

UNION PACIFIC RAILROAD COMPANY



November 21, 2003

Mr. T. J. Donnigan
General Chairman
Brotherhood of Locomotive Engineers
P. O. Box 609
Pocatello, ID 83204-0609

Mr. G. Gore
General Chairman
Brotherhood of Locomotive Engineers
1448 MacArthur Avenue
Harvey, LA 70058

Mr. D. W. Hannah
General Chairman
Brotherhood of Locomotive Engineers
1902 Orange Tree Lane, Suite #190
Redlands, CA 92374

Mr. B. D. MacArthur
General Chairman
Brotherhood of Locomotive Engineers
501 North Second Street
Clinton, IA 52732

Mr. C. R. Rightnowar
General Chairman
Brotherhood of Locomotive Engineers
320 Brookes Drive, Suite #115
Hazelwood, MO 63042

Mr. M. A. Young
General Chairman
Brotherhood of Locomotive Engineers
1620 Central Avenue, Suite #203
Cheyenne, WY 82001

Gentlemen:

The parties recognize the merits of establishing the following process for the Local Chairman and local Superintendent to resolve disciplinary matters prior to initiation of the discipline appellate process:

1. Time limits for appealing a discipline decision shall be suspended for thirty days from the date of the letter of discipline.
2. The running of the applicable Agreement time limit will start on the thirty-first day following the date of the letter of discipline.
3. During the thirty-day period when the applicable Agreement time limit is suspended, the Local Chairman and local Superintendent, or their designated representatives, will meet to discuss and work to resolve the discipline decision.

The parties signatory to this Agreement will meet and review the results of this effort after the process has been in place for at least nine months. The subjects to be reviewed by the parties will include, by Service Unit, the total number of investigations


BLE&T Southern Region
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held, the total number of discipline cases appealed, and the total number of cases resolved by this process - i.e., resolved locally. Should there appear to be locations where the process is not working, the appropriate General Chairman and Director - Labor Relations shall work with the local parties to improve the results of this process.

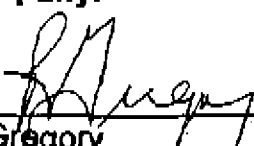
If the foregoing properly and accurately reflects our understandings regarding this matter, please so indicate by affixing your signature in the space provided below.

For the Brotherhood of Locomotive Engineers:

For the Union Pacific Railroad Company:



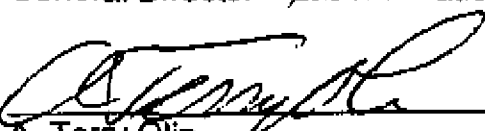
T. J. Donigan
General Chairman



R. Gregory
General Director - Labor Relations



G. Gore
General Chairman



A. Terry Olin
General Director - Labor Relations



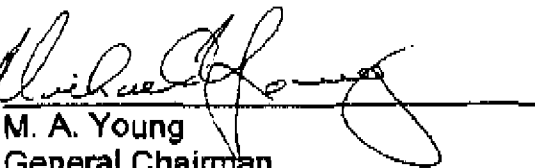
D. W. Hannah
General Chairman



B. D. MacArthur
General Chairman



C. R. Rightnowar
General Chairman



M. A. Young
General Chairman