

MEMORANDUM OF AGREEMENT

Between

UNION PACIFIC RAILROAD COMPANY

and the

**BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN
(Eastern District)**

TEN-HOUR UNDISTURBED REST AT HOME TERMINAL AND AWAY-FROM-HOME TERMINAL RULE

Union Pacific Railroad Company ("UP") and the Brotherhood of Locomotive Engineers and Trainmen ("BLET") agree to extend rest periods at home and away-from-home terminals to ten undisturbed hours for employees assigned in pool (unassigned) freight service or to road/combination extra boards.

Accordingly, **IT IS AGREED:**

I. UNDISTURBED REST AT HOME AND AWAY-FROM-HOME TERMINALS

A. Except as specifically provided in Article II hereof, the rest period at the home and away-from-home terminals for employees assigned to, or working in, pool (unassigned) freight service or to road or combination extra boards shall be governed by the following:

1. An employee completing his or her tour of duty (tied-up) at his or her home terminal will be provided a ten-hour undisturbed rest period. Said employee will not be called or permitted to work or deadhead out of the home terminal until expiration of the ten-hour undisturbed rest period.
2. An employee completing his or her tour of duty (tied-up) at his or her away-from-home terminal will be provided a ten-hour undisturbed rest period. Said employee will not be called or permitted to work or deadhead out of the away-from-home terminal until expiration of the ten-hour undisturbed rest period.

NOTE 1: UP may contact an employee during the ten-hour rest period to advise of the abolishment or annulment of his or her assignment, displacement from a job (bumped), assignment to a new position/job, an emergency or other notice or contact required by existing Agreement rules. An employee contacted under the circumstances identified in this Note shall not have his or her rest period curtailed as a result of this call/contact nor

shall said call/contact entitle the employee to an extended rest period or start a new rest period – i.e., the rest period of an employee contacted pursuant to this Note shall not be affected in any manner by the call/contact.

NOTE 2: In applying the provisions of this Agreement, a combined service and deadhead trip shall be considered as a working trip.

3. This Agreement shall not preclude UP from giving an employee a "four-hour release" (also known or referred to as an "interim release," a "four-hour or more release," or "aggregating service") in accordance with existing legal and collective bargaining agreement requirements, if any.

NOTE: An employee who is being given a "four-hour release" (e.g., an "interim release", a "four hour or more release," "aggregating service," etc.) must be advised of such prior to his/her release from service on his/her current trip.

4. The rest period provided pursuant to this Article I, Section A shall commence coincident with the employee's completion of his or her tour of duty and shall run concurrent with the rest period provided pursuant to the Hours-of-Service Act.

B. Existing Agreement rules, or those portions thereof, that provide employees with an opportunity or election to take a rest period at the home terminal or away-from-home terminal that is less than that provided in Section A of this Article I shall be inapplicable and of no future force or effect.

NOTE: The parties specifically intend that only the portion(s) of existing rest rules that allow employees to take a rest period at the home terminal or away-from-home terminal for a period greater than that afforded by this Agreement are to remain in effect following implementation of this Agreement.

EXAMPLE: An existing rule gives employees assigned to a freight pool an option to take a rest period at the home terminal of 8 undisturbed hours, 10 hours (no undisturbed rest), 10 undisturbed hours, 12 hours (no undisturbed rest) or 12 undisturbed hours. If the call time at the location is 2 hours (or less), the "8 undisturbed hours" and "10 hours (no undisturbed rest)" options of this rule would not be available to an employee covered by this Article I because the options would give the employee a rest period at the home terminal less than that what they would receive from this Agreement – i.e., 10 undisturbed hours rest.

QUESTION: Are there any situations or circumstances in which an employee covered by this Article I can or will receive less than ten undisturbed hours rest at his or her home or away-from-home terminals?

ANSWER: Unless the employee is aggregating his or her service (e.g., given a "four-hour release," a "four-hour or more release" or an "interim release") or the option set

forth in Article II, below, has been exercised, no employee covered by this Article I will be given a rest period at the home or away-from-home terminals of less than ten undisturbed hours.

II. OPTION FOR EIGHT UNDISTURBED HOURS REST IN LIEU OF TEN UNDISTURBED HOURS REST AT AWAY-FROM-HOME TERMINAL

A. The away-from-home terminal rest period specified in Article I, Section A, Paragraph 2, above, may, at BLET's option, be reduced for a specific freight pool, and all runs protected by said pool, from ten undisturbed hours to eight undisturbed hours, subject to the conditions set forth below:

1. The away-from-home terminal rest period shall be the same for all employees working on any run(s) protected by the involved freight pool - i.e., ten undisturbed hours or, if the option set forth in this Article II is exercised, eight undisturbed hours.
2. Except for the change in the duration of the undisturbed rest period at the away-from-home terminal, all other provisions of this Agreement are unaffected by BLET's exercise of this option.

B. The exercise of the option set forth in this Article II shall be governed by the following:

1. This option may be exercised no sooner than forty-five days following the effective date of this Agreement.
2. The exercise of this option or the execution of an agreement to return the away-from-home terminal rest period to ten undisturbed hours may be made only once in a six-month period, unless the parties agree to a shorter period.
3. The General Chairperson must advise UP in writing of its desire to exercise this option. Said notice must identify the involved freight pool(s) and propose a suggested effective date for the involved change(s). UP and BLET will agree on the effective date for the change(s), which will not be more than thirty days from the date of BLET's notice. The BLET Local Chairman shall be responsible for advising affected employees of the change in the away-from-home terminal rest period.

QUESTION: Will the additional rest time provided pursuant to this Article VI be used as an offset against an employee's labor protection or guarantee benefits, if any?

ANSWER: No This answer does not, however, impact or alter existing procedures for handling of offsets to guarantee or labor protection benefits stemming from an employee's election to invoke the provisions of a local extra rest rule.

QUESTION: Will an exercise of the option to change the away-from-home terminal rest time from eight undisturbed hours back to ten undisturbed hours in accordance with Section C of this Article VI and the resultant increase in rest time at the away-from-home terminal be used as an offset against an employee's labor protection or guarantee benefits?

ANSWER: No. This answer does not, however, impact or alter existing procedures for handling of offsets to guarantee or labor protection benefits stemming from an employee's election to invoke the provisions of a local extra rest rule.

III. GENERAL AND SAVINGS CLAUSES

- A. This Agreement does not restrict the parties' rights and/or obligations as set forth in the Hours-of-Service Act.
- B. The terms and conditions of this Agreement are intended to address a specific circumstance and are not intended to be applied to employees not assigned to a road or combination extra board or in pool (unassigned) freight service.
- C. In the event the provisions of this Agreement conflict in any manner with the provisions of existing collective bargaining agreement rules, the terms and conditions set forth herein shall prevail.
- D. This Agreement shall become effective on the first calendar day of the month following the date this Agreement is signed.
- E. Either party may cancel this Agreement by the serving of a sixty-day advanced written notice on the other party. During this sixty day period, the parties will meet to discuss and endeavor to resolve the issue(s) leading to the cancellation notice.

SIGNED THIS _____TH DAY OF _____, 2005, IN OMAHA, NEBRASKA

FOR THE BROTHERHOOD OF
RAILROAD
LOCOMOTIVE ENGINEERS & TRAINMEN:

FOR UNION PACIFIC
COMPANY:

M.A. Young
General Chairmen, BLET

S.F. Boone
Director—Labor Relations

APPROVED:

D.L. McPherson
Vice-President, BLET

SIDE LETTER NO. 1

Mr. M. A. Young
General Chairman, BLET
1620 Central Ave., Rm. 203
Cheyenne, WY 82001

Dear Sir:

This has reference to our discussions in connection with the "Memorandum of Agreement between Union Pacific Railroad Company and the Brotherhood of Locomotive Engineers and Trainmen (Ten-Hour Undisturbed Rest at Home Terminal and Away-from-Home Terminal Rule), dated _____, 2005.

During the parties' negotiations, BLET voiced a concern that following implementation of this Memorandum of Agreement, UP might adopt a position that this interpretation was sufficient to address fatigue abatement issues. This letter will confirm UP's commitment to work with BLET to explore in good faith feasible, effective, and scientifically validated approaches for reducing fatigue at locations, including crew scheduling initiatives, or in operations where legitimate evaluations and data suggest UP's BLET-represented employees are not obtaining sufficient or proper rest opportunities.

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

Sincerely,

S. F. Boone
Director - Labor Relations

AGREED:

M. A. Young
General Chairman, BLET