

**AGREEMENT**  
**BETWEEN**  
**BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN**  
**AND**  
**UNION PACIFIC RAILROAD COMPANY**

THIS AGREEMENT, made this 1st day of May, 2012 by and between the Union Pacific Railroad Company and the Brotherhood of Locomotive Engineers and Trainmen, witnesseth:

**IT IS HEREBY AGREED:**

**ARTICLE I - WAGES**

**Section 1 - First General Wage Increase**

(a) Effective July 1, 2010, all standard basic daily rates of pay for employees represented by the Brotherhood of Locomotive Engineers and Trainmen ("BLET") in effect on June 30, 2010 shall be increased by two (2) percent.

(b) In computing the increase under paragraph (a) above, two (2) percent shall be applied to the standard basic daily rates of pay applicable in the following weight-on-drivers brackets, and the amounts so produced shall be added to each standard basic daily rate of pay:

Passenger	- 600,000 and less than 650,000 pounds
Freight	- 950,000 and less than 1,000,000 pounds (through freight rates)
Yard Engineers	- Less than 500,000 pounds
Yard Firemen	- Less than 500,000 pounds (separate computation covering five-day rates and other than five-day rates)

**Section 2 - Second General Wage Increase**

Effective July 1, 2011, all standard basic daily rates of pay in effect on June 30, 2011 for employees represented by the BLET shall be increased by two-and-one-half (2.5) percent, computed and applied in the same manner prescribed in Section 1(b) above.

**Section 3 - Third General Wage Increase**

Effective July 1, 2012, all standard basic daily rates of pay in effect on June 30, 2012 for employees represented by the BLET shall be increased by four-and-three-tenths (4.3) percent, computed and applied in the same manner prescribed in Section 1(b) above.

#### **Section 4 – Fourth General Wage Increase**

Effective July 1, 2013, all standard basic daily rates of pay in effect on June 30, 2013 for employees represented by the BLET shall be increased by three (3) percent, computed and applied in the same manner prescribed in Section 1(b) above.

#### **Section 5 – Fifth General Wage Increase**

Effective July 1, 2014, all standard basic daily rates of pay in effect on June 30, 2014 for employees represented by the BLET shall be increased by three-and-eight-tenths (3.8) percent, computed and applied in the same manner prescribed in Section 1(b) above.

#### **Section 6 – Sixth General Wage Increase**

Effective January 1, 2015, all standard basic daily rates of pay in effect on December 31, 2014 for employees represented by the BLET shall be increased by three (3) percent, computed and applied in the same manner prescribed in Section 1(b) above.

#### **Section -7 Application of Wage Increases**

(a) The adjustments provided for in this Article (i) will apply to mileage rates of pay for overmiles, and (ii) will not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money.

(b) Miscellaneous rates based upon hourly or daily rates of pay, as provided in the schedules or wage agreements, shall be adjusted under this Agreement in the same manner as heretofore increased under previous wage agreements.

(c) In determining new hourly rates, fractions of a cent will be disposed of by applying the next higher quarter of a cent.

(d) Daily earnings minima shall be changed by the amount of the respective daily adjustments.

(e) Existing money differentials above existing standard daily rates shall be maintained.



(f) In local freight service, the same differential in excess of through freight rates shall be maintained.

(g) Where applicable, the differential of \$4.00 and/or \$6.00 per basic day in freight, passenger and yard service, and 4¢ and/or 6¢ per mile for miles in excess of the number of miles encompassed in the basic day in freight and passenger service, will be maintained for engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required. Such differential will continue to be applied in the same manner as the local freight differential.

(h) In computing the first increase in rates of pay effective under Section 1 for firemen employed in local freight service, or on road switchers, roustabout runs, mine runs, or in other miscellaneous service, on runs of miles equal to or less than the number comprising a basic day, which are therefore paid on a daily basis without a mileage component, whose rates had been increased by "an additional \$.40" effective July 1, 1968, the two (2) percent increase shall be applied to daily rates in effect on the day preceding the effective date of the general wage increase provided for in Section 1, exclusive of local freight differentials and any other money differential above existing standard daily rates. For firemen, the rates applicable in the weight-on-drivers bracket 950,000 and less than 1,000,000 pounds shall be utilized in computing the amount of increase. The same procedure shall be followed in computing the increases effective July 1, 2011, July 1, 2012, July 1, 2013, July 1, 2014 and January 1, 2015. The rates produced by application of the standard local freight differentials and the above-referred-to special increase of "an additional \$.40" to standard basic through freight rates of pay are set forth in Appendix 1 which is a part of this Agreement.

(i) Other than standard rates:

(i) Existing basic daily rates of pay other than standard shall be changed, effective as of the dates specified in Sections 1, 2, 3, 4, 5, and 6 hereof, by the same respective percentages as set forth therein, computed and applied in the same manner as the standard rates were determined.

(ii) Where applicable, the differential of \$4.00 and/or \$6.00 per basic day in freight, passenger and yard service, and 4¢ and/or 6¢ per mile for miles in excess of the number encompassed in the basic day in freight and passenger service, will be maintained for engineers working without firemen on locomotives on which under the former National Diesel Agreement of 1950 firemen would have been required. Such differential will continue to be applied in the same manner as the local freight differential.

(j) Trip Rates established pursuant to Article V of the 2003 BLET Agreement shall be adjusted by application of the general wage increases provided for in this Article I, in the manner set forth in Article V, Part B, Section 4(c)(1) of that Agreement.

## **ARTICLE II – LUMP SUM PAYMENT**

(a) A lump sum payment shall be made to each employee subject to this Agreement who has an employment relationship with the carrier as of the date such lump sum is paid or who has retired or died subsequent to October 31, 2010. Such lump sum shall be paid no later than ninety (90) days after the date of this Agreement. There shall be no duplication of lump sum payments by virtue of employment under an agreement with another organization.

(b) The lump sum amount payable to an eligible employee shall be a lump sum equivalent to 1% of straight time earnings paid to that employee for the twelve month period November 1, 2010 through October 31, 2011, after application of the July 1, 2010 and July 1, 2011 general wage increases provided for in Article I.

## **ARTICLE III - GENERAL PROVISIONS**

(a) The purpose of this Agreement is to settle the disputes growing out of the notices served upon the organization by or on behalf of the Union Pacific Railroad Company on or subsequent to November 1, 2009 (including any notices outstanding as of that date), and the notices served by the organization signatory hereto upon Union Pacific Railroad Company on or subsequent to November 1, 2009 (including any notices outstanding as of that date).

(b) This Agreement shall remain in effect through December 31, 2014 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.

(c) No party to this Agreement shall serve or progress, prior to November 1, 2014 (not to become effective before January 1, 2015), any notice or proposal.

(d) This Article will not bar Union Pacific Railroad Company and the BLE-T General Committees from agreeing upon any subject of mutual interest.

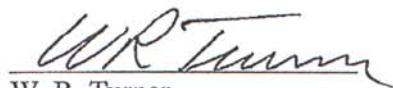
**SIGNED THIS 1ST DAY OF MAY, 2012**

**FOR UNION PACIFIC  
RAILROAD COMPANY:**

**FOR THE EMPLOYEES  
REPRESENTED BY THE  
BROTHERHOOD OF**

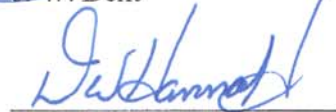
LOCOMOTIVE ENGINEERS  
AND TRAINMEN:

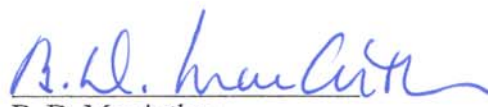
  
A. K. Gradia

  
W. R. Turner

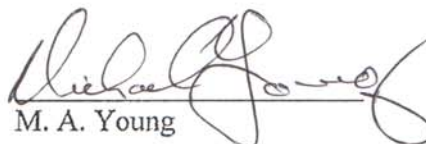
  
J. L. Dayton

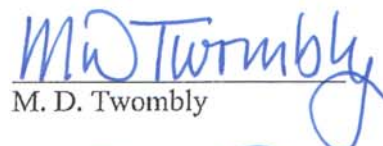
  
J. W. Dent

  
D. W. Hannah

  
B. D. MacArthur

  
R. E. Rhodes

  
M. A. Young

  
M. D. Twombly

  
E. L. Pruitt



May 1, 2012

#1

Mr. J. L. Dayton  
General Chairman, BLET  
P.O. Box 609  
Pocatello, ID 83204-0609

Mr. B. D. MacArthur  
General Chairman, BLET  
501 N. Second Street, Suite 2  
Clinton, IA 52732

Mr. J. W. Dent  
General Chairman, BLET  
607 West Harwood Road  
Hurst, TX 76054

Mr. D. W. Hannah  
General Chairman, BLET  
404 North 7<sup>th</sup> Street, Suite A  
Colton, CA 92324-2906

Mr. R. E. Rhodes  
General Chairman, BLET  
320 Brookes Drive, #115  
Hazelwood, MO 63042

Mr. M. A. Young  
General Chairman, BLET  
1620 Central Avenue, #203  
Cheyenne, WY 82001

Gentlemen:

This confirms our understanding with respect to the general wage increases provided for in Article I, Sections 1 and 2 of the Agreement of this date.

The Carrier will make all reasonable efforts to pay the retroactive portion of such general wage increases as soon as possible and no later than sixty (60) days after the date of this Agreement.

If the Carrier finds it impossible to make such payments by that date, the Carrier shall notify you in writing explaining why such payments have not been made and indicating when the payments will be made.

Very truly yours,



A. K. Gradia



W. R. Turner

May 1, 2012

#2

Mr. J. L. Dayton  
General Chairman, BLET  
P. O. Box 609  
Pocatello, ID 83204-0609

Mr. B. D. MacArthur  
General Chairman, BLET  
501 N. Second Street, Suite 2  
Clinton, IA 52732

Mr. J. W. Dent  
General Chairman, BLET  
607 West Harwood Road  
Hurst, TX 76054

Mr. D. W. Hannah  
General Chairman, BLET  
404 North 7<sup>th</sup> Street, Suite A  
Colton, CA 92324-2906

Mr. R. E. Rhodes  
General Chairman, BLET  
320 Brookes Drive, #115  
Hazelwood, MO 63042

Mr. M. A. Young  
General Chairman, BLET  
1620 Central Avenue, #203  
Cheyenne, WY 82001

Gentlemen:

This refers to the increase in wages provided for in Sections 1 and 2 of Article I of the Agreement of this date.

It is understood that the retroactive portion of those wage increases shall be applied only to employees who have an employment relationship with Union Pacific Railroad Company on the date of this Agreement or who retired or died subsequent to June 30, 2010.

Please acknowledge your agreement by signing your name in the space provided below.

Very truly yours,



A. K. Gradia



W. R. Turner

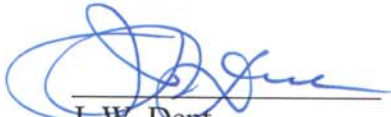
I agree:




J. L. Dayton



D. W. Hannah



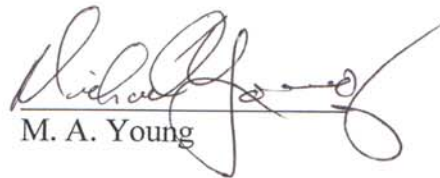
J. W. Dent



R. E. Rhodes



B. D. MacArthur



M. A. Young



May 1, 2012  
#3

Mr. J. L. Dayton  
General Chairman, BLET  
P.O. Box 609  
Pocatello, ID 83204-0609

Mr. B. D. MacArthur  
General Chairman, BLET  
501 N. Second Street, Suite 2  
Clinton, IA 52732

Mr. J. W. Dent  
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607 West Harwood Road  
Hurst, TX 76054

Mr. D. W. Hannah  
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Colton, CA 92324-2906

Mr. R. E. Rhodes  
General Chairman, BLET  
320 Brookes Drive, #115  
Hazelwood, MO 63042

Mr. M. A. Young  
General Chairman, BLET  
1620 Central Avenue, #203  
Cheyenne, WY 82001

Gentlemen:

This confirms our understanding with respect to Article I, Section 6 of the Agreement of this date.

Article I, Section 6 of the Agreement provides for a three (3) percent general wage increase effective January 1, 2015. Article III, Section C of the Agreement provides that the parties to the Agreement may serve and progress notices or proposals to amend the Agreement and other existing agreements on or after November 1, 2014 (not effective before January 1, 2015) ("2015 Bargaining Notices").

This will confirm our understanding that if disposition of the 2015 Bargaining Notices is referred to any third party (including but not limited to a Presidential Emergency Board or arbitration board), this Letter may be provided to such body to confirm the parties' mutual understanding that Article I, Section 6 was intended to constitute a complete resolution of the compensation adjustment issue for calendar year 2015.

Please acknowledge your agreement by signing your name in the space provided below.

Very truly yours,



A. K. Gradia



W. R. Turner

I agree:



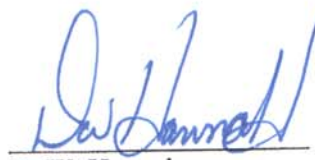
J. L. Dayton



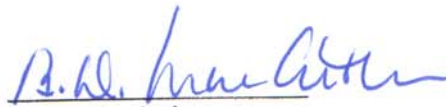
J. W. Dent



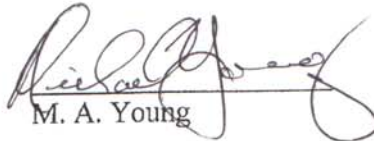
R. E. Rhodes



D. W. Hannah



B. D. MacArthur



M. A. Young

May 1, 2012  
#4

Mr. J. L. Dayton  
General Chairman, BLET  
P.O. Box 609  
Pocatello, ID 83204-0609

Mr. B. D. MacArthur  
General Chairman, BLET  
501 N. Second Street, Suite 2  
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Hazelwood, MO 63042

Mr. M. A. Young  
General Chairman, BLET  
1620 Central Avenue, #203  
Cheyenne, WY 82001

Gentlemen:

This confirms our understanding with respect to Article II – Lump Sum Payment of the Agreement of this date.

Article II provides in pertinent part for payment to a qualified employee of a lump sum “equivalent to 1% of straight time earnings paid to that employee” for a specified time period. In recognition of potential questions of interpretation with regard to the intended application of that formulation to employees covered by operating craft compensation rules, the parties have mutually agreed that the following elements of compensation constitute “straight time earnings” for purposes of Article II (such definition to be applied solely for the purposes of this Agreement).

1. Straight time pay (elements of pay subject to adjustment for general wage increases, excluding labor protection payments)
2. Overmile payments
3. Paid time for vacations, holidays, personal leave, and bereavement leave.
4. Deadhead payments
5. Guarantee payments (make whole, such as guaranteed extra board payments).



Please acknowledge your agreement by signing your name in the space provided below.

Very truly yours,



A. K. Gradia




W. R. Turner

I agree:



J. L. Dayton



D. W. Hannah



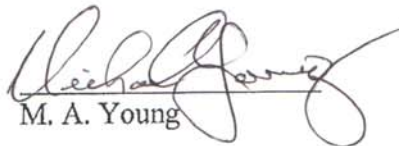
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