

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:

This has reference to the parties' discussions regarding possible modifications to the System Agreement – Discipline Rule, identified as Item 1.(a) of the March 21, 1996 Agreement between Union Pacific Railroad (UP) and the Brotherhood of Locomotive Engineers (BLE).

This letter will confirm UP is willing to provide "courtesy copies" of the investigative hearing transcript and the letter assessing discipline to the appropriate General Chairman, subject to the following conditions:

1. UP will forward a copy of the transcript and discipline notice to the General Chairman only in those instances that an employee represented by BLE is assessed discipline. Said copies will be provided at the same time as such copies are provided to the Local Chairman.
2. UP may provide the General Chairman with electronic copies of the transcript and letter of discipline. (UP is not obligated to provide paper copies of said documents.)
3. UP is not obligated to provide such copies to the General Chairman within any time limit specified in the System Agreement – Discipline Rule. The time frames


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or limits specified in the System Agreement – Discipline Rule will not apply to instances in providing General Chairmen with these copies.


- 4. A failure by UP to timely provide the General Chairman with a copy of a transcript or discipline letter will not be considered a violation of any provision of the System Agreement – Discipline Rule or any other Agreement rule, and that BLE will not progress any argument(s) that such a failure constitutes an Agreement violation.
- 5. The commitments and understandings set forth herein do not modify the application or interpretation of the System Agreement – Discipline Rule.

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:



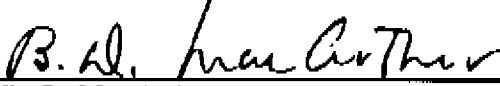
 T. J. Donigan
 General Chairman




 G. Gore
 General Chairman




 D. W. Hannah
 General Chairman



 B. D. MacArthur
 General Chairman

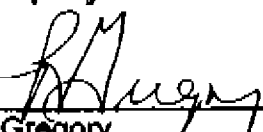


 C. R. Rightnowar
 General Chairman

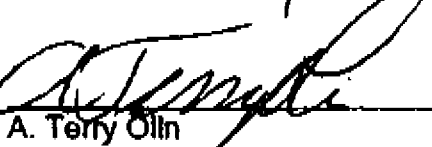


 M. A. Young
 General Chairman

For the Union Pacific Railroad Company:



 R. Gregory
 General Director – Labor Relations



 A. Terry Olin
 General Director – Labor Relations