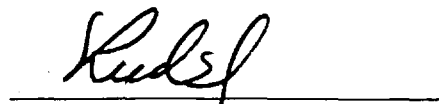
D. L. Hollis
General Chairman, UTU



L. W. Parsons
General Chairman, UTU



R. J. Rossi
General Chairman, UTU



S. B. Rudel
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY



1416 DODGE STREET
OMAHA, NEBRASKA 68179
Side Letter No. 2

August 20, 1997

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR D L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

Gentlemen:

This refers to the Merger Implementing Agreement entered into this date, and specifically regarding the manning of road switcher/dodger assignments at Arlington (BOP) by Mineola seniority district trainmen.

It was agreed that former Mineola trainmen will participating in the roster slotting process and be assigned to the Longview Hub merged seniority district, and the road switcher/dodger assignments at Arlington (BOP) (including Great Southwest jobs) will attrite to employees of the DFW Hub; however, those former Mineola trainmen who are occupying such road switcher/dodger assignments at Arlington (BOP) on date of implementation will have prior rights to these assignments as long as such assignments remain in effect, and so long as they are able in the normal course of seniority to hold such assignments.

If and when such trainmen vacate these assignments either through a voluntary exercise of seniority or through attrition such prior rights will cease to exist. When such assignment is vacated, a trainman of the Ft. Worth seniority district will be utilized to fill subject vacancy. Effective upon implementation of this Implementing Agreement, vacancies on said Arlington (BOP) assignments will be protected by the Ft. Worth north end road extra board.

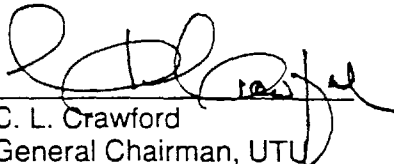
If the foregoing adequately and accurately describes our agreement in this regard, please do indicate by signing in the space provided for that purpose below.


Yours truly,

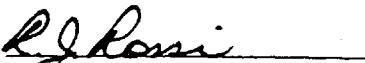
M. A. Hartman
General Director-Labor Relations

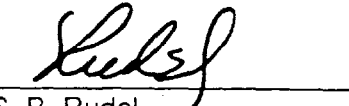
Side Letter No. 2
August 20, 1997
Mr. C. L. Crawford
Mr. L. W. Parsons
Mr. R. J. Rossi
Mr. S. B. Rudel
Mr. D. L. Hollis
Page 2


AGREED:


C. L. Crawford
General Chairman, UTU


L. W. Parsons, Sr.
General Chairman, UTU


R. J. Rossi
General Chairman, UTU


S. B. Rudel
General Chairman, UTU


D. L. Hollis
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 3

August 20, 1997

MR DON L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

Gentlemen:

This refers to the Merger Implementing Agreement entered into this date between Union Pacific Railroad Company, Southern Pacific Lines and the United Transportation Union.

The parties hereto realize that the merger of the former properties into a unified system is a complex undertaking and with the changes in operations and seniority territories, employees covered by this Agreement will be required to perform service on unfamiliar territory.

Familiarization will be a large undertaking, and it is to the benefit of both parties that this process begin as soon as possible so that implementation can occur in a more orderly and rapid manner. Therefore, it is understood that Carrier may begin qualifying trainmen on unfamiliar territory, to the extent it is feasible based upon operational and manpower constraints, between time of execution of this Implementing Agreement and date of implementation thereof.

It is understood that familiarization will be accomplished in accordance with Article VI - Familiarization of this Agreement. Employees making familiarization trips which involve greater mileages than their existing (pre-merger) runs will be paid actual mileage to the new objective terminal as contemplated in Article I of this Agreement. Local UTU officers will work with local Carrier officers to implement this Side Letter in the most effective manner.

If the foregoing adequately and accurately describes our agreement in this regard, please so indicate by signing in the space provided for that purposes below.

Yours truly,

A handwritten signature in cursive script, appearing to read "M. A. Hartman".

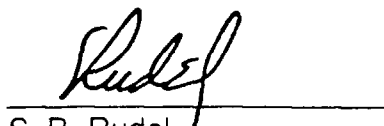
M. A. Hartman
General Director-Labor Relations

Side Letter No. 3
August 20, 1997
Mr. C. L. Crawford
Mr. D. L. Hollis
Mr. L. W. Parsons
Mr. R. J. Rossi
Mr. S. B. Rudel
Page 2

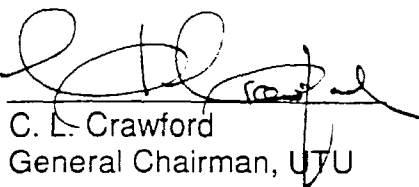
AGREED:



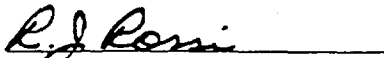
L. W. Parsons
General Chairman, UTU



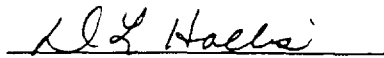
S. B. Rudel
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU



D. L. Hollis
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 4

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR D L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This has reference to the Merger Implementing Agreement entered into this date.

During our negotiations we discussed the issue of conductor promotion, and specifically the need to complete the conductor promotion classes on all the territories within the Longview Hub on an expedited basis so that the merged conductor rosters can be finalized.

In this regard it was agreed that the parties will mutually commit to an expedited process of scheduling/conducting conductor promotion classes throughout the Longview Hub so that all remaining trainmen have had the opportunity to participate in such program on or before July 1, 1998. Trainmen promoted to conductor during this window of opportunity shall be given a seniority date as conductor in accordance with the terms of the pre-existing agreement under which they were working prior to this Implementing Agreement.


If the foregoing adequately and accurately describes our agreement in this regard, please so indicate by signing in the space provided for that purpose below.

Yours truly,


A handwritten signature in black ink, appearing to read "M. A. Hartman". The signature is fluid and cursive, with a long horizontal stroke at the end.

M. A. Hartman
General Director - Labor Relations

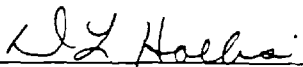
Side Letter No. 4
August 20, 1997
Mr. L. W. Parsons
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Mr. R. J. Rossi
Page 2



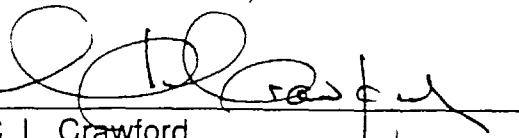
L. W. Parsons, Sr.
General Chairman, UTU




S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 5

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR D L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This has reference to the Merger Implementing Agreement entered into this date.

In Article III.F. and III.G. we agreed to continue maintaining an inactive roster to avoid the situation of equity slots on the roster being occupied by a trainman who was unlikely to ever return to active train service and actually protect that roster slot.

This will confirm that we agreed to place trainmen who have been promoted to engineer and who are working in engine service on implementation date of said inactive rosters.

Also, it is understood that when the annual roster adjustment set forth in Article III.G. occurs, the rosters will be realigned both upward and downward to account for trainmen attriting from the roster as well as those returning to active service from an inactive roster. The realigning of rosters is only applicable to the prior right portion of each roster.

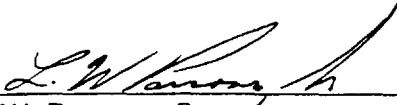
If the foregoing adequately and accurately sets forth our agreement in this matter, please so indicate by signing in the space provided for that purpose below.

Yours truly,

A handwritten signature in black ink, appearing to read "M. A. Hartman", with a long horizontal flourish extending to the right.

M. A. Hartman
General Director - Labor Relations

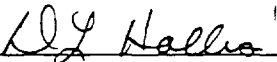
Side Letter No. 5
August 20, 1997
Mr. L. W. Parsons
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Mr. R. J. Rossi
Page 2



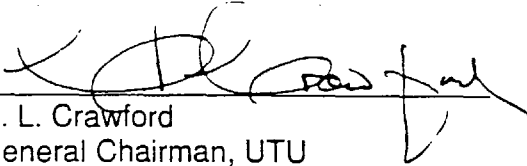
L. W. Parsons, Sr.
General Chairman, UTU



S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 6

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR D L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This has reference to the Merger Implementing Agreement entered into this date.

During our discussion regarding forfeiture of exterior seniority, your organization expressed concern regarding trainmen who may be forced from locations outside the Longview Hub to roster slots in the Longview Hub during the roster formulation process. In this specific regard, the Carrier agreed that such employees would be given rights to exercise seniority to other hubs where they previously held seniority in preference over new employees being hired for train service at such other hubs.

Trainmen exercising this option will be placed on the roster at the new hub in line with their original train service seniority date with all rights and privileges unimpaired.

The exercise of this option shall be considered a seniority move and shall be at the trainmen's own expense. A trainmen utilizing this provision to select a different hub will forfeit his seniority in the Longview Hub. The 2-year holddown set forth in Article VIII.B.6. shall not apply to such moves.

For purposes of application of this Side Letter, it was agreed that all trainmen assigned to the Longview Hub upon implementation shall be considered "forced" to the Longview Hub. Additionally, the rights set forth in this Side Letter shall terminate and have no further force or effect after five (5) calendar years following the date of implementation of this Agreement.

Side Letter No. 6
August 20, 1997
Mr. L. W. Parsons
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Mr. R. J. Rossi
Page 2

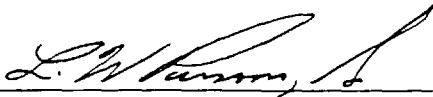
If the foregoing adequately and accurately describes our agreement in this regard, please so indicate by signing in the space provided for that purpose below.

Yours truly,



M. A. Hartman
General Director-Labor Relations

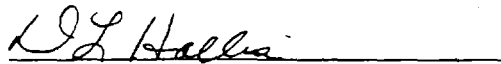
AGREED:




L. W. Parsons, Sr.
General Chairman, UTU



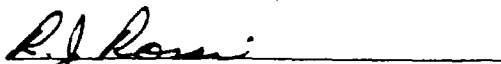
S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 7

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR D L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This has reference to the Merger Implementing Agreement entered into this date.

In our negotiations regarding calculation of TPA's under Article VIII.A.3., we discussed the specific case of a full-time Union Officer holding seniority in this hub who might, as a result of implementation of the Agreement, return to active train service. Carrier agreed to treat such cases by calculating the average of the TPA's of the two full-time employees above and below the said Union Officer on the roster and using that average, or the Union Officer's annual salary (divided by 12), whichever is greater, for purposes of applying protective benefits upon said Union Officer returning to active service.

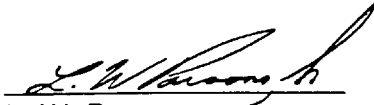
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Yours truly,

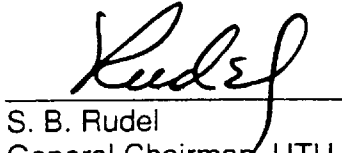
A handwritten signature in cursive script that reads "M. A. Hartman".

M. A. Hartman
General Director-Labor Relations

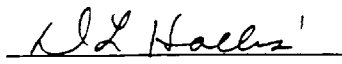
Side Letter No. 7
August 20, 1997
Mr. L. W. Parsons
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Mr. R. J. Rossi
Page 2



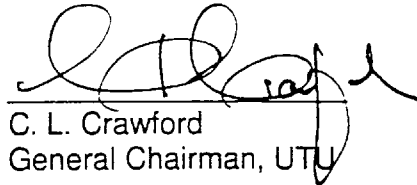
L. W. Parsons
General Chairman, UTU



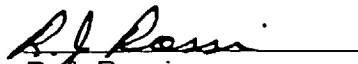
S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 8

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR DON L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This refers to the Merger Implementing Agreement entered into this date between the Union Pacific Railroad Company, Southern Pacific Lines, and the United Transportation Union.

In our discussions regarding Article V, this will confirm Carrier's commitment to provide copies of the designated collective bargaining agreement referenced therein to all former SP/SSW trainmen comprehended by this Implementing Agreement at the earliest possible date, but no later than by date of implementation of this Agreement.

Yours truly,

A handwritten signature in cursive script that reads "M. A. Hartman".

M. A. Hartman
General Director-Labor Relations

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68177



Side Letter No. 9

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR DON L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This has reference to our negotiations covering the Merger Implementing Agreement entered into this date between the Union Pacific Railroad Company, Southern Pacific Lines and the United Transportation Union. During these negotiations the Organization expressed concern that trainmen who expire on the Hours of Service Law would not be transported in a timely manner to the destination terminal.

This will confirm the advice given to you, i.e., that when a crew ties up on the Hours of Service before reaching the objective terminal, the Carrier will make every reasonable effort to relieve subject crew and transport them to the tie up point expeditiously. The Carrier recognized the interests of the railroad and its employees are best served when a train reaches the final terminal within the hours of service. In the event this does not occur, the Carrier is committed to relieving that crew and providing transportation as soon as practical. It is understood that this commitment contemplates transportation in the form of passenger vehicle, and crews shall not be transported to the tie-up point after Hours of Service tie-ups by means of train except in case of emergency or extraordinary circumstances which make providing a vehicle impossible.

In the event the Organization feels that this commitment is not being observed at a particular location, the General Chairman shall promptly contact the Director of Labor Relations in writing stating the reasons or circumstances thereof. Within ten (10) days after being contacted the Director of Labor Relations will schedule a conference between the parties to discuss the matter and seek a resolution. The conference will include the appropriate General Manager or his designate.

Yours truly,

A handwritten signature in cursive script, appearing to read "M. A. Hartman".

M. A. Hartman
General Director - Labor Relations

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 10

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR DON L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This has reference to our negotiations covering the Merger Implementing Agreement entered into this date between the Union Pacific Railroad Company, Southern Pacific Lines and the United Transportation Union.

During our negotiations we discussed the equity percentages developed by the Organization pursuant to Article III.C. of this Agreement. This will confirm our understanding that should any errors or omissions be ascertained between the date of this Merger Implementing Agreement and the date established for the slotting of the affected rosters, the parties will promptly meet to review the alleged disputes and seek an adjustment to the equity percentages if necessary. It is understood that any changes to the equity percentages which Carrier is requested to make, represent consensus among the Organization representatives.

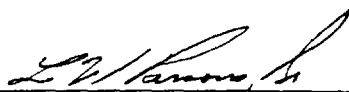
If the foregoing adequately and accurately sets forth our agreement in this matter, please so indicate by signing in the space provided for that purpose below.

Yours truly,


M. A. Hartman
General Director-Labor Relations

Side Letter No. 10
August 20, 1997
Mr. L. W. Parsons
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Mr. R. J. Rossi
Mr. R. D. Hogan
Page 2

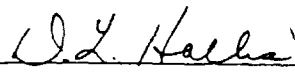
AGREED:



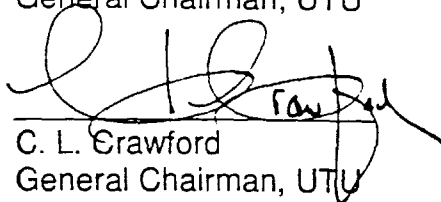
L. W. Parsons
General Chairman, UTU



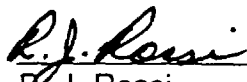
S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179

Side Letter No. 11



August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR DON L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This refers to the Merger Implementing Agreement for the Longview Hub entered into this date.

In discussing the relocation benefits in Article VIII.B. of the agreement, we discussed the situation where an employee may desire to sell his home prior to the actual implementation of the merger. Carrier committed to you that such employee would be entitled to treatment as a "homeowner" for relocation benefits purposes provided:

1. Upon actual implementation of the Merger Implementing Agreement the employee meets the requisite test of having been "required to relocate",
2. The sale of the residence occurred at the same location where the employee was working immediately prior to implementation, and
3. The sale of the residence occurred after the date of this Agreement.

If the foregoing adequately and accurately sets forth our agreement in this matter, please so indicate by signing in the space provided for that purpose below.

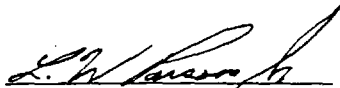
Yours truly,

A handwritten signature in cursive script that reads "M. A. Hartman".

M. A. Hartman
General Director - Labor Relations

Side Letter No. 11
August 20, 1997
Mr. L. W. Parsons
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Mr. R. J. Rossi
Page 2

AGREED:



L. W. Parsons
General Chairman, UTU



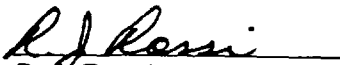
S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 12

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR DON L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST. STE 140
TYLER TX 75702

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

Gentlemen:

This refers to Merger Implementing Agreement for the Longview Hub entered into this date.

During our negotiations we discussed the matter of employees of the former SP/SSW who were entitled to buy back unused personal leave days after November 1 of each calendar year under their former agreement. It was agreed that former SSW/SP employees shall be entitled to exercise said buy back provision for the calendar year 1997 whether or not they are still covered by the former SP/SSW contract at year end.

If the foregoing adequately and accurately describes our agreement in this matter, please so indicate by signing in the space provided for that purpose below.

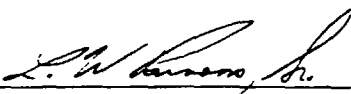
Yours truly,

A handwritten signature in cursive script, appearing to read "M. A. Hartman".

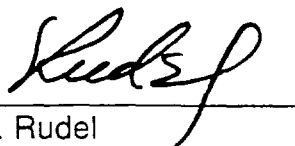
M. A. Hartman
General Director-Labor Relations

Side Letter No. 12
August 20, 1997
Mr. L. W. Parsons
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Mr. R. J. Rossi
Page 2

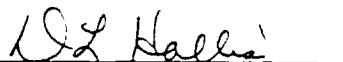
AGREED:



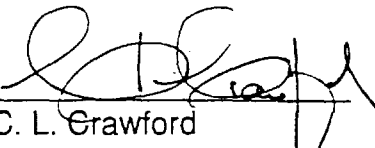
L. W. Parsons
General Chairman, UTU



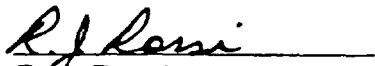
S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 13

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR DON L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This refers to the Merger Implementing Agreement for the Longview Hub entered into this date.

During our negotiations we discussed the status of thirteen (13) former SSW and ten (10) former SP employees at Dallas who are currently covered by the protective provisions of Article XIII of the January 27, 1972 UTU National Agreement as a result of institution of interdivisional service in 1988. It was agreed that in order for these employees to make an informed choice as to election of benefits (SEE Q. and A. No. 12 under Article VIII, Section A. hereof) it will be necessary for the Carrier to update the test period averages for such employees to reflect the application of the UP Agreement. It was agreed this update would be done and furnished to the employees involved on or before the date they are furnished their TPA's under Article VIII of this Agreement so that the required election of benefits may be made.

If the foregoing adequately and accurately describes our agreement in this matter, please so indicate by signing in the space provided for that purpose below.

Yours truly,

A handwritten signature in black ink, appearing to read "M. A. Hartman". The signature is fluid and cursive, with a long horizontal stroke at the end.

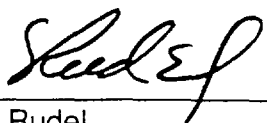
M. A. Hartman
General Director-Labor Relations

Side Letter No. 13
August 20, 1997
Mr. L. W. Parsons
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Mr. R. J. Rossi
Page 2

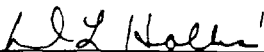
AGREED:



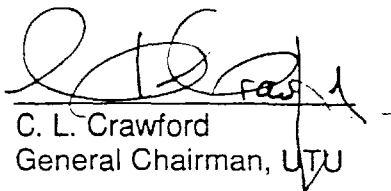
L. W. Parsons
General Chairman, UTU



S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 14

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR DON L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This refers to the Merger Implementing Agreement for the Longview Hub entered into this date.

During our negotiations we discussed the current method of supplementing the SSW extra board at Waco with trainmen on the Tyler extra board. It was our consensus that assignments/extra board employees at Waco will not exist after the DFW Hub is implemented. However, provisions for maintaining/protecting this service at Waco from time of implementation of the Longview Hub and time of implementation of the DFW Hub must be provided for. Therefore, it was agreed:

1. The practice of supplementing the Waco extra board, when exhausted, from the extra board at Tyler shall continue. When extra employees at Tyler are so used, they will be paid as through they were performing service within the Longview Hub.
2. The two prior rights Tyler trainmen protecting road local service at Waco shall participate in the formulation of the Longview Hub rosters and be grandfathered on their current local assignment at Waco until its discontinuance. At that time, they may exercise their Longview Hub seniority elsewhere within the Longview Hub.

If the foregoing adequately and accurately describes our agreement in this matter, please so indicate by signing the space provided for that purposes below.

Yours truly,

A handwritten signature in black ink, appearing to read "M. A. Hartman". The signature is fluid and cursive, with a long horizontal stroke at the end.

M. A. Hartman
General Director-Labor Relations

Side Letter No. 14
August 20, 1997
Mr. L. W. Parsons
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Mr. R. J. Rossi
Page 2

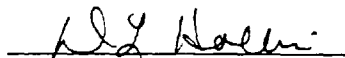
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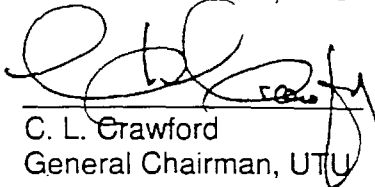
L. W. Parsons
General Chairman, UTU



S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 15

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR DON L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This refers to the Merger Implementing Agreement for the Longview Hub entered into this date.

This will confirm our agreement that if employees bid for roster slots in the Longview Hub and are denied such bids due to more employees bidding than available roster slots, a record will be kept of those denied applications for later consideration. When new employees are to be hired for the Longview Hub, those having been denied application shall have first rights to come to the Longview Hub. Such move will be at the employees own expense, but will be with full seniority rights.

If the foregoing adequately and accurately describes our agreement in this matter, please so indicate by signing in the space provided for that purpose below.

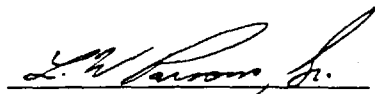
Yours truly,

A handwritten signature in black ink, appearing to read "M. A. Hartman", with a long horizontal flourish extending to the right.

M. A. Hartman
General Director-Labor Relations

Side Letter No. 15
August 20, 1997
Mr. L. W. Parsons
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Mr. R. J. Rossi
Page 2

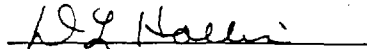
AGREED:



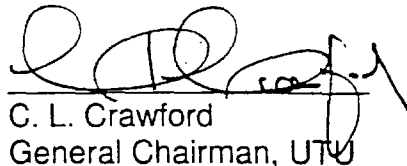
L. W. Parsons
General Chairman, UTU



S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 16

August 20, 1997

MR L W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR C L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE ST STE 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

MR R J ROSSI
GENERAL CHAIRMAN UTU
2040 N LOOP WEST STE 310
NORTH LOOP OFFICE PARK
HOUSTON TX 77018

MR DON L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

Gentlemen:

This refers to the Merger Implementing Agreement for the Longview Hub entered into this date.

During our discussions regarding Zones 2 and 3 and the prior rights to be established in such zones, some concern was expressed regarding the possibility of large amounts of traffic currently operating via Zone 2 routes shifting to Zone 3 routes. Carrier expressed its doubt that such would occur but did agree that if a significant diminishment of pool freight traffic (compared to the levels at time of implementation) occurred within the first five (5) years of implementation of this Agreement, Carrier's appropriate Director of Labor Relations would entertain a request by the General Chairman to make an adjustment of roster slots as between Zones 2 and 3, so long as it was without expense to the Carrier and would be done at the time of the annual roster adjustment described in Article III.G.

If the foregoing adequately and accurately describes our agreement in this matter, please so indicate by signing in the space provided for that purposes below.


Yours truly,

A handwritten signature in black ink, appearing to read "M. A. Hartman". The signature is fluid and cursive, written over a horizontal line.

M. A. Hartman
General Director-Labor Relations

Side Letter No. 16
August 20, 1997
Mr. L. W. Parsons
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Mr. R. J. Rossi
Page 2

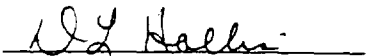
AGREED:



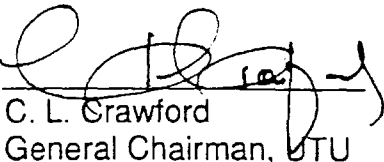
L. W. Parsons
General Chairman, UTU



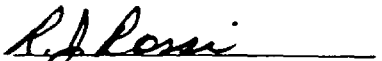
S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU



R. J. Rossi
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



Side Letter No. 17

August 20, 1997

MR ROBERT J ROSSI
GENERAL CHAIRMAN UTU-S&E
2040 N LOOP WEST STE 310
HOUSTON TX 77018

MR DON L HOLLIS
GENERAL CHAIRMAN UTU
401 E FRONT ST STE 140
TYLER TX 75702

MR LARRY W PARSONS SR
GENERAL CHAIRMAN UTU(C&T)
SUITE 130
515 N SAM HOUSTON PKWY E
HOUSTON TX 77060

MR CARL L CRAWFORD
GENERAL CHAIRMAN UTU
3104 EDLOE RM 207
HOUSTON TX 77027

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

Gentlemen:

This has reference to the Merger Implementing Agreement for the Longview Hub entered into this date.

Subsequent to the initialing of the Longview Hub Agreement, several errors and omissions have been discovered, which require the following amendments/clarifications to the Agreement:

1. Side Letter No. 14 is amended to include the SSW employees presently protecting the Waco yard assignment and Waco extra board.
2. Local Chairmen who have missed work opportunities due to performing business will have their test period averages calculated on the basis the two employees above and below them on the roster so that their test period averages are not adversely affected by virtue of performing said union business.
3. It is agreed there was no intent that local service operating exclusively between Texarkana and North Little Rock/Pine Bluff or between Shreveport and North Little Rock/Pine Bluff would be given to employees of the Longview Hub. Such service would belong to employees of the North Little Rock/Pine Bluff Hub regardless of the home terminals of such local assignments.
4. Article IV-Extra Boards is in error in providing that the extra board protecting the Longview-Shreveport short pool will be established at Longview. Since the home terminal of said short pool is at Shreveport, the extra board also should be at Shreveport.

Side Letter No. 17
August 20, 1997
Mr. R. J. Rossi
Mr. L. W. Parsons, Sr.
Mr. S. B. Rudel
Mr. D. L. Hollis
Mr. C. L. Crawford
Page 2

5. In view of the language in Article I.A.5 including Reisor Yard written the terminal units of Shreveport for purposes of leaving or receiving road trains, it is understood any actual additional road miles operated by virtue of their change would be paid to the road crews involved.


If the foregoing adequately and accurately describes our agreement in this matter, please so indicate by signing in the space provided for that purpose below.

Yours truly,

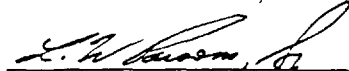


M. A. Hartman
General Director - Labor Relations

AGREED:



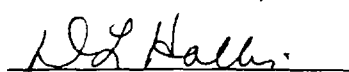
R. J. Rossi
General Chairman, UTU



L. W. Parsons, Sr.
General Chairman, UTU



S. B. Rudel
General Chairman, UTU



D. L. Hollis
General Chairman, UTU



C. L. Crawford
General Chairman, UTU

cc: M. B. Futhey, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

QUESTIONS AND ANSWERS - LONGVIEW HUB

ARTICLE I - WORK AND ROAD POOL CONSOLIDATION

- Q.1. What is the impact of joint terminal operations, such as Shreveport, for example, being "consolidated into a single operation"?
- A.1. In a consolidated terminal, all road crews can receive/leave their trains at any location within the boundaries of the new Shreveport Terminal and may perform work anywhere within those boundaries pursuant to the applicable collective bargaining agreement. The Carrier will designate the on/off duty points for road crews. All rail lines, yards, and/or sidings within the Shreveport Terminal are considered as common to all crews working in, into and out of Shreveport and all road crews may perform all permissible road/yard moves pursuant to the applicable collective bargaining agreements. It is not the intent of this agreement to modify or supersede the application of existing road/yard rules contained in the National Agreements.
- Q.2. How is a crew, which received their train twenty-five (25) miles on the far side of the terminal as contemplated by Article I.A.B. or C. compensated?
- A.2. When so used, the crew shall be paid an additional one-half (½) basic day for this service in addition to the district miles of the run. If the time spent beyond the terminal is greater than four (4) hours, they shall be paid on a minute basis at the basic pro rata through freight rate. Miles within the zone are not added to the district miles of the run. Time spent within the zone does not factor into the computation of overtime; however, if the time spent within the zone produces road overtime earnings in excess of the minimum four (4) hour payment, the higher overtime earnings would apply.
- Q.3. If a crew in the twenty-five (25) mile zone is delayed in bringing the train into the origin terminal so that it does not have time to go to the destination terminal, what will happen to the crew?
- A.3. If the crew has operated back through the origin terminal, they will be transported to the destination terminal, unless emergency conditions prevent such, and be paid district miles and a minimum of four (4) hours at the pro rata rate.
- Q.4. In regards to Question 3 above. What happens if a crew in the twenty-five (25) mile zone is delayed and does not depart the origin terminal a second time?
- A.4. The crew will be released at the origin terminal, paid a basic day, and a minimum of four (4) hours at the pro rata rate.
- Q.5. In regards to Question 2 above, what happens if a crew in the twenty-five (25) mile zone is delayed and spends more than eight (8) hours in the zone before returning to the origin terminal? Is the answer to Question 2 above intended to deny payment of overtime for time spent in excess of eight (8) hours in the twenty-five (25) mile zone?

- A.5. No, if a crew spends more than eight (8) hours in the twenty-five (25) mile zone, overtime would apply for all such time in excess of eight (8) hours in the zone.
- Q.6. Is it the intent of this agreement to use trainmen beyond the 25-mile zone?
A.6. No.
- Q.7. May the twenty-five (25) mile zone be used for inbound road crews to operate up to 25 miles past their destination terminal?
A.7. No, The 25-mile zone provisions apply to outbound crews at their origin terminal only, and under no circumstances do such provisions apply to an arriving crew at their destination terminal.
- Q.8. What happens if a crew in the twenty-five (25) mile zone is delayed and does not depart the origin terminal a second time?
A.8. If the origin terminal is the home terminal, the crew will be released at the origin terminal, paid a basic day, and a minimum of four (4) hours at the pro rata rate. If the origin terminal is the away terminal, the crew will be deadheaded to the destination terminal, except in cases of emergency.
- Q.9. What is intended by the words "at the basic pro rata through freight rate" as used in Article I.A.3., I.B.3, and I.C.4.?
A.9. Payment would be at the high (unfrozen) through freight rate of pay which is applicable to the service portion to the trip.
- Q.10. How will initial terminal delay be determined when performing service as outlined above?
A.10. Initial terminal delay for trainmen entitled to such payments will be governed by the applicable collective bargaining agreement and will not commence when a crew operates back through the on-duty point. Operation back through the on-duty point shall be considered as operating through an intermediate point.

ARTICLE II - OTHER OPERATIONS

- Q.1. When a crew is used for hours of service relief at the away from home terminal pursuant to Article II.A.7. and II.A.8. may such crew be used to provide relief for more than one train?
A.1. No, when the crew returns to the away from home terminal after performing hours of service relief (on only one train) said crew will stand first out when rested and shall next be either deadheaded or perform actual service to the home terminal.

ARTICLE III - SENIORITY AND WORK CONSOLIDATIONS

- Q.1. What is the significance of the work equity of the former rosters, and give an example of how work equity is used to formulate an "equity" consolidated roster.

A.1. The formula used to accomplish this, since it is based upon the percentage of the total work brought by each interested roster to the new merged roster, actually incorporates or builds into the new rosters the prior rights of each interested roster to the work they brought. The formula is actually quite uncomplicated. Once all work equities have been measured and converted to a percentage of the total, those percentages are entered into the formula as indicated by the following example:

COMPUTATION-SELECTION ORDER LIST

Roster (a) entitled to 46%

Roster (b) entitled to 39%

Roster (c) entitled to 15%

Roster Position	(a)	(b)	(c)
1	0.46 (1)	0.39	0.15
	-1.00		
	-0.54	0.39	0.15
	0.46	0.39	0.15
2	-0.08	.78 (1)	0.30
		-1.00	
	-0.08	-0.22	0.3
	0.46	0.39	0.15
3	0.38	0.17	.45 (1)
			-1.00
	0.38	0.17	-0.55
	0.46	0.39	0.15
4	.84 (2)	0.56	-0.40
	-1.00		
	-0.16	0.56	-0.40
	0.46	0.39	0.15
5	0.30	.95 (2)	-0.25
		-1	
	0.30	-0.05	-0.25
	0.46	0.39	0.15
6	.76 (3)	0.34	-0.10
	-1		
	-0.24	0.34	-0.10
	0.46	0.39	0.15
7	0.22	.73 (3)	0.05
		-1.00	
	0.22	-0.27	0.05
	0.46	0.39	0.15
8	.68 (4)	0.12	0.20
	-1.00		
	-0.32	0.12	0.20

Under the above formula, the first ten roster positions using the hypothetical percentages of 46%, 39% and 15% would be:

1. a
2. b
3. c
4. a
5. b
6. a
7. b
8. a
9. b
10. c

To summarize, the roster profiles developed for each merged seniority district were based upon the percentage of work equity as inserted into the above-described formula.

ARTICLE V - APPLICABLE AGREEMENTS

Q.1. When the Merger Implementing Agreement becomes effective what happens to existing claims previously submitted under the prior agreements?

A.1. The existing claims shall continue to be handled in accordance with the former agreements and the Railway Labor Act. No new claims shall be filed under those former agreements once the time limit for filing claims has expired.

ARTICLE VIII - PROTECTIVE BENEFITS AND OBLIGATIONS

Section A:

Q.1. What is blanket certification?

A.1. An understanding reached by the parties that an employee will be provided the benefits of the applicable labor protective conditions without having to prove he was adversely affected as a result of implementation of this Agreement.

Q.2. How will test period earnings be calculated for employees returning to service following extended absence (a period of one year or more)?

A.2. Their test period earnings will be the average of the test period earnings of the two (2) employees next junior and two (2) employees next senior to such individual returning to service.

Q.3. How does the Carrier calculate test period earnings if, during the last twelve (12) months, an employee has missed two (2) months compensated service?

A.3. The Carrier will go back fourteen (14) months (or however many months necessary) to calculate the test period earnings based on twelve (12) months compensated service.

Q.4. How will an employee be advised of his test period earnings?

A.4. Test periods will be furnished to each individual and their appropriate General Chairman.

- Q.5. An employee is off one or more days of a month in the test period account of an on-duty personal injury. Will that month be used in computing test period averages?
A.5. Yes, if the employee performed other compensated service during the month.
- Q.6. Is vacation pay received during the test period considered as compensation?
A.6. Yes.
- Q.7. How is length of service calculated?
A.7. It is the length of continuous service an employee has in the service of the Carrier, as defined in the Washington Job Protection Agreement of 1936.
- Q.8. If an employee has three years of engine service and three years of train service, how many years of protection will they have?
A.8. Six.
- Q.9. What prorated portion of a protection guarantee will be deducted for an employee working on a guaranteed extra board whereon such employee is entitled to lay off up two (2) days per month without deduction of the extra board guarantee?
A.9. No deduction will be made from the protection guarantee for the first two (2) days of layoff during the month. Layoffs in excess of two (2) will result in a prorated deduction from the protection guarantee on the basis of the number of days in the month for each day of layoff in excess of two. [Except mileage regulation lay-off.]
- Q.10. How will employees know which jobs are higher rated?
A.10. The Carrier will periodically post job groupings identifying the highest to lowest paid jobs.
- Q.11. Will specific jobs be identified in each grouping?
A.11. Pools, locals and extra boards, with different monetary guarantees, may be identified separately but yard jobs and road switchers will not be.
- Q.12. What rights does an employee have if he is already covered under labor protection provisions resulting from another transaction?
A.12. Section 3 of New York Dock permits employees to elect which labor protection they wish to be protected under. By agreement between the parties, if an employee has three years remaining due to the previous implementation of Interdivisional Service the employee may elect to remain under that protection for three years and then switch to the number of years remaining under New York Dock. If an employee elects New York Dock then he/she cannot later go back to the original protection even if additional years remain. It is important to remember that an employee may not receive duplicate benefits, extend their protection period or count protection payments under another protection provision toward their test period average for this transaction.
- Q.13. Will the Carrier offer separation allowances?
A.13. The Carrier will review its manpower needs at each location and may offer separation allowances if the Carrier determines that they will assist in the merger implementations. Article I Section 7 of New York Dock permits an employee that is

“dismissed” as defined by New York Dock to request a separation allowance within seven days of his/her being placed in dismissed status in lieu of all other benefits.

Q.14. Does an employee who elects to exercise his seniority outside the Longview Hub and not participate in the formulation of rosters for the new Longview Hub qualify for wage protection?

A.14. The certification agreed to under Article VIII applies only to those employees who are slotted on the newly formed Longview Hub rosters.

Q.15. In applying the “highest rated job” standard to a protected employee, may the Carrier require an employee to take a higher rated job (or use those earnings as an offset against the protection guarantee) which would require a change in residence?

A.15. No, unless the job is protected from that source of supply point.

Section B:

Q.1. Who is required to relocate and is thus eligible for the allowance?

A.1. A trainman who can no longer hold a position at his location and must relocate to hold a position as a result of the merger. This excludes trainmen who are borrow outs or forced to a location and released.

Q.2. Are there mileage components that govern the eligibility for an allowance?

A.2. Yes, the employee must have a reporting point farther than his old reporting point and at least 30 miles between the current home and the new reporting point and at least 30 miles between reporting points.

Q.3. Can you give some examples?

A.3. The following examples would be applicable.

Example 1: Trainman A lives 80 miles east of Longview and works a road switcher assignment at Longview. As a result of the merger he is assigned to a road switcher with an on duty point 25 miles east of Longview. Because his new reporting point is closer to his place of residence no relocation allowance is given.

Example 2: Trainman B lives 35 miles east of Shreveport and goes on duty at the SP yard office in Shreveport. As a result of the merger he goes on duty at the UP yard office in Shreveport which is one mile away. No allowance is given.

Example 3: Trainman C lives in Mineola and is unable to hold an assignment at that location and must place on an assignment at Longview. The employee meets the requirement for an allowance and whether he is a homeowner, a homeowner who sells their home or a non-homeowner determines the amount of the allowance.

Example 4: Trainman D lives in Longview and can hold an assignment in Longview but elects to place on a road switcher at Texarkana. Because the employee can hold in Longview, no allowance is given.

Example 5: Trainman E lives in Ft. Worth and holds, seniority rights at Longview at time of canvassing. He relocates from Ft. Worth to Longview to claim his equity slot in the Longview Hub. The employee meets the requirements for a relocation allowance.

Q. 4. Why are there different dollar amounts for non-home owners and homeowners?

A. 4. New York Dock has two provisions covering relocating. One is Article I Section 9 Moving expenses and the other is Section 12 Losses from home removal. The \$10,000 is in lieu of New York Dock moving expenses and the additional \$10,000 or \$20,000 is in lieu of loss on sale of home.

Q. 5. Why is there a set amount offered on loss on sale of home?

A. 5. It is an in lieu of amount. Trainmen have an option of electing the in lieu of amount or claiming New York Dock benefits. Some people may not experience a loss on sale of home or may not want to go through the procedures to claim the loss under New York Dock.

Q. 6. What is loss on sale of home for less than fair value?

A. 6. This refers to the loss on the value of the home that results from the Carrier implementing this merger transaction. In many locations the impact of the merger may not affect the value of a home and in some locations the merger may affect the value of a home.

Q. 7. Can you give an example?

A. 7. Prior to the merger announcement a home was worth \$60,000. Due to numerous employees transferring from a small city the value drops to \$50,000. Upon approval of the sale by the Carrier employee is entitled to \$10,000 under Section 12 and the expenses provided under Section 9, or the owner can claim the in lieu of amount of \$30,000.

Q. 8. If the parties cannot agree on the loss of fair value what happens?

A. 8. New York Dock Article I Section 12 (d) provides for a panel of real estate appraisers to determine the value before the merger announcement and the value after the merger transaction.

Q. 9. What happens if an employee sells a home valued at \$50,000 for \$20,000 to a family member?

- A. 9. That is not a bona fide sale and the employee would not be entitled to either an in lieu of payment or a New York Dock payment for the difference below the fair value.
- Q. 10. What is the most difficult part of New York Dock in the sale transaction?
- A. 10. Determine the value of the home before the merger transaction. While this can be done through the use of professional appraisers, many people think their home is valued at a different amount.

**Mileages of Runs
Attachment "B"**

<u>From/To Terminals</u>	<u>Miles Run</u>
Longview to Livonia	260
Longview to Shreveport	basic day per class of service
Shreveport to Livonia	202
Longview to Valley Junction	176
Longview to Hearne via Big Sandy	210
Longview to Ft. Worth	163

All mileages shown are approximations and are subject to final verification.

LONGVIEW HUB SIDE LETTERS

- # 1 - SP/SSW Life and Disability Insurance Coverage
- # 2 - BOP Grandfathering Assignments
- # 3 - Familiarization
- # 4 - Conductor Promotion
- # 5 - Maintaining Inactive Rosters
- # 6 - Forfeiture of Exterior Seniority - Considered "Forced"
- # 7 - TPA for Union Officers (Full Time)
- # 8 - Providing CBA to Former SP/SSW Employees
- # 9 - Hours of Service Crews Being Transported Timely
- #10 - Equity and Slotting Corrections and Disputes
- #11 - Selling of Home Prior to Implementation
- #12 - Buyback of Unused Personal Leave Days for SP/SSW
- #13 - Update TPA for SP/SSW to Reflect Applications of UP Agreement
- #14 - SSW Employees Protecting Waco Vacancies
- #15 - Excess Employees Rights to Return to Hub
- #16 - Traffic Diverted from Zone 2 to 3 Rights for Readjustment
- #17 - Corrections of Errors and Omissions
 1. Amend S.L. #14 to Include SSW Employees in Waco
 2. TPA for Local Chairmen
 3. Addressing Local Service Between in Little Rock Hub
 4. Extra Board (Art. IV) for Short Pool to be in Shreveport
 5. Pay for Actual Additional Miles at Shreveport/Reisor

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



November 19, 1997

MR DON L HOLLIS
ASSOC. GEN CHAIRMAN UTU
P O BOX 580
LINDALE TX 75771

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

Gentlemen:

This has reference to our conversations in Omaha on November 19, 1997 in connection with roster slotting for the Longview Hub.

Notwithstanding the language in the first sentence of Article III.E., which was inadvertently duplicated from the Houston Hub Agreement, this will confirm our intent and agreement that employees declaring for the Longview Hub roster must make an election to one prior rights zone within the hub. It is not the intent of the parties that any employee in the Longview Hub would have prior rights in more than one prior rights zone.

If the foregoing adequately and accurately sets forth our agreement in this matter, please so indicate by signing in the space provided for that purpose below.

Yours truly,

A handwritten signature in cursive script that reads "M. A. Hartman".

M. A. Hartman
General Director-Labor Relations

AGREED:

D. L. Hollis (Rud)
D. L. Hollis
General Chairman, UTU

S. B. Rudel
S. B. Rudel
General Chairman, UTU

cc: M. B. Futhy, Jr.
Vice President, UTU

P. C. Thompson
Vice President, UTU

A collection of handwritten initials and signatures, including "J. Z. H.", "JR", "M. B. F.", and "P. C. T.", some with horizontal lines underneath.

UNION PACIFIC RAILROAD COMPANY

A. TERRY OLIN
GENERAL DIRECTOR - LABOR RELATIONS
OPERATING CRAFTS - SOUTH

1416 DODGE STREET, ROOM 332
OMAHA, NEBRASKA 68179-0332
(402) 271-3201
FAX (402) 271-4474



November 20, 1997

Mr. S. B. Rudel
General Chairman, UTU
7817 Camelot Road
Fort Worth, TX 76134

Mr. D. L. Hollis
General Chairman, UTU
401 E. Front Street, Suite #140
Tyler, TX 75702

Mr. R. J. Rossi
General Chairman, UTU
2040 No. Loop West, Suite #310
Houston, TX 77018

Gentlemen:

This refers to our discussions concerning the Merger Implementing Agreement for the Longview Hub and, specifically, to the seniority issue(s) associated with the one (1) SSW yard assignment in Texarkana, Texas (Longview Hub Zone 3), and the one (1) SSW yard assignment and two (2) SP yard assignments in Shreveport, Louisiana (Longview Hub Zone 1).

The parties agree former SSW trainmen occupying the one (1) SSW yard assignment in Texarkana and the SSW and SP trainmen respectively occupying the SSW and SP yard assignments in Shreveport as of the date of this agreement will retain prior rights to those yard assignments as long as such assignments remain in effect, and so long as said employees are able, in the normal course of the exercise of their seniority, to hold such assignment.

When such trainmen vacate said assignments, either through a voluntary exercise of seniority or through attrition or through abolishment of the position, such prior rights will cease to exist.

If the foregoing accurately reflects the parties' understandings, please so indicate by affixing your signatures in the spaces provided below.

Sincerely,

AGREED:

S. B. Rudel
General Chairman, UTU

D. L. Hollis
General Chairman, UTU

BY
D.L.A.
C.F.A.

R. J. Rossi
General Chairman, UTU

UNION PACIFIC RAILROAD COMPANY

A. TERRY OLIN
GENERAL DIRECTOR - LABOR RELATIONS
OPERATING CRAFTS - SOUTH

1416 DODGE STREET, ROOM 332
OMAHA, NEBRASKA 68179-0332
(402) 271-3201
FAX (402) 271-4474



December 15, 1997

S 1940 - 1
S 1940.35 - 1

Mr. S. B. Rudel
General Chairman
United Transportation Union
7817 Camelot Road
Fort Worth, TX 76134

Dear Mr. Rudel:

This refers to the parties' discussions regarding the UP/SP New York Dock Merger Implementing for the Longview Hub and, specifically, the potential impacts its provisions may have on the yard and road service prior rights seniority of former Texas and Pacific Railway Company ("T&P") employees.

The road service seniority of certain T&P prior rights yardmen is different (later) than their yard service seniority. Sometimes, the road service seniority for these employees is subsequent to February 29, 1976, and is found at a point or on a district not encompassed within the Longview Hub. Using their prior rights yard seniority, many of these pre-March 1, 1976 employees have elected to place themselves in the Longview Hub though their conductor seniority is found elsewhere and will thus establish seniority as a conductor in the Longview Hub coincident with its implementation (presently slated for February 1, 1998).

In view of this, the question has arisen who would (should) be force assigned to a bulletined Conductor or Brakeman vacancy in the Longview Hub should there be no bids for the vacancy. Present Agreement rules require the junior demoted conductor on the district to be assigned. Thus, the junior prior rights yardman (who may very well have more than twenty years of seniority in yard service) or brakeman on the district -- i.e., the Longview Hub -- could (would) be assigned. This application results, however, in an inequitable application of seniority. It is conceivable that since a former T&P prior rights yardman, who has more than twenty (20) years of seniority in yard service but is the junior demoted conductor, is now the junior demoted conductor on the district (due to his or her election to place in the Longview Hub), he or she may be force assigned to the road vacancy before an employee otherwise his or her junior.

The parties have attempted to equitably address application of the T&P seniority

arrangements within the framework established by the UP/SP New York Dock Merger Implementing Agreement for the Longview Hub. In that regard, the provisions set forth herein are intended to address the above-referenced inequity and will apply in the filling of "no-bid" Longview Hub Conductor or Brakeman vacancies. Specifically, the parties agree the following will apply:

1. (a) Regular conductor or brakeman positions bulletined within the Longview Hub that go "no bid" will be filled by the junior Conductor on the extra board protecting the position/vacancy.
 - (b) The resultant extra board vacancy will, subject to the conditions set forth in Section 2 below, be filled by the junior demoted Conductor from the zone in which the vacancy exists.
 - (c) If there are no demoted Conductors in the zone, the junior common demoted Conductor in the Hub will be assigned to the no-bid position/vacancy.
 - (d) In the application of Paragraphs (a) and (b) above, and there is a junior conductor on a regular assignment in the zone, the senior employee forced may displace the regularly assigned junior employee. The displaced employee will thereafter be obligated to immediately accept assignment and placement on the no-bid position/vacancy.
2. Former T&P yardmen possessing road and/or yard service seniority prior to March 1, 1976, who are required to reestablish their conductor seniority date due to their election to be placed in the Longview Hub in accordance with their former T&P (prior rights) yard service seniority will not be subject to being involuntarily (force) assigned to vacant "no-bid" Conductor or Brakeman positions within the Longview Hub as long as said employees exercise their yard service seniority to yard positions in the Hub.

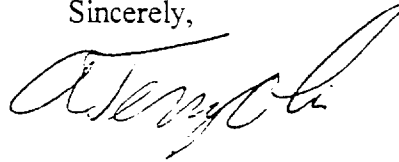
NOTE: This Section 2 is intended to apply only to former T&P trainmen holding prior rights yard or road service seniority on the former T&P before March 1, 1976 and after December 31, 1971. Prior to implementation of the Longview Hub, the parties will jointly prepare a list of former T&P trainmen covered by the provisions of this Section 2.

- (a) The provisions set forth in this Section 2 will not apply to positions (road or yard) bulletined in Zone 2 of the Longview Hub.
- (b) The provisions of this Section 2 will not apply to serve to alter, except as set forth in Section 1 above, the Agreement rules governing the filling of road or yard positions/vacancies in the Longview Hub.

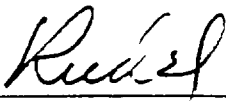
3. (a) The parties have agreed to the provisions set forth herein for the sole purpose of attempting to address possible inequities arising in the application of former T&P seniority within the Longview Hub. Thus, if undue hardships arise, either party may reopen this matter by the serving of a sixty (60)-day advanced written notice.
- (b) In the event said notice is served, the parties will promptly meet to review and attempt to address problems that may have arisen as a result of, or in connection with, the application of this accord.
- (c) If such problems are not resolved to the parties' mutual satisfaction by the expiration of the sixty (60)-day notice period set forth in Paragraph (a) of this Section 3, the provisions hereof will automatically terminate and existing Agreement provisions will be placed into effect.

If the foregoing properly reflects the parties' understandings regarding this matter, please so indicate by affixing your signature in the space provided below.

Sincerely,

A handwritten signature in cursive script, appearing to read "A. Smith", written in black ink.

AGREED:

A handwritten signature in cursive script, appearing to read "S. B. Rudel", written in black ink.

S. B. Rudel
General Chairman, UTU

UNION PACIFIC RAILROAD COMPANY

A. TERRY OLIN
GENERAL DIRECTOR - LABOR RELATIONS
OPERATING CRAFTS - SOUTH

1416 DODGE STREET, ROOM 332
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FAX (402) 271-4474



January 6, 1998

S 1940 - 1

S 1940.35 - 1

Mr. S. B. Rudel
General Chairman
United Transportation Union
7817 Camelot Road
Fort Worth, TX 76134

Dear Mr. Rudel:

This refers to the parties' various discussions regarding the forthcoming implementation of the Longview Hub and the impacts that implementation might have on the seniority rights of former T&P trainmen not electing to exercise their seniority to the Longview Hub. In particular, the parties have discussed the seniority rights and options available to former T&P trainmen in connection with the implementation of other UP/SP hubs (e.g., the Dallas-Fort Worth Hub).

This letter will confirm the parties' understanding and agreement those trainmen holding seniority on the former T&P who have opted to not place themselves in the Longview Hub, and who may accordingly exercise their seniority rights or options in (to) the Dallas-Fort Worth Hub, when implemented, will retain all appropriate prior seniority rights and obligations as afforded under existing provisions of the collective bargaining agreement. An employee's election to not place himself or herself in the Longview Hub will not, except as set forth in the UP/SP New York Dock Merger Implementing Agreement for the Longview Hub, serve to diminish or alter said employees seniority rights under the applicable collective bargaining agreement. Accordingly, such employees will be permitted to exercise available and applicable seniority rights and options in (to) the Dallas-Fort Worth Hub, or other UP/SP merger hubs, to the fullest measures permitted pursuant to any equity attributable to such former T&P employees and in accordance with the applicable New York Dock implementing agreement/arbitration award and the controlling collective bargaining agreement.

If the foregoing properly and accurately reflects the parties' understanding, please so indicate by affixing your signature in the space provided below.

Yours truly,

A handwritten signature in cursive script, appearing to read "A. Terry Olin".

AGREED:

A handwritten signature in cursive script, appearing to read "S. B. Rudel".

S. B. Rudel
General Chairman, UTU

UNION PACIFIC RAILROAD COMPANY

A. TERRY CLIN
GENERAL DIRECTOR - LABOR RELATIONS
OPERATING CRAFTS - SOUTH

1416 DODGE STREET, ROOM 332
OMAHA, NEBRASKA 68179-0332
(402) 271-3201
FAX (402) 271-4474



February 6, 1998

S 1940 - 1

S 1860 - 1

Mr. S. B. Rudel
General Chairman
United Transportation Union
7817 Camelot Road
Fort Worth, TX 76134

Mr. D. L. Hollis
Associate General Chairman
United Transportation Union
P. O. Box 580
Lindale, TX 75771

Gentlemen:

This refers to our recent discussions concerning Carrier's road switcher assignments at Carrollton, Texas, and the need to retain experienced trainmen on these assignments until their replacements can become familiar with the shippers' switching requirements.

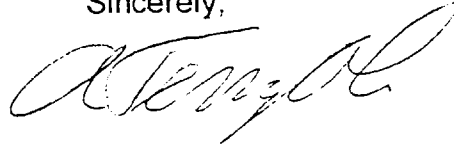
Most of the trainmen assigned to the Carrollton road switchers have elected to exercise their seniority in the new Longview Hub. Implementation of that hub would have required the trainmen to vacate these jobs and place themselves on an assignment in the new hub. This would have resulted in the road switchers being manned by trainmen unfamiliar with the switching requirements of shippers served by these switchers.

To ensure service is efficiently and safely maintained for the involved shippers, the parties have agreed to permit the trainmen assigned to the Carrollton road switchers on January 30, 1998, to remain on those assignments for up to ninety (90) days from the date of the Longview Hub implementation or until we adequately train their replacements, whichever occurs first. In conjunction therewith, it is understood all rights and benefits available to these employees pursuant to the August 20, 1997 UP/SP New York Dock Merger Implementing Agreement for the Longview Hub ("Merger Agreement") will in no manner be abridged or abrogated because of their remaining on these assignments during the transition or training period. It is also understood and agreed that in the event working conditions on these assignments are materially changed, the involved employees may, at their option, immediately exercise their seniority and place themselves in the Longview Hub. This exercise of seniority will be governed by applicable provisions of the Merger Agreement. In conjunction therewith, this letter will confirm Carrier's commitment to train replacements for the involved employees as soon as is practically possible.

Finally, it is understood this arrangement is made without prejudice to the parties' position(s) regarding this matter and will accordingly not serve as a precedent for handling and/or resolving such or similar matters. Accordingly, this arrangement will not be cited by either party for any reason in any future forum or proceeding.

If the foregoing properly reflects the parties' understandings on this matter, please so indicate by affixing your respective signatures in the spaces provided below.

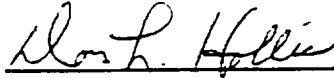
Sincerely,



AGREED:



S. B. Rudel
General Chairman, UTU



D. L. Hollis
Associate General Chairman, UTU

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



February 23, 1998

LR File No: 110.61-11

MR S B RUDEL
GENERAL CHAIRMAN UTU
7817 CAMELOT RD
FT WORTH TX 76134

Dear Sir:

This is to confirm our conversation regarding the restrictions on those employees receiving the in lieu of relocation allowance provided under the Longview Hub Merger Implementing Agreement.

You indicated that an occasion may arise wherein an employee who transferred as a result of the Longview Hub Agreement desires to place to a different location, but would be prevented from doing so because of the two (2) year hold-down restriction. In our discussion we agreed that if an individual would have been entitled to a moving allowance to a new location, he/she will be allowed to place to the new location.


It is understood the above is intended for the convenience of the employee(s), and that the Carrier will not incur any additional costs as a result of this understanding. Finally, the Carrier reserves the right to cancel this understanding upon ten (10) days written notice if difficulties arise regarding its application.

If the above properly reflects your understanding, please sign in the space provided returning one copy to me.

Yours truly,


S. A. BANNISTER

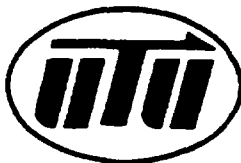
AGREED:



S. B. Rudel
General Chairman, UTU

S. B. Rudel
General Chairman

M. R. Haughton
Associate Chairman



7817 Camelot Road
Fort Worth, TX 76134

Tel. 817/293-2709
Fax 817/293-1813

united transportation union

General Committee of Adjustment GO-927
Representing Yardmen, Trainmen, Conductors and Enginemen
UNION PACIFIC RAILROAD

March 17, 1998

Mr. A. Terry Olin, GDLR
Union Pacific Railroad Company
1416 Dodge Street, Room 332
Omaha, NE 68179

Mr. Mike Brazytis, Dir.-CMS
Union Pacific Railroad Company
1416 Dodge Street
Omaha, NE 68179

Mr. W. B. Huffles, Mgr.
Manpower Ping. & Meas.
Union Pacific Railroad Company
1416 Dodge Street, Room 332
Omaha, NE 68179

Gentlemen:

In accordance with Side Letter #2 of the Longview Hub Agreement, below is the listing of the grandfathered dodgers and those employees eligible for exercise of their seniority:

JOBS PRIOR RIGHTED TO LONGVIEW HUB SENIORITY

BOP JOBS

BH01	BH02
BH03	BH07
BH09	BH10

GREAT SOUTHWEST JOBS

GW51	GW52
------	------

Those employees listed below are employees prior righted to the above jobs based on above referenced Side Letter:

Cochran, J. D.	Jennings, M. E.
Crites, P. J.	Milton, L. O.
Goggins, C. W.	Scoggins, H. M.
Head III, A. L.	Stephens, J. A.

Messrs. Olin, Brazytis, Hutfles
Page 2
March 17, 1998

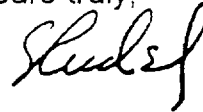
Henderson, G. E.
Hodges, D. R.
Horn, J. W.

Stevenson, B. W.
White, R. R.
Wisdom, R. D.

NOTE: Applicable to Great Southwest Jobs only.
Mineola prior rights are subject to the terms
and conditions of the GSW and UP Merger
Agreement signed October 13, 1994.

This for your information.

Yours truly,



S. B. Rudel
General Chairman

SBR/ew

cc: T. L. Johnson
D. L. O'Bannon
R. C. Wasser
L. L. Howard
J. A. McKibben

AGREEMENT

between the
UNION PACIFIC RAILROAD COMPANY

and

its employees represented by the
UNITED TRANSPORTATION UNION

EXTENDING SWITCHING LIMITS AT LONGVIEW, TEXAS

Changes in operations due to implementation of the UP/SP merger have resulted in a need to move the east switching limit at Longview. In that regard, the parties hereto recognize extension of the east switching limit at Longview, Texas will help promote efficient service to Carrier's shippers and facilitate operations. Accordingly, **IT IS AGREED:**

1. The east switching limit at Longview, Texas, is changed from its present location to Milepost 85.0 on the Dallas Subdivision.
2. Carrier will properly and promptly advise all affected employees of the above switching limit change.
3. (a). The mileage paid to crew members on through freight runs operating in either direction between Fort Worth and Longview will be increased by two (2) miles for each trip.
(b). The mileage paid to crew members on through freight runs operating in either direction between Hearne/Valley Junction and Longview will be increased by two (2) miles for each trip.
(c). The mileage paid to crew members on through freight runs operating in either direction between Houston and Longview will be increased by two (2) miles for each trip.
4. The changes set forth herein will become effective on the date the parties sign this Agreement.

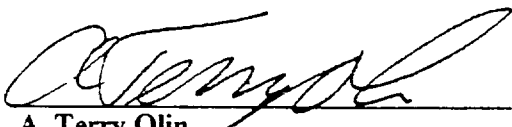
SIGNED IN FORT WORTH, TEXAS, THIS 27th DAY OF MARCH, 1998.

**FOR THE UNITED TRANSPORTATION
UNION:**



S. B. Rudel
General Chairman

**FOR UNION PACIFIC RAILROAD
COMPANY:**



A. Terry Olin
General Director - Labor Relations
Ops - South

UNION PACIFIC RAILROAD COMPANY

A. TERRY OLIN
GENERAL DIRECTOR - LABOR RELATIONS
OPERATING CRAFTS - SOUTH

1416 DODGE STREET, ROOM 332
OMAHA, NEBRASKA 68179-0332
(402) 271-3201
FAX (402) 271-4474



May 22, 1998

S 380 - 1

S 380.65 - 1

Mr. S. B. Rudel
General Chairman
United Transportation Union
7817 Camelot Road
Fort Worth, TX 76134

Dear Mr. Rudel:

This has reference to the parties' discussions Wednesday, April 29, 1998, regarding the assignment of Productivity Fund contributions ("plugs") and trip credits for trainmen assigned to the traveling switch engines at Arlington (TP233) and Great Southwest Railroad ("GSW") (TP231).

Prior to implementation of the Longview Hub, traveling switch engine assignments at GSW and Arlington were protected by trainmen out of Mineola. Accordingly, Carrier made applicable Productivity Fund contributions ("plugs") to the Mineola Trainmen Productivity Fund and trip credits were similarly allocated to eligible Mineola trainmen. After implementation of the Longview Hub, the Arlington and GSW assignments are protected by both Fort Worth and Mineola trainmen. Former Mineola trainmen were, however, granted the right to continue to protect the assignments. Employees electing to protect the assignments were "grand fathered" and given prior rights to the Arlington and GSW jobs.

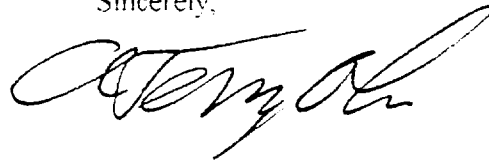
The question has arisen regarding the Productivity Fund --Fort Worth or Mineola (Longview) -- to which Carrier should make the requisite contributions ("plugs") and the trip credits earned by eligible trainmen be applied in connection with Carrier's operation of the Arlington and BOP assignments. In the interest of addressing and handling this matter appropriately and equitably, the parties agree the following will apply:

1. Carrier Productivity Fund contributions ("plugs") associated with the operation of assignments at Arlington and/or GSW will be made to the Fort Worth/Dallas Trainmen Productivity Fund (currently Fund No. 065).
2. Appropriate trip credits earned by eligible former Mineola trainmen occupying positions on assignments at Arlington or BOP, pursuant to the Longview Hub New York Dock Merger Agreement, will be applied to the Fort Worth Trainmen Productivity Fund.

3. These provisions will be made effective retroactive to February 1, 1998.
4. Carrier's Timekeeping and Labor Relations representatives will work with the Organization's representatives to make necessary adjustments in applicable payroll systems and other Productivity Fund accounts to accommodate these changes.
5. This Agreement is not intended to modify existing agreement provisions and/or practices governing the T&P Trainmen Crew Consist Productivity Funds.

If the foregoing accurately reflects the parties' understandings, please so indicate by affixing your signature in the space provided below: returning one (1) fully executed copy to the undersigned at your earliest opportunity.

Sincerely,



AGREED:



S. B. Rudel

General Chairman, UTU

MEMORANDUM OF AGREEMENT

between

UNION PACIFIC RAILROAD COMPANY

and

its Employees Represented by the

**UNITED TRANSPORTATION UNION
(Former Texas and Pacific Railway Company)**

ESTABLISHMENT OF LONGVIEW HUB ROAD "PASS-UP" RULE

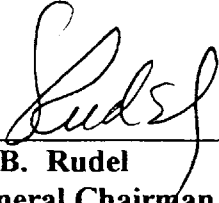
As a result of implementing the Longview Hub and the desire to have one consistent rule governing a conductor's or brakeman's right to voluntarily "pass up" his or her assignment over the entire Longview Hub territory, **IT IS AGREED:**

1. An employee who is working as a conductor or brakeman on a regularly assigned position in the Longview Hub and desires voluntarily pass up his/her assignment may do so in accordance with the following conditions:
 - A. The employee must have been on the assignment for a minimum of thirty (30) consecutive calendar days.
 - B. The employee must notify the proper Carrier official of his or her desire to pass up the assignment.
 - C. The employee must "ride the bulletin" during the applicable bulletin period, regardless of whether the assignment is at the home terminal or at an outside point.
2. Carrier will not incur any additional expense as a result of an employee's exercise of this rule.
3. This agreement may be canceled by the serving of a twenty (20)-day advanced written notice on the other party. In the event such notice is served, the parties agree to promptly meet to discuss the issues or problems underlying the intended cancellation.

4. The provisions of this agreement will become effective June 1, 1998.

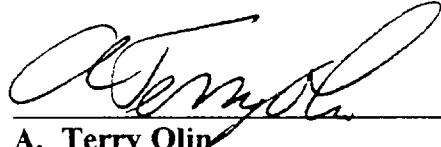
SIGNED THIS 29th DAY OF MAY, 1998, IN FORT WORTH, TEXAS.

**FOR THE UNITED TRANSPORTATION
UNION:**



**S. B. Rudel
General Chairman**

**FOR UNION PACIFIC RAILROAD
COMPANY:**



**A. Terry Olin
General Director - Labor Relations
Ops - South**

QUESTIONS AND ANSWERS
FOR THE
LONGVIEW HUB ROAD PASS UP RULE

- Q-1.** May a person giving up a position under this Agreement place himself or herself on a Reserve Board?
- A-1.** No.
- Q-2.** May a person occupying a position on a Reserve Board use the provisions of this Agreement to pass up his or her Reserve Board position?
- A-2.** No.
- Q-3.** May an employee use this Agreement to exercise seniority from one Zone to another Zone in the Longview Hub (e.g., from Zone 3 to Zone 1)?
- A-3.** No. Since the employee is creating his or her own bump, the exercising of the resulting displacement is limited to the zone in which he or she is working at the time of the pass-up.
- Q-4.** Must an employee exercise his/her placement immediately under this Agreement and protect his or her new position?
- A-4.** Yes, unless the employee requests to lay off and that request is approved.
- Q-5.** May a brakeman displace a conductor (or vice versa) under this Agreement?
- A-5.** Yes, provided his or her seniority permits.
- Q-6.** If displacing onto an extra board position, who is to be removed from the extra board?
- A-6.** The senior person with request to be removed from the extra board. If there are no requests/applications, the junior employee on the extra board will be removed.
- Q-7.** If an employee is assigned to a position on an extra board, is he or she entitled to exercise the provisions of this Agreement?
- A-7.** Yes.
- Q-8.** May an employee passing up his or her assignment pursuant to this Agreement place himself

or herself on a yard assignment in the Longview Hub?

A-8. No. Since the involved displacement is the result of a voluntary exercise of a rule applicable to road service employees, the resultant displacement must be exercised in road service.

Q-9. If an employee exercises his/her displacement right acquired pursuant to this rule to a through freight pool, who should be displaced from the pool?

A-9. The junior employee in the pool.

Q-10. Is it the intent of this Agreement to permit an employee to exercise a displacement right in the same pool?

A-10. No.

UNION PACIFIC RAILROAD COMPANY

A. TERRY OLIN
GENERAL DIRECTOR - LABOR RELATIONS
OPERATING CRAFTS - SOUTH

1416 DODGE STREET, ROOM 332
OMAHA, NEBRASKA 68179-0332
(402) 271-3201
FAX (402) 271-4474



SIDE LETTER NO. 1

Mr. S. B. Rudel
General Chairman, UTU
7817 Camelot Road
Fort Worth, TX 76134

Dear Mr. Rudel:

This has reference to the parties' discussions regarding establishment of a standard "pass up rule" for road service employees in the Longview Hub and, specifically, will confirm our understandings regarding the applicability of existing pass-up rules.

Because of implementing the Agreement for the Longview Hub, and the attendant restructuring of seniority districts (zones), existing pass up rules for road service employees working in those territories are no longer consistent/applicable. Accordingly, the parties agree such rules are no longer of any force or effect in the Longview Hub. The rules affected by this understanding include the following:

DOCUMENT	DATE SIGNED	EFFECTIVE DATE	TERRITORY COVERED
Memorandum of Agreement	N/A	April 1, 1995	Mineola
Memorandum of Agreement	June 3, 1988	June 3, 1988	Shreveport Seniority District
Memorandum of Agreement (T-31647)	September 1, 1983	November 1, 1988	System* (* - Longview Hub Territory Only)

If the foregoing accurately and properly reflects the parties' understandings, please so indicate by affixing your signature in the space provided below.

Sincerely,

AGREED:

S. B. Rudel
General Chairman, UTU

MEMORANDUM OF AGREEMENT

between

UNION PACIFIC RAILROAD COMPANY

and

**its Employees Represented by the
UNITED TRANSPORTATION UNION
(Former Texas and Pacific Railway Company)**

ESTABLISHMENT OF LONGVIEW HUB RESERVE BOARD "PASS-UP" RULE

The parties desire to establish a rule to provide employees assigned to Longview Hub Reserve Boards an avenue to voluntarily exercise their seniority to other positions -- i.e., a "pass-up" rule. In connection therewith, **IT IS AGREED:**

- 1. An employee who is assigned to a Longview Hub Reserve Board position may voluntarily pass-up that assignment in accordance with and/or subject to the following:
 - A. The employee must have occupied a position on the Reserve Board to which he or she is presently assigned for a minimum of ninety (90) consecutive calendar days.

NOTE: An employee may request to pass-up his or her Reserve Board position before satisfying the 90-day requirement set forth in Paragraph A above. This request will not, however, become effective until the employee has been assigned on that Reserve Board for 90 consecutive calendar days.
 - B. There must be proper application(s) for placement on the involved Reserve Board from other eligible trainmen on file with Carrier. In the event there are no such applications, the employee may not pass-up his or her Reserve Board position.
 - C. The employee must notify the proper Carrier official of the desire to pass up his or her Reserve Board assignment.

- 2. An employee passing up his or her Reserve Board position pursuant to the provisions of this rule must immediately exercise his or her displacement right.
 - (a). If the acquired displacement right is exercised to a through freight pool, the employee must displace the junior employee in the pool.

- (b). If the acquired displacement right is exercised to an extra board or supplemental extra board, the senior person with request to be removed from the extra board or supplemental extra board will be removed. If there are no such requests, the junior employee will be removed from the extra board or supplemental extra board.
3. (a). The exercise of a pass-up opportunity pursuant to this agreement is voluntary. Thus, an employee exercising this right will not be entitled to any allowance, bonus or other payment applicable to employees recalled from Reserve Boards under existing Agreement provisions.
- (b). Existing Agreement rules governing the period in which an employee recalled from a Reserve Board must mark up for service are not applicable in connection with the exercise of this Reserve Board pass-up rule.
4. An employee who has passed-up his or her Reserve Board position pursuant to this Agreement will not thereafter be permitted to hold a Reserve Board position for a period of ninety (90) calendar days following the his or her passing up of the Reserve Board position.

NOTE: This Section 4 will not be applicable if the employee is not otherwise able, in accordance with controlling Agreement provisions, to exercise his or her seniority to another position.

5. Carrier will not incur any additional expense or liability as a result of an employee's exercise of this rule.
6. This agreement may be canceled by the serving of a forty-five (45)-day advanced written notice. In the event such notice is served, the parties agree to promptly meet to discuss the issues or problems underlying the intended cancellation.
7. The provisions of this agreement will become effective July 1, 1998.

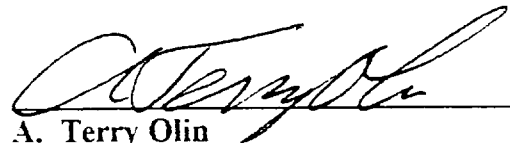
SIGNED THIS 30th DAY OF JUNE, 1998, IN FORT WORTH, TEXAS.

**FOR THE UNITED TRANSPORTATION
UNION:**



S. B. Rudel
General Chairman

**FOR UNION PACIFIC RAILROAD
COMPANY:**



A. Terry Olin
General Director - Labor Relations
Ops - South

QUESTIONS AND ANSWERS
FOR THE
RESERVE BOARD PASS UP RULE

Q-1. May a person giving up a Reserve Board position under this Agreement place himself or herself on another Reserve Board?

A-1. No.

Q-2. May an employee use this Agreement to exercise seniority from one Zone to another Zone in the Longview Hub (e.g., from Zone 3 to Zone 1)?

A-2. No. Since the employee is creating his or her own bump, the exercising of the resulting displacement is limited to the zone in which the Reserve Board from which he or she is moving from is located.

Q-3. Must an employee exercise his/her placement immediately under this Agreement and protect his or her new position?

A-3. Yes, unless the employee requests to lay off and that request is approved.

Q-4. May a employee exercising a displacement pursuant to this Agreement displace a junior employee in either road or yard service?

A-4. No, since the involved displacement is the result of a voluntary exercise of seniority, the employee is limited to the class of service which the Reserve Board from which he or she is leaving represents -- e.g., a employee passing up from the Road Reserve Board must place in road service.

UNION PACIFIC RAILROAD COMPANY

A TERRY OLIN
General Director - Employee
Relations Planning

1416 Dodge St Rm 332
Omaha NE 68179-0332
(402) 271-3201
Fax: (402) 271-4474



July 13, 1999

Mr. D. L. Hakey
General Chairperson, UTU
400 Randal Way, Suite #102
Spring, TX 77388

Mr. R. E. Karstetter
General Chairperson, UTU
1721 Elfindale Drive, Suite #309
Springfield, MO 65807

Mr. S. B. Rudel
General Chairperson, UTU
137 Sycamore School Road, Suite #101
Fort Worth, TX 76134

Gentlemen:

This refers to the parties' discussions on June 14, 1999, regarding application of the New York Dock arbitration award dated December 21, 1998. This award addressed the exclusion of certain up-front crew consist payments as compensation in determining test period averages and whether Carrier's method for excluding the payments was appropriate. In addressing the latter issue, the arbitration panel ". . . [remanded] the second question back to the parties for clarification and possible negotiation." This letter will confirm the parties' understandings regarding the method for making requisite adjustments and corrections to test period averages for affected trainmen in the Houston, Longview and Little Rock/Pine Bluff Hubs.

Pursuant to the findings in the above-referenced Arbitration Award, the up-front crew consist payments made to eligible SP Eastern Lines and SSW trainmen pursuant to Article II, Section 4 of the November 28, 1988 Agreement, which were incorporated into the SP Eastern Lines/SSW basic day rates by Article II, Section A of the November 12, 1992 Agreement, are excluded from compensation used in determining the employees' test period averages. The calculation of the requisite offset for affected trainmen in the Houston, Longview and North Little Rock/Pine Bluff Hubs will be governed by the following:

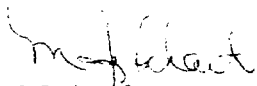
1. The compensation used in calculating the test period average for former SP Eastern Lines and SSW trainmen eligible to receive the above-referenced up-front crew consist payments during the applicable test period will be reduced as follows:
 - A. Twenty-four and no/100's dollars (\$24.00) for each through freight service tour of duty worked by the employee during the test period.
 - B. Twenty and no/100's dollars (\$20.00) for each tour of duty the employee worked in yard service, on traveling switching engine ("road switcher," "tse," or "dodger") assignments, on locals or on other assignments (except through freight service) during the test period;

- C. Twenty and no/100's dollars (\$20.00) for each deadhead trip made by the employee during the test period;
- D. Twenty and no/100's dollars (\$20.00) for each personal leave day or holiday paid to the employee during the test period;
- E. Twenty and no/100's dollars (\$20.00) for each day during the test period the employee is paid, according to controlling Agreement provisions, for jury duty, bereavement leave, and other similar compensated absences;
- F. Overtime earned during the test period, if any, will be reduced by the ratio of the up-front crew consist payment to the applicable basic day rate for each class of service the employee earned overtime; and
 - (1). In calculating the ratio referenced in Paragraph F above for through freight service, \$24.00 will be used as the up-front crew consist payment (i.e., the numerator).
 - (2). In calculating the ratio set forth in Paragraph F above for all classes of service except through freight service, \$20.00 will be used as the up-front crew consist payment (i.e., the numerator).
- G. The reductions outlined in Paragraphs A through F, above, will not be applied against the employee's vacation or away-from-home terminal time payments received during the test period.
- H. Carrier will provide each General Chairperson a report detailing the nature and amount of adjustments made to the test period averages of trainmen affected by the December 21, 1998 Arbitration Award.
- I. The adjustments outlined in Paragraphs A through G, above, will be placed into effect by no later than the September 1999 protection run (covering August, 1999, earnings and received in mid-October, 1999).
- J. Employees entitled, due to application of the methodology outlined herein, to additional labor protection benefits for that period between the date they were initially entitled to the labor protection benefits and the date these adjustments are placed into effect will be paid the amount he/she is due for the additional labor protection as follows:
 - 1. The additional labor protection due the employee will be made in a single lump sum payment via a separate check. Said payment will be made by November 1, 1999.
 - 2. Said payment will be subject to all applicable Federal, State, Local and/or Railroad Retirement taxes and any other legally mandated withholding(s).

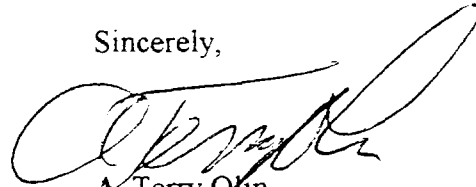
3. This lump sum payment will not be used to offset other labor protection benefits the employee may be entitled to receive for the month in which this payment is made.
 4. Carrier will provide each General Chairperson a listing of the employees entitled to additional labor protection and the amount of his/her lump sum payment.
- K. If, because of application of the provisions of this agreement, an employee has received labor protection benefits in excess of that to which he/she would have otherwise been entitled to receive, Carrier will not recollect this overpayment.
- L. This agreement is being made to address the specific circumstances involved in the December 21, 1998 Arbitration Award. Consequently, these provisions will not be interpreted as resolving other issues or disputes regarding an employee's test period average.
- M. This agreement is made to address a specific situation in the Houston, Longview and Little Rock/Pine Bluff Hubs and will not serve as a precedent for handling such or similar matters.

If the foregoing accurately reflects the parties' understandings regarding this matter, please so indicate by affixing your respective signatures in the space provided below.

Sincerely,

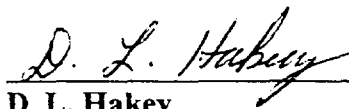


M. A. Ahart
Director - Protection Administration



A. Terry Olin
General Director - Employee Relations Planning

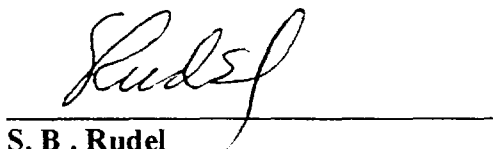
AGREED:



D. L. Hakey



R. E. Karstetter



S. B. Rudel

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA 68179



RECEIVED

AUG 02 1999

IN THE OFFICE OF
GENERAL CHAIRMAN UTU

July 29, 1999

File: S 180.60-1

Mr. S.B. Rudel
General Chairman
United Transportation Union
137 Sycamore School Road, #101
Fort Worth, TX 76134

Dear Sir,

This will confirm our recent discussion regarding the proper mileage calculation for Longview Zone 2 crews operating to Hearne/Valley Junction. As you are aware the parties created a consolidated Hearne/Valley Junction Terminal under Article VI, Section D of the DFW Hub Implementing Agreement. The creation of this consolidated terminal has thus moved the center of yard point that is used in district mileage calculations by three miles.

Therefore, under the current directional operations, Longview Zone 2 crews operating into Hearne/Valley Junction on the Ennis Subdivision shall be paid 215 miles (up from 212). Similarly, Zone 2 crews operating out of Hearne/Valley Junction towards Longview on the Palestine Subdivision shall be paid 181 miles (up from 178).

This change shall be made immediately. If you have any questions please do not hesitate to call me.

Yours truly,

A handwritten signature in black ink that reads "Alan L. Weed". The signature is written in a cursive, flowing style.

Alan L. Weed
Assistant Director Labor Relations
Operating - Southern Region

cc: Bob Mitchell - Timekeeping

ES 00 L...

MEMORANDUM OF AGREEMENT

**Between
UNION PACIFIC RAILROAD COMPANY**

And

**THE UNITED TRANSPORTATION UNION
(Former Texas and Pacific Railway Company)**

ESTABLISHMENT OF LONGVIEW HUB YARD "PASS-UP" RULE

As a result of implementing the Longview Hub and the desire to provide stability for terminal operations and the frequency a yard employee may elect to voluntarily "pass up" his or her assignment in various yards within the Longview Hub,

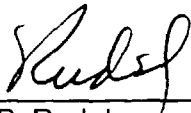
IT IS AGREED:

1. A trainman working a regularly assigned yard position in the Longview Hub may elect to voluntarily pass up his/her assignment in accordance with the following conditions:
 - A. The employee must have been on the assignment for a minimum of thirty (30) consecutive calendar days.
 - B. The employee must notify the proper Carrier official of his or her election to pass-up the existing assignment and immediately place on another assignment of choice. The employee will not be allowed to pass-up his/her existing assignment without the immediate placement to another assignment.
2. The Carrier will not incur any additional expense as a result of an eligible employee's election under this rule.
3. This agreement supersedes any existing "pass-up" rules applicable to yard crews.
4. This Agreement is without prejudice to the position of either party, will not be referred to in connection with any other case, agreement (local and/or national) or dispute resolution and may be canceled by the serving of a twenty (20)-day advanced written notice on the other party. In the event such notice is served, the parties agree to promptly meet to discuss the issues or problems underlying the intended cancellation.

5. The provisions of this Agreement will be implemented on the payroll half following signature of both parties to the agreement.

SIGNED THIS 3rd DAY OF December, 2001.

FOR THE UNITED
TRANSPORTATION UNION:



S. B. Rudel
General Chairman-UTU

FOR THE CARRIER:



R. P. Guidry
Director-Labor Relations

QUESTIONS AND ANSWERS

FOR THE

LONGVIEW HUB YARD PASS UP RULE

Q-1. May a person giving up a position under this Agreement place himself or herself on a Reserve board?

A-1. No.

Q-2. May a person occupying a position on a Reserve Board use the provisions of this Agreement to pass up his or her Reserve Board position?

A-2. No.

Q-3. Must an employee exercise his/her placement immediately under this Agreement and protect his or her new position?

A-3. Yes, unless the employee requests to lay off and that request is approved.

Q-4. May a yard helper displace a foreman (or vice versa) under this Agreement?

A-4. Yes, provided his or her seniority permits.

Q-5. If displacing onto a yard extra board position, whom is to be removed from the extra board?

A-5. The senior person with request to be removed from the extra board. If there are no requests/applications, the junior employee on the extra board will be removed.

Q-6. If an employee is assigned to a position on a yard extra board, is he or she entitled to exercise the provisions of the Agreement?

A-6. Yes. On yard extra boards, not combination road/yard extra boards.

Q-7. May an employee passing up his or her assignment pursuant to this Agreement place on a road assignment?

A-7. No. Since the involved displacement is the result of a voluntary exercise of a rule applicable to yard service employees, the displacement must be exercised in yard service.

LONGVIEW HUB AGREEMENTS

1. Election to **one** prior rights zone only
2. Grandfathering yard assignments
 - a. 1 - SSW - Texarkana
 - b. 1 - SSW - 2 SP Shreveport
3. Force assignments to "NO BIDS" (Condr. & Bkmn.)
4. Rights of trainmen not electing Longview Hub
5. Carrollton Road Switchers
6. Year hold down rule
7. Grandfathered jobs at BOP and employees
8. Extending switching limits at Longview
9. Longview "Pass Up" Assignment Rule
10. Reserve Board "Pass Up" Rule

LONGVIEW HUB

P.2 ARTICLE I - Work and Road Pool Consolidations

A. Zone 1 - Seniority District

Longview to Livonia

1. Protected by Long Pool or Short Pool Between Longview and Livonia
 - (a) One Pool Longview to Shreveport
 - (b) One Pool Shreveport to Livonia180 Day Period Following Implementation will be by Short Pool
2. Lodging and Transportation Furnished
3. 25 Mile Zone for **Outbound** crews
4. Road Switcher /Zone Local & Yard Assignments at Marshall, Reisor, Lewisville or Shreveport Protect from this Zone.
5. Shreveport Terminal Limit Consolidation
 - Road Crew Limits - (W) MP 323.8
 - Yard - Existing UP/SP/SSW Switching Limits
6. All UP/SP/SSW Rail Lines Within or at Shreveport Considered Common to all Trainmen Working in, into and out of

B. Zone 2 - Seniority District

Longview to Valley Junction

Big Sandy to Hearne

1. One Pool - Longview - Valley Junction & Big Sandy to Hearne
2. Lodging and Transportation Furnished
3. 25 Mile Zone for Outbound Crews
4. Road Switcher/Zone Local and Yard Assignments at Tyler, Troup, Corsicana or Big Sandy Protected from this Zone
5. Tyler Terminal Limits Extended - no Longer Crew Change Point
6. Removal of Lines of Demarcation between SP and SSW
Limits are MP 208.0 and 211.0 on SP Dallas and MP 618.0 on SSW

P.5 C. Zone 3 - Seniority District

Longview to Fort Worth

1. One Pool - Longview-Fort Worth
2. Lodging and Transportation Furnished by Carrier
3. Mineola and Texarkana Cease as Crew Change Points Except for Coal Trains (Winfield)
4. 25 Mile Zone for **Outbound** Crews
5. Road Switcher/Zone Local and Yard Assignments at Texarkana, Mt. Pleasant, Longview or Mineola Protected from this Zone
6. Terminal Limits at Longview - MP 88.5 and 96.2 on UP Dallas Sub and to MP 1.9 on UP Palestine Sub

7. UP and SSW Operation at Texarkana Consolidated
8. All UP/SP/SSW Trackage in Texarkana Common to all

P.7 ARTICLE II - Other Operations

A. Coextensive Trackage

1. Pool Freight Originating Houston and Destined to Longview and/or Shreveport or Vice Versa Belongs to Houston Hub
2. Pool Freight Originating NLR/Pine Bluff Destined for Longview and/or Shreveport or Vice Versa Belongs to NLR/Pine Bluff Hub
3. Houston Hub Trainmen Rights to Handle Trains Between Longview and Marshall, and Between Shreveport and Marshall if Main Line Interruptions
4. NLR/PLB Hub Rights to Operate Between Marshall and Big Sandy in Handling of their Own Trains.
5. 25 Mile Zone for NLR/PB Hub to be Defined in that Agreement
6. Hours of Service Relief for Trains Originating NLB/PB
 Lewisville or Points South - Shreveport
 Texarkana or Points South or West - Longview
 All Points North of these by NLR/PB Crews
7. Hours of Service Relief for Trains Originating Longview/BS to FW
 Mesquite or Beyond (W) - FW
 All Points East of Mesquite - Longview
8. Hours of Service Relief Originating Longview/Big Sandy to Valley Junction/Hearne
 Corsicana or Beyond - Extra Board Hearne if Existence, then
 1st out Rested AFHT Crew, then 1st out when rested
 Valley Junction/Hearne to Longview - if reached Palestine -
 Extra Board Longview
9. Winfield Coal Train - Belongs to Longview Hub - Texarkana Extra Board to Unloading Point and Return or by Extra Board from Big Sandy to Unloading Point and Return
10. Local, Work, Wreck, HOS Relief which Operate Exclusively Within One Zone - Protected by that Zone
 If Run Extends Past one Zone - Protected by Home Terminal Zone Crew
11. Suspension of ID Runs
 Mineola - Little Rock
 Pine Bluff - Tyler
 Tyler - Hearne

P.9 ARTICLE III - Seniority Consolidations

- A. New Seniority District Formed and Master Trainman Seniority Roster Created

- B. Prior Rights Rosters for Each Zone. Equity Entitles to Prior Rights on Each Zone, Subject to October 8, 1996 Letter of Understanding
 - 1. Zone 1 - Listing of Roster #s - 3 Rosters (Cond/Bkmn/Yd)
 - 2. Zone 2 - Listing of Roster #s - 3 Rosters (Cond/Bkmn/Yd)
 - 3. Zone 3 - Listing of Roster #s - 3 Rosters (Cond/Bkmn/Yd)

NOTE: Yard - Prior Right Longview
Yard - Prior Right Texarkana
- C. Prior Rights Done on Work Equity
- D. Canvassing Employees
- E. Common Seniority on Other Rosters
- F. Inactive Rosters
- G. Annual Adjustment (Ratchet)
- H. No Seniority Outside Hub or in if out
- I. Reserve Board
- J. Number Required for Zone by Carrier and UTU

P.11 ARTICLE IV - Extra Boards

- A. Vacancies Within Hub
 - 1. **Shreveport**
Combo Board (C&B) - Road Vacancies
Yard Board - Vacancies in Consolidated Terminal
 - 2. **Longview**
Combo Board (C&B) - Road Vacancies for:
 - a. Zone 1 - One (as defined in Article 1.A.1. above)
 - b. Zone 2 - One
 - c. Zone 3 - One
 Yard - Yard Vacancies
 - 3. **Tyler**
Combo Board (Cond/Bkmn/Yd) to Protect all Assignments Originating Corsicana, Palestine or Tyler
Combo Board (Cond/Bkmn/Yd) to Protect all Assignments Originating Corsicana, Palestine or Tyler
 - 4. **Texarkana**
Combo Board (C&B) to Protect all Road Vacancies Originating at Texarkana
Yard - Yard Vacancies
- B. Additional Boards will be Established or Abolished in Accordance with CBA.

P.12 ARTICLE V - Applicable Agreements

- A. T&P - Trainmen and Firemen

- B. Vacation Rates of Pay and Arbitraries as Though their Original Hire Date was the UP. Entry Rates Waived.
- C. Provisions of Article 5 - Local Freight - Shall not Extend to any Territory which was not Previously Subject to such a Rule.
- D. Maintain Extra Week of Vacation for 1998
- E. Continuous HAFT After 16 Hours
- F. Existing Rates for Overmiles and Meal Allowance as Contained in Texarkana - Palestine ID Agreement
- G. Changes to Terminal Limits not Change unless Specifically Addressed
- H. Actual Miles will be Paid - See Attachment "B"

P.13 ARTICLE VI - Familiarization

- A. No Lost Time to Learn the Road

P.13 ARTICLE VII - Implementation

- A. 30 Days Notice
- B.
 1. Posting of Description of Zone Concurrent with a
 2. Workshop to Assemble Seniority Rosters
- C. Roster Consolidation Completion Schedule
- D. Bulletin Period
- E.
 1. Assignments, Relocation Period (30 Days)
 2. Carrier Option to Phase in Implement

P.14 ARTICLE VIII - Protective Benefits and Obligations

- A. Auto Certified for New York Dock
 1. TPA - Time Period Nov. 1, 1995 - Oct. 31, 1996
 2. Average Monthly Time Paid for Waived
 3. TPA's Adjustment for Local Officers
 4. Termination Seniority Rule not Applicable if Hired Prior to February 1, 1998

- B. Relocation Benefits
 - 1. Non-Homeowners - \$10,000.
 - 2. Homeowners - \$20,000.
 - 3. Bona Fide Sale - Additional \$10,000.
 - a. Five (5) Year Expiration
 - b. Proper Documents
 - 4. Two (2) Year Limit on Relocation
 - 5. One (1) "In Lieu Of" Relocation Allowance
 - 6. Required to Remain New Location - Two (2) Years

P.16 ARTICLE IX - Crew Consist

- A. Seniority Date of SP/SSW Employees Determine CCA Protection
- B. Productivity Fund
 - 1. Frozen - Distributed in Normal Cycle
 - 2. New Fund Created
- C. No Change to Manner Productivity Funds Handled

P.16 ARTICLE X - Firemen

- A. Rights to Exercise Rights for pre-1985
- B. Post 1985 Rights and Obligations
- C. Seniority Dove-Tail Maintaining Prior Rights
- D. Standby Agreement for Former SSW Firemen

P.17 ARTICLE XI - Health and Welfare

Rights to Retain Current Coverage

ARTICLE XII - Savings Clause

ARTICLE XIII - Effective Date

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA, NE 68102-0001



February 26, 2003
110.61.15 (300)
110.61.17 (300)

Mr. S. B. Rudel
General Chairman - UTU
137 Sycamore School Road
Fort Worth, Texas 76134

Dear Sir:

This refers to our February 26, 2003 conference wherein we discussed the establishment of a separate freight pool to operate between Longview and Dallas, Texas.


In connection therewith it is agreed the following terms and conditions shall apply to crews operating between Longview and Dallas, Texas:

1. The Carrier may establish a separate freight pool for crews to operate and/or deadhead between Longview and Dallas, Texas. Longview shall be the home terminal and Dallas the away-from-home terminal for crews assigned to this service.
2. The terms and conditions contained in Article V of the Longview Hub Implementing Agreement shall apply to crews operating and/or deadheading between Longview and Dallas, Texas.
3. Question and Answer #1 relative to Article II.A.7 and Article II.A.8 of the Longview Hub Implementing Agreement shall apply to away from home terminal crews used for turnaround and/or hours of service relief at Dallas.
4. The mileage of this run shall be computed from center-of-yard at Longview to center-of-yard at Dallas.
5. Nothing herein shall prevent the use of other crews to perform work currently permitted by prevailing agreements, including, but not limited to yard crews performing hours-of-service relief within road/yard service zones, pool crews performing through freight combined service/deadheads between terminals, road switchers handling trains within their zones.

6. This agreement is made without prejudice to the position of either party, will not be referred to in connection with any other case, agreement (local or national) or dispute resolution and may be cancelled by either party upon thirty (30) days written notice to the other.

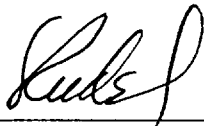
If this accurately reflects the terms and conditions agreed upon for crews operating in the Longview/Dallas Pool please indicate by signing in the space provided.

Respectfully,



R. P. Guidry

Agreed:



Mr. S. B. Rudel
General Chairman - UTU

cc Barkley, Quinley, Bearden
Meredith, Olin, Weed