

**Memorandum of Agreement
Between
Union Pacific Railroad
And the
BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND
TRAINMEN
UNION PACIFIC – SOUTHERN REGION**

Local and Work Train Service

IT IS AGREED Local and Work Train Service agreements will be modified and the following will govern:

ARTICLE 1 – LOCAL/WORK TRAIN SERVICE

Section 1 – Reduction in Work Week

- A. The Carrier may reduce six (6) or seven (7) day local and/or work train assignments to not less than five (5) days, or establish new local/work train assignments to work five (5) days per week.
- B. The work days of five (5) day assignments reduced or established pursuant to Section 1 A of this Article shall be consecutive and with a regular start time.

Section 2 - Compensation

- A. Employees assigned as an engineer on a five (5) day local and/or work train shall be entitled to receive a Special 5-Day Local/Work Train Allowance of \$27.50 for each tour of duty worked.
- B. This Special 5-Day Local/Work Train Allowance shall be subject to future general wage increases and/or cost-of-living adjustments.
- C. Payment of this Special 5-Day Local/Work Train Allowance shall be made in addition to all other current earnings of the employee.
- D. Only those employees regularly assigned to a five (5) day local and/or work train assignments shall be entitled to the Special 5-Day Local/Work Train Allowance pursuant to Section 2 A of this Article.

ARTICLE 2 – COMPENSATION FOR LOST TIME

- A. Employees assigned to any locals and work trains will be paid the bulletin miles of the assignment, with a minimum of a basic day, when not used on their regular assignment if the following conditions are met.
- (1) Local/work train assignments annulled on any collective bargaining agreement designated holiday, the employee must have worked the assigned workday preceding and following the annulled day.
 - (2) If the assignment is annulled on any day other than a holiday, the employee must work the assigned workday following the annulled day.
- B. An employee observing compensated time off or Local Chairmen laying-off for Union Business the day before or after his/her local/work train assignment is annulled will not be disqualified from payment provided he/she works the assignment the day before and after the compensated time off/union business.

ARTICLE 3 – General

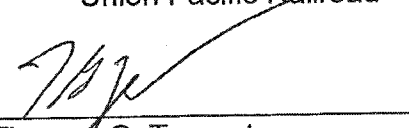
- A. After this agreement has been in effect for a period of six (6) months, it may be cancelled by either party serving a sixty (60) day written notice upon the other party. During the intervening time or as mutually agreed, the parties will meet to discuss the causes of the cancellation notice in an effort to resolve those issues and avoid termination of the agreement.
- B. Any such resolution that changes the terms and conditions set forth herein will be subject to membership ratification.
- C. If neither party opts to permanently cancel this agreement prior to November 1, 2012, any cancellation thereafter will only be effected by mutual agreement between the Parties.

Signed the 17 of November 2011.

For the Brotherhood of
Locomotive Engineers and Trainmen


Warren Dent
General Chairman – BLET

For the
Union Pacific Railroad


Thomas G. Taggart
Director- Labor Relations

UNION PACIFIC RAILROAD COMPANY

Gary Taggart
Director – Labor Relations



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BUILDING AMERICA

August 23, 2011

MR. WARREN DENT
GENERAL CHAIRMAN – BLET
607 W. HARWOOD ROAD
HURST, TEXAS 76054

DEAR SIR:

During our discussions concerning modification to Local, Work Train, and TSE service, your Organization raised concerns that under Article 1, Section 1, the Carrier could reduce a six (6) local assignment to a five (5) day TSE and thereby avoid the special allowance provided in Section 2 – Compensation.

The locals listed below have been identified by your Organization that could possibly fall under the scenario.

LWE11 (COVERS SHREVEPORT – LONGVIEW) – TURNAROUND

LWH62 (COVERS TEXARKANA – MARSHALL) – TURNAROUND

LBM59 (COVERS MINEOLA – DALLAS) - TURNAROUND

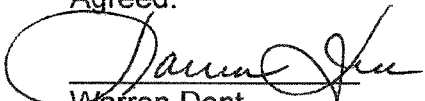
LBG81 (COVERS ABILENE – SWEETWATER) TURNAROUND


LBG79 (COVERS FT. WORTH – ABLINE)

The parties agree that if any of the above listed locals are later changed to a five (5) day TSE, the assigned engineer will be afforded the special allowance provided under Article 1, Section 2.

It is understood that this side letter is specific to the local assignments listed above and will not be expanded to other local assignments in the Hub(s).

Agreed:


Warren Dent
General Chairman – BLET


T. Gary Taggart
Director – Labor Relations