

UNION PACIFIC RAILROAD COMPANY

Western Region - Transportation

Frank A. Tamislea
Dir. Labor Relations
Tel: (916) 789-6345

10031 Foothills Blvd.
Roseville, CA 95747



October 27, 2009

LOU# 1705180918
(390.60)

Mr. D.W. Hannah
General Chairman BLET
404 North 7th St. Suite A
Colton, CA. 92324-2941

Dear Sir

This refers to our discussions concerning the pilot project in which all pool employees are permitted to hold their turn first out should it become first out when taking a single day vacation and/or a single day personal leave day as provided by Side Letter No. 1 of the Roseville, Los Angeles and Southwest Hub Agreements.

As we discussed, this pilot project turns out to be beneficial for both employees, as well as the Carrier, enabling employees to work their assignment and at the same time ensuring the availability of manpower to protect the service. Therefore, the parties agree to implement this understanding on a permanent basis.

The specific language under discussion is incorporated in each side letter as Section (1) and provides, in pertinent part, as follows:

“Elect a single paid personal leave or vacation day and hold their turn so that if it obtains a first out status they will be first out when they are marked up no less than 24 hours later...”

This language applied exclusively to merger protected engineers.

Accordingly, it is understood at Roseville, Los Angeles and the Southwest Hub territories, all pool employees, and not just protected pool employees, will be permitted to utilize Section (1) of Side Letter No. 1. In other words, any pool employee taking a single personal leave or single day vacation will automatically be handled in accordance with Section 1 of the controlling Side Letters.

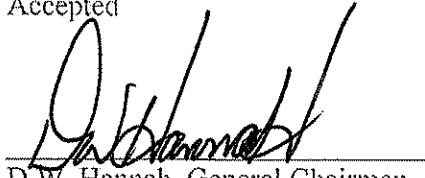
Except as specifically provided above, no other changes are made in Side Letter No. 1 of the respective Hubs.

Mr. D.W. Hannah
October 27, 2009
LOU# 1705180918

It is understood either party may cancel this understanding by serving a 30-day written notice upon the other. It is understood that each of the identified Hubs have stand alone rights to terminate the understanding as it applies to them and to withdraw from this understanding. Similarly, the Company may cancel this understand at all three (3) Hubs or separately at each location.

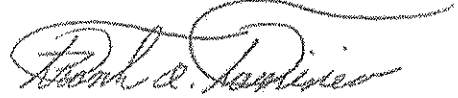
To indicate your acceptance, please sign in the space provided below. Upon receipt of your acceptance, the revised process will be implemented.

Accepted



D.W. Hannah, General Chairman
Brotherhood Of Locomotive Engineers
& Trainmen

Sincerely,



Frank A. Tamisiea
Director, Labor Relations

Cc: Tony Leazenby, CMS
Kelly Mitchel, CMS
Jon Degraw, CMS
Cliff Johnson, TK
Greg Cox, TK
Terry Stone, LR
Frank Tamisiea, LR
Marilyn Ahart - LR
Lucy Ruf, LR

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November 4, 2009

LOU# 1705180918
(390.60)

Mr. D.W. Hannah
General Chairman BLET
404 North 7th St. Suite A
Colton, CA. 92324-2941

Ref: Holding Turn First Out

Dear Sir:

This refers to our discussions on November 2, 2009 concerning LOU# 1705180918 dated October 27, 2009 and the application of engineers holding their turn first out as provided in the Letter of Understanding.

This will confirm our discussions and further understanding that any pool engineer taking a single personal leave or single day vacation may elect to hold their turn first out when they return (mark-up) to service after the expiration of the mark off.

It is understood should the October 27, 2009 LOU# 1705180918 be canceled by either party, this understanding will also automatically terminate in conjunction therewith. It is understood that each of the identified Hubs have stand alone rights to terminate the understanding as it applies to them and to withdraw from this understanding. Similarly, the Company may cancel this understand at all three (3) Hubs or separately at each location.

To indicate your acceptance, please sign in the space provided below. Upon receipt of your acceptance, I will forward to the affected Departments for their handling.

Accepted

D.W. Hannah, General Chairman

Sincerely,

Frank A. Tamisiea
Director, Labor Relations

Mr. D.W. Hannah
November 4, 2009
LOU# 1705180918

Brotherhood Of Locomotive Engineers
& Trainmen

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