

UNION PACIFIC RAILROAD
1400 Douglas Street, STOP 0710
Omaha, Nebraska 68169

Andrea R. Gansen Assistant Vice President

P 402 544 3073

May 21, 2010

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Mr. Tom Gurash
General Chairman ARASA
2730 Columbus Place
Santa Clara, CA 95051

Mr. Steve Hirschbein
General Chairman ARASA
2250 Winding River Drive, I-2
Broomfield, CO 80023

Dear Gentlemen:

This letter is to confirm our discussion regarding Foremen with a seniority date prior to September 1, 2003 who elected to retain their monthly rate of pay and are subsequently covered by the rules of Appendix "L" as found at Appendix Z of the Collective Bargaining Agreement effective April 1, 2009 between the Union Pacific Railroad (Southern Pacific Western Lines) and the Organization.

In order to simplify the pay for these individuals and create a system by which they can be moved to a ten-hour work day schedule, the Carrier and Organization agree to the following amendments to Appendix "L" as found at Appendix Z:

1. Former Rule 2, paragraphs (a), (b) and (c) are fully abrogated.
2. Former Rule 2, paragraph (d) will be amended to state (amended language is underlined):

(d) A Supervisor required on proper authority to work in excess of eight (8) hours per day, not including preparation and closing time to not exceed thirty (30) minutes per day, will be paid for such work at the hourly rate of his position on an actual minute basis. Credit may be taken for all allowances made during the month for time not worked up to the amount of such extra compensation. A relief outfit foreman will be allowed compensation as herein provided for, except if relieved from duty for one and one-half (1 ½) hours or more, or when relieved for rest for three (3) hours or more, such time will not be compensated for under this paragraph.

3. Former Rule 3, paragraph (a) will be amended to state (amended language is underlined):

(a) The basic assignment of Supervisors shall be eight (8) hours per day, five (5) days per week, exclusive of holidays.

4. Former Rule 3, paragraph (b) will be amended to state (amended language is underlined):



(b) Supervisors will have regularly assigned hours of service, but may be required to remain on duty a sufficient length of time after shift or prior to shift of employees they supervise has been completed to properly turn over or prepare work, to see that no fire hazard exists, and that everything is in place and order. The normal hours of service will be reasonably regular, and fixed with due regard to the convenience of the Supervisor, considering the requirements of the service.

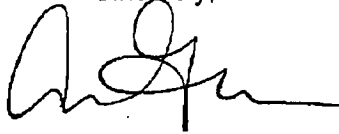
5. Effective with the implementation of these amended rules, the protected rates will be changed as follows:

Current rate:	\$29.15/hr	New rate:	\$30.97/hr
Current rate:	\$29.83/hr	New rate:	\$31.69/hr

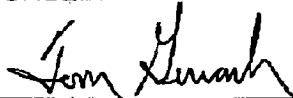
The parties agree that this change is being made for simpler application of existing rules. Any concerns or issues with the implementation of this Agreement will be handled directly by the AVP of Labor Relations and the General Chairmen. Furthermore, this Agreement has been made to address a unique circumstance and will not be cited by either party in future claims, grievances, arbitration or negotiation, except as necessary for enforcement.

This change will be implemented July 1, 2010. If you are in agreement, please indicate by signing below.

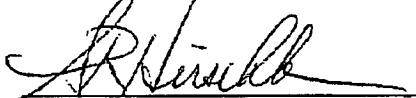
Sincerely,



AGREED:



General Chairman ARASA



General Chairman ARASA

APPROVED:



International Representative ARASA