

HOLIDAY PROVISIONS For Hourly Rated Employees

Section 1

Subject to the qualifying requirements contained in Section 2 hereof, and to the conditions hereinafter provided, each hourly rated employee shall receive eight hours' pay at the pro rata hourly rate for each of the following enumerated holidays:

New Year's Day	Labor Day
President's Day	Thanksgiving Day
Good Friday	Day after Thanksgiving Day
Memorial Day	Christmas Eve (day before Christmas is observed)
Fourth of July	Christmas Day
	New Year's Eve (day before New Year's is observed)

- (A) Holiday pay for regular assigned employees shall be at the pro rata rate of the position to which assigned.
- (B) For other than regularly assigned employees; if the holiday falls on a day on which he would otherwise be assigned to work, he shall, if consistent with the requirements of the service, be given the day off and receive eight hours' pay at the pro rata rate of the position which he otherwise would have worked. If the holiday falls on a day other than a day on which he otherwise would have worked, he shall receive eight hours' pay at the pro rata hourly rate of the position on which compensation last accrued to him prior to the holiday.
- (C) Subject to the applicable qualifying requirements in Section 2 hereof, other than regularly assigned employees shall be eligible for the paid holidays or pay in lieu thereof provided for in Paragraph (B) above, provided (1) compensation for service paid him by the carrier is credited to 11 or more of the 30 calendar days immediately preceding the holiday and (2) he has had a seniority date for at least 60 calendar days or has 60 calendar days of continuous active service preceding the holiday beginning with the first day of compensated service provided employment was not terminated prior to the holiday by resignation, for cause, retirement, death, non-compliance with union shop agreement, or disapproval of application for employment.

Section 2

A regularly assigned employee shall qualify for the holiday pay provided in Section 1 hereof if compensation paid him by the carrier is credited to the workdays immediately preceding and following such holiday or if the employee is not assigned to work but is available for service on such days. If the holiday falls on the last day of the regularly assigned employee's workweek, the first workday following his rest days shall be considered the workday immediately following. If the holiday falls on the first workday of his workweek, the last workday of the preceding workweek, shall be considered the workday immediately preceding the holiday.

Except as provided in the following paragraph all others for whom holiday pay is provided in Section 1 hereof shall qualify for such holiday pay if on the day preceding and the day following the holiday they satisfy one or the other of the following conditions:

- (I) Compensation for service paid by the carrier is credited; or
- (II) Such employee is available for service.

Note: "Available" as used in subsection (II) above is interpreted by the parties to mean that an employee is available unless he lays off of his own accord or does not respond to a call, pursuant to the rules of the applicable agreement, for service.

For the purpose of Section 1, other than regularly assigned employees who are relieving regularly assigned employees on the same assignment on both the workday preceding and the workday following the holiday will have the workweek of the incumbent of the assigned position and will be subject to the same qualifying requirements respecting service and availability on the workdays preceding and following the holiday as apply to the employee whom he is relieving.

Note: Compensation paid under sick-leave rules or practices will not be considered as compensation for purposes of this rule.

An employee who meets all other qualifying requirements will qualify for holiday pay for both Christmas Eve and Christmas Day if on the "workday" or the "day," as the case may be, immediately preceding the Christmas Eve holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" before the holiday and on the "workday" or the "day," as the case may be, immediately following the Christmas Day holiday he fulfills the qualifying requirements applicable to the "workday" or the "day" after the holiday.

An employee who does not qualify for holiday pay for both Christmas Eve and Christmas Day may qualify for holiday pay for either Christmas Eve or Christmas Day under the provisions applicable to holidays generally. The holiday pay qualifications for Christmas Eve and Christmas Day shall also be applicable to the Thanksgiving Day and Day after Thanksgiving Day and the New Year's Eve and New Year's Day holidays.

- (A) Under no circumstances will an employee be allowed, in addition to his holiday pay, more than one time and one-half payment for service performed by him on a holiday which is also a workday, a rest day, and/or a vacation day.

Note: This provision does not supersede provisions of the individual collective agreements that require payment of double time for holidays under specified conditions.

Section 3

When any of the eleven recognized holidays enumerated in Section 1, or any day which by agreement, or by law or proclamation of the State or Nation, has been substituted or is observed in place of any of such holidays, falls during an hourly rated employee vacation period, he shall, in addition to his vacation compensation, receive the holiday pay provided for therein provided he meets the qualification requirements specified. The "workdays" and "days" immediately preceding and following the vacation period shall be considered the "workdays" and "days preceding and following the holiday for such qualification purposes.

AGREEMENT

between the

UNION PACIFIC RAILROAD COMPANY

and the

THE AMERICAN RAILWAY AND AIRWAY SUPERVISORS ASSOCIATION

IT IS HEREBY AGREED:

Section 1. The Company may establish positions of Foreman-General that are excepted from the promotion, assignment, displacement, and overtime rules of the Collective Bargaining Agreement. These positions shall be paid on a monthly salary indicated below which shall compensate for all services rendered five (5) days a week. To determine the hourly rate for these monthly-rated positions, the monthly rate shall be divided by 176. The compensation of the eleven (11) holidays covered by present Collective Bargaining Agreement is included in the monthly rate.

	<u>Monthly Rate</u>
Foreman-General 1	5,286.68
➤ Supervisor	
• Field, Shop	
• System Projects	
➤ Locomotive Shop/Power Coordinator	
➤ Shop Planner	
 Foreman-General II	 4,784.97
➤ Supervisor	
Quality, Warranty, Employee Involvement	
➤ Safety Administrator	
➤ Training Instructor	
➤ Industrial Engineer	
➤ Coordinator - Locomotive/Car	
➤ Technician	
➤ Coordinator	
Material, Quality, Safety, Training, Employee Involvement	

Employees assigned to a position pursuant to this Agreement shall be assigned two (2) consecutive rest days per week. If an employee is required to work on rest days or holidays, the days may be accumulated and the employee affected will be afforded time off to equal the total of the accumulated rest days or the employee may be compensated for work performed on rest days or holidays at the Carrier's discretion. Compensation for

work performed on holidays or rest days will be paid at the straight time hourly rate of pay. When compensated for rest day/holiday service performed, a minimum of four (4) hours' pay will be paid. For work performed on holidays in excess of four (4) hours, employees will be allowed compensation at the straight time rate of pay on the actual minute basis. On rest days, if an employee works more than four (4) hours, a maximum of eight (8) hours will be paid for any work performed over four (4) hours.

Rest days and hours of service may be changed by giving advance notice to the employee affected.

There is nothing contained in this Agreement or any other Agreements that requires positions established pursuant to this Agreement to be filled on rest days, vacation, holidays, or whenever the position is vacant and, in the judgement of management, the position does not require being filled.

Section 2. Compensation in addition to the monthly salary stated in Section 1 may be granted on a periodic basis to Foreman-General at the discretion of management. Such compensation is not subject to review nor does such compensation provide basis for any claims. This clause does not obligate the Company to pay any such compensation and the Company has sole discretion in allowing such compensation to Foremen General and may discontinue this compensation program at any time the Company so elects. This compensation will not be considered as a precedent nor cited in any future negotiations or claims.

Section 3. Positions will be filled on the basis of qualifications and fitness, management to be the judge. An employee appointed to a Foreman-General may be released from such assignment at the discretion of management.

For Foreman-General I and Supervisors in Foreman-General II classifications, employees with a Foreman seniority date will be given preference for the position over other applicants, if any Foremen have submitted their application. The Company will not be required to give Foremen preference in selecting Foreman-General II, except for Supervisors in Foreman-General II.

Section 4. Positions established pursuant to this Agreement will be filled by appointment. An employee desiring such position should furnish notification to the appropriate manager. There will be no seniority established as a result of being appointed to, or while occupying, a Foreman-General position.

Section 5. Foreman-General may on temporary basis be used on the territory covered by another Collective Bargaining Agreement without any penalty to the Company.

Section 6. An employee assigned to a position established pursuant to this Agreement who already has an established seniority date as a Foreman will not forfeit such seniority date by virtue of being appointed to a Foreman-General position.

Section 7. Foreman-General I may be utilized at the option of the Carrier to supervise craft employees at points where there are no more than ten (10) Shop Craft employees actively employed. A foreman may be replaced by a Foreman-General I in such circumstances only by mutual agreement. The parties further recognize that the Carrier is not obligated to maintain a Foreman-General I position in such circumstances and that the elimination of any such position does not give rise to any claim liability on the part of the Carrier.

At other locations, Foreman-General I may, at the option of the Carrier, be utilized to coordinate and supervise the work of Locomotive Electronic Maintenance Technicians (LEMT's) and Locomotive Mechanical Maintenance Technicians (LMMT's). The parties recognize that this provision does not require the Carrier to utilize Foremen-General for such purposes.

Section 8. An employee released from a Foreman-General position will exercise seniority pursuant to Rule 17 (e) of the Collective Bargaining Agreement.

Section 9. This Agreement shall become effective October 1, 2003.

The parties recognize the work performed pursuant to this Agreement clearly is not within the scope of any prior Agreement with the ARASA and is non-agreement work. The parties further recognize that Foreman-General positions need not be established where to do so would be in conflict with the provisions of any other Collective Bargaining Agreement. By this Agreement, the Carrier reserves its prerogative to return this work to non-agreement employees at any time. Furthermore, such work cannot be used as a basis for a claim on behalf of any employee.

This agreement supersedes Agreements on Foreman-General dated February 1, 1996, as amended, as well as any other Agreements and Understandings on Foreman-Generals made prior to this date.

Signed this 12th day of August 2003.

FOR THE ORGANIZATION:

FOR THE CARRIER:

/s/ Ricky Brown
GENERAL CHAIRMAN ARASA

/s/ D. J. Smith
**ASST. VICE PRESIDENT
- LABOR RELATIONS**

APPROVED:

/s/ Joseph J. Derillo Sr.
PRESIDENT ARASA

UNION PACIFIC RAILROAD COMPANY

D. J. SMITH
ASST VICE PRESIDENT
LABOR RELATIONS NON-OPERATING

1416 DODGE STREET
OMAHA, NEBRASKA 68179



August 12, 2003

251-1
251-14

Mr. R. D. Brown
General Chairman ARASA
204 Live Oak Lane
Burleson, TX 76028

Dear Sir:

This has reference to our recent discussion in conference concerning Agreement on Foreman-General dated August 12, 2003.

During our discussion in conference, you indicated your concern as to the manner in which positions would be abolished if there were a reduction in force of Foreman-General or Foreman positions. In view of our discussion, you were advised that Section 1 of the Agreement states that Foremen-General are "excepted from the promotion, assignment, and displacement rules of the Collective Bargaining Agreement."

As a result of the concerns you have expressed as to how a reduction in force at a particular point may affect employees you represent, you were advised that if a reduction of a Foreman position occurs at a particular point where a Foreman is furloughed and Foremen-Generals are assigned; the reductions would occur in the following order:

- (1) Individuals assigned to a Foreman-General position at the point that do not have any ARASA seniority would be the first to have their position abolished.
- (2) Abolish the position of youngest Foreman-General unless that individual has more ARASA seniority than the most junior Foreman at the point.
- (3) In the application of paragraphs (1) and (2) above, such reduction would apply only if reduction is to be made in the applicable locomotive or car operations where the Foreman-General is employed. For example, if the reduction is in the car operations, then the Foreman-General in paragraphs (1) and (2) above would have to be working in the car operations. On the other hand, if the Foreman-General is working in locomotive operations and the reduction is in car operations, then paragraphs (1) and (2) would not apply.

Mr. Brown
August 12, 2003
File: 251-1 and 251-14
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It was understood that in connection with any reductions of forces, the Carrier is not obligated to make any abolishment of Foreman-General positions on a seniority basis but the Carrier will give the above consideration as pertains to the effect such reductions would have on the most junior Foreman at the point.

If the above understanding meets with your approval, will you please to indicate in the space provided below.

Sincerely,

/s/ D. J. Smith

AGREED:

/s/ Ricky Brown
General Chairman ARASA

APPROVED:

/s/ Joseph J. Derillo Sr.
President ARASA

AGREEMENT
BETWEEN
UNION PACIFIC RAILROAD COMPANY
AND THE
AMERICAN RAILWAY AND AIRWAY SUPERVISORS ASSOCIATION
(Maintenance of Way & Signal)

To provide an additional source of candidates for employees being considered for promotion, the following provisions will govern employees that are assigned to certain MofW and Signal supervisory and staff positions. Accordingly,

IT IS HEREBY AGREED:

Section 1. The Company may establish positions indicated in Section 2 hereof that are excepted from the promotion, assignment and displacement rules of the Collective Bargaining Agreement. The monthly salary shall compensate for all services rendered seven (7) days a week and is not subject to any overtime or holiday rules of the Collective Bargaining Agreements.

It is further understood that only the following provisions of the Collective Bargaining Agreement effective October 1, 2003 are applicable to positions identified in Section 2 hereof.

- (1) Leave of Absence
- (2) Personal Leave
- (3) Bereavement Leave
- (4) Absent from Work Without Leave
- (5) Jury Duty
- (6) Physical Examination
- (7) Automobiles
- (8) Probationary Period
- (9) Disqualification
- (10) Rule 28 a through j and Rule 29 as pertains to discipline claims only
- (11) Paying Off
- (12) Vacation Agreement
- (13) Union Shop Agreement of April 17, 1953
- (14) Dues Deduction Agreement of August 23, 1973
- (15) Dental Plan
- (16) Vision Plan
- (17) Employee and Dependent Insurance - Health and Welfare
- (18) Rule G By-Pass Agreement
- (19) Companion Agreement

- (20) CORE Agreement
- (21) Off Track Vehicle Accident Benefits
- (22) Supplemental Sickness Benefit Plan
- (23) 401(k) Retirement Thrift Plan

Section 2. Monthly salaries will be as indicated below subject only to future wage adjustments based on recommendations of management. In determining whether an employee is qualified in Level 1 or 2, time assigned to previous non-agreement and/or ARASA positions may be included if deemed appropriate by management. Management will be the judge as to which level to be paid an employee.

<u>Classification A</u>	<u>Classification B</u>
Supervisor	Bridge Inspector
Bridge	Bridge Technician
Detector Car	Detector Car Operator
Grinding	Engineering Inspector
Material	Facility Technician
Rail Train	On-Track Safety Inspector
Signal	Maintenance of Way Inspector (Track)
Track	Project Coordinator
Welding	Quality Control Inspector
Work Equipment	Rules and Safety Trainer

The rates of pay for the above classifications will be as follows:

	<u>Level 1</u>	<u>Level 2</u>
Classification A	5264	5013
Classification B	4886	4636

Qualifications

- Level 1 = Five (5) or more years supervisory experience/ARASA
- Level 2 = less than five (5) years supervisory experience/ARASA

An individual will be advanced from a Level 2 to a Level 1 at the beginning the quarter period, i.e., January 1, April 1, July 1, or October 1, immediately following the month in which the individual attains the five years of supervisory experience.

There is nothing contained in this Agreement nor any other Agreements that requires positions' established pursuant to this Agreement to be filled on rest days, vacation, or whenever the position is vacant and in the judgment of management does not require being filled.

Section 3. Positions identified in Section 2 hereof will be filled on the basis of qualifications and fitness, management to be the judge. An employee appointed to one of these positions may be released from such assignment at the discretion of management.

Section 4. Positions established pursuant to the Agreement will be filled by appointment. An employee desiring one of these positions should complete a candidate information sheet and forward it to the designated Company manager. There will be no seniority established as a result of being appointed to, or while occupying, one of these positions.

Section 5. The positions identified herein may be utilized anywhere on the entire system of the Union Pacific Railroad Company.

Section 6. An employee assigned to a position established pursuant to this Agreement who has seniority as a foreman governed by Collective Bargaining Agreement effective October 1, 2003, will not forfeit such seniority date by virtue of being appointed to a position covered by this Agreement.

When an employee is released from a position identified in Section 2 of this Agreement, the employee if covered by Collective Bargaining Agreement dated October 1, 2003, must return to the position of foreman which was occupied immediately prior to promotion to a position identified in Section 2. In the event the former foreman position has been abolished or occupied by a senior incumbent, the employee must exhaust seniority rights at the point where last worked as a foreman.

Section 7. The parties recognize the work performed pursuant to this Agreement clearly is not within the scope of any agreement with ARASA and is nonagreement work. In addition, it is recognized that the positions identified in Section 2 hereof may be agreement covered as provided herein or nonagreement. By this Agreement, the Carrier reserves its prerogative to return this work to nonagreement employees at any time. Furthermore, such work cannot be used as a basis for a claim on behalf of any employees.

Section 8. The parties agree that the Agreement dated February 10, 2000, as amended, will be terminated effective September 30, 2003. This Agreement shall become effective October 1, 2003.

Signed this 12th day of August 2003.

**FOR THE AMERICAN RAILWAY AND
AIRWAY SUPERVISORS ASSN.:**

**FOR THE UNION PACIFIC RAILROAD
COMPANY:**

/s/ Ricky Brown
General Chairman ARASA

/s/ D. J. Smith
**Assistant Vice President
Labor Relations**

APPROVED:

/s/ Joseph J. Derillo Sr.
President ARASA

A G R E E M E N T

BETWEEN

UNION PACIFIC RAILROAD COMPANY

AND THE

AMERICAN RAILWAY AND AIRWAY SUPERVISORS ASSOCIATION
(TELECOMMUNICATIONS)

To provide an additional source of candidates for employees being considered for promotion, the following provisions will govern employees that are assigned to certain Telecommunications supervisory positions. Accordingly,

IT IS HEREBY AGREED:

Section 1. The Company may establish positions indicated in Section 2 hereof that are excepted from the promotion, assignment and displacement rules of the Collective Bargaining Agreement. The monthly salary shall compensate for all services rendered seven (7) days a week and is not subject to any overtime or holiday rules of the Collective Bargaining Agreement.

It is further understood that only the following provisions of the Collective Bargaining Agreement effective October 1, 2003, are applicable to positions identified in Section 2 hereof:

- (1) Leave of Absence
- (2) Personal Leave
- (3) Bereavement Leave
- (4) Absent from Work Without Leave
- (5) Jury Duty
- (6) Physical Examination
- (7) Automobiles
- (8) Probationary Period
- (9) Disqualification
- (10) Rule 28 a through j and Rule 29 as pertains to discipline claims only
- (11) Paying Off
- (12) Vacation Agreement
- (13) Union Shop Agreement of April 17, 1953
- (14) Dues Deduction Agreement of August 23, 1973
- (15) Dental Plan
- (16) Vision Plan
- (17) Employee and Dependent Insurance - Health and Welfare
- (18) Rule G By-Pass Agreement

- (19) Companion Agreement
- (20) CORE Agreement
- (21) Off Track Vehicle Accident Benefits
- (22) Supplemental Sickness Benefit Plan
- (23) 401(k) Retirement Thrift Plan

Section 2. Monthly salaries will be as indicated below subject only to future wage adjustments based on recommendations of management. In determining whether an employee is qualified in Level 1 or 2, previous experience as a supervisor may be included if deemed appropriate by management. Management will be the judge as to which level to be paid an employee.

Telecom Class A	<u>Level 1</u>	<u>Level 2</u>
Communications Supervisor	4816	4570
Construction Supervisor	4816	4570
Fiber Optics Supervisor	4816	4570
Services Supervisor	4816	4570
Telecom Inspector	4816	4570

Qualifications

- Level 1 = Five (5) or more years supervisor experience
- Level 2 = less than five (5) years supervisory experience

Telecom Class B

Engineering Technician 4327
(3+ years applicable work experience)

Telecom Class C

Engineering Coordinator 4031
(0-3 years applicable work experience)

There is nothing contained in this Agreement nor any other Agreements that requires positions established pursuant to this Agreement to be filled whenever the position is vacant and in the judgement of management does not require being filled.

Section 3. Positions identified in Section 2 hereof will be filled on the basis of qualifications and fitness, management to be the judge. An employee appointed to one of these positions may be released from such assignment at the discretion of management.

Section 4. Positions established pursuant to the Agreement will be filled by appointment. There will be no seniority established as a result of being appointed to, or while occupying, one of these positions.

Section 5. The positions identified in Section 2 may be utilized anywhere on the entire system of the Union Pacific Railroad Company.

Section 6. An employee assigned to a position established pursuant to this Agreement who has seniority as a foreman governed by Collective Bargaining Agreement effective October 1, 2003, will not forfeit such seniority date by virtue of being appointed to a position covered by this Agreement.

When an employee is released from a position identified in Section 2 of this Agreement, the employee if covered by Collective Bargaining Agreement dated October 1, 2003, must return to the position of foreman which was occupied immediately prior to promotion to a position identified in Section 2. In the event the former foreman position has been abolished or occupied by a senior incumbent, the employee must exhaust seniority rights at the point where last worked as a foreman.

Section 7. The parties recognize the work performed pursuant to this Agreement clearly is not within the scope of any agreement with ARASA and is nonagreement work. In addition, it is recognized that the positions identified in Section 2 hereof may be agreement covered as provided herein or nonagreement. By this Agreement, the Carrier reserves its prerogative to return this work to nonagreement employees at any time. Furthermore, such work cannot be used as a basis for a claim on behalf of any employees.

Section 8. The parties agree that the Agreement dated October 2, 1996, as amended, shall be terminated effective September 30, 2003. This Agreement shall become effective October 1, 2003.

Signed this 12th day of August 2003.

**FOR THE AMERICAN RAILWAY AND
AIRWAY SUPERVISORS ASSN.:**

**FOR THE UNION PACIFIC RAILROAD
COMPANY:**

/s/ Ricky Brown
General Chairman ARASA

/s/ D. J. Smith
**Assistant Vice President
Labor Relations**

APPROVED:

/s/ Joseph J. Derillo Sr.
President ARASA

AGREEMENT
BETWEEN
UNION PACIFIC RAILROAD COMPANY
AND THE
AMERICAN RAILWAY AND AIRWAY SUPERVISORS ASSOCIATION
(Human Resources)

To provide an additional source of candidates for employees being considered for promotion, the following provisions will govern employees that are assigned to certain Human Resources training positions. Accordingly,

IT IS HEREBY AGREED:

Section 1. The Company may establish positions indicated in Section 2 hereof that are excepted from the promotion, assignment and displacement rules of the Collective Bargaining Agreement. The monthly salary shall compensate for all services rendered seven (7) days a week and is not subject to any overtime or holiday rules of the Collective Bargaining Agreement.

It is further understood that only the following provisions of the Collective Bargaining Agreement effective October 1, 2003, are applicable to positions identified in Section 2 hereof.

- (1) Leave of Absence
- (2) Personal Leave
- (3) Bereavement Leave
- (4) Absent from Work Without Leave
- (5) Jury Duty
- (6) Physical Examination
- (7) Automobiles
- (8) Probationary Period
- (9) Disqualification
- (10) Rule 28 a through j and Rule 29 as pertains to discipline claims only
- (11) Paying Off
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- (13) Union Shop Agreement of April 17, 1953
- (14) Dues Deduction Agreement of August 23, 1973
- (15) Dental Plan
- (16) Vision Plan
- (17) Employee and Dependent Insurance - Health and Welfare
- (18) Rule G By-Pass Agreement
- (19) Companion Agreement

- (20) CORE Agreement
- (21) Off Track Vehicle Accident Benefits
- (22) Supplemental Sickness Benefit Plan
- (23) 401(k) Retirement Thrift Plan

Section 2. Monthly salaries will be as indicated below subject only to future wage adjustments based on recommendations of management. In determining whether an employee is qualified in Level 1 or 2, previous experience as a trainer may be included if deemed appropriate by management. Management will be the judge as to which level to be paid an employee.

	<u>Level 1</u>	<u>Level 2</u>
Training Instructor	4000	3750

Qualifications

- Level 1 = Five (5) or more years training
- Level 2 = less than five (5) years training experience

An individual will be advanced from a Level 2 to a Level 1 at the beginning the quarter period, i.e., January 1, April 1, July 1, or October 1, immediately following the month in which the individual attains the five years of supervisory experience.

There is nothing contained in this Agreement nor any other Agreements that requires positions established pursuant to this Agreement to be filled whenever the position is vacant and in the judgement of management does not require being filled.

Section 3. Positions identified in Section 2 hereof will be filled on the basis of qualifications and fitness, management to be the judge. An employee appointed to one of these positions may be released from such assignment at the discretion of management.

Section 4. Positions established pursuant to the Agreement will be filled by appointment. There will be no seniority established as a result of being appointed to, or while occupying, one of these positions.

Section 5. The positions identified in Section 2 may be utilized anywhere on the entire system of the Union Pacific Railroad Company.

Section 6. An employee assigned to a position established pursuant to this Agreement who has seniority as a foreman governed by Collective Bargaining Agreement effective October 1, 2003, will not forfeit such seniority date by virtue of being appointed to a position covered by this Agreement.

When an employee is released from a position identified in Section 2 of this Agreement, the employee if covered by Collective Bargaining Agreement dated October 1, 2003, must return to the position of foreman which was occupied immediately prior to promotion to a position identified in Section 2. In the event the former foreman

position has been abolished or occupied by a senior incumbent, the employee must exhaust seniority rights at the point where last worked as a foreman.

Section 7. The parties recognize the work performed pursuant to this Agreement clearly is not within the scope of any agreement with ARASA and can be performed by other crafts and nonagreement personnel. In addition, it is recognized that the positions identified in Section 2 hereof may be agreement covered as provided herein or nonagreement. By this Agreement, the Carrier reserves its prerogative to return this work to nonagreement employees at any time. Furthermore, such work cannot be used as a basis for a claim on behalf of any employees.

Section 8 The parties agree that Agreement dated December 15, 1994 is terminated effective September 30, 2003. This Agreement shall become effective October 1, 2003.

Signed this 12th day of August 2003.

**FOR THE AMERICAN RAILWAY AND
AIRWAY SUPERVISORS ASSN.:**

**FOR THE UNION PACIFIC RAILROAD
COMPANY:**

/s/ Ricky Brown
General Chairman ARASA

/s/ D. J. Smith
**Assistant Vice President
Labor Relations**

APPROVED:

/s/ Joseph J. Derillo Sr.
President ARASA

UNION PACIFIC RAILROAD COMPANY

D. J. SMITH
ASST VICE PRESIDENT
LABOR RELATIONS NON-OPERATING

1416 DODGE STREET
OMAHA, NEBRASKA 68179



March 14, 2002

6990005

Mr. Gary Campbell
General Chairman AR&ASA
PO Box # 8
Green River, WY 82935

Dear Sir:

This has reference to our recent discussion concerning Section 6 notice that you served on November 11, 1999 and those served by the Carrier on January 28, 2000, covering employees in Maintenance Operations and Engineering Services.

As we discussed in our meeting today, it is understood that any wage increases that may develop as a result of Section 6 Notices identified above would not be applied to employees and positions represented by AR&ASA in Agreement dated February 10, 2000, covering employees in Engineering Services, Agreement dated December 15, 1994, covering employees in Human Resources and Agreement dated October 2, 1996, covering employees in Information Technology/Telecommunications

If the foregoing is in accordance with our discussion and meets with your approval, please so indicate by signing in the space provided.

Yours truly,

/s/ D. J. Smith

AGREED:

/s/ G. Campbell
GENERAL CHAIRMAN, AR&ASA

UNION PACIFIC RAILROAD COMPANY

D. J. SMITH
ASST VICE PRESIDENT
LABOR RELATIONS NON-OPERATING

1416 DODGE STREET
OMAHA, NEBRASKA 68179



August 12, 2003

6990005

Mr. R. D. Brown
General Chairman ARASA
204 Live Oak Lane
Burleson, TX 76028

Dear Sir:

This has reference to our letter agreement dated March 14, 2002, concerning Section 6 Notice of November 11, 2000 and its application to employees in Maintenance of Way & Signal, Information Technology/Telecommunications and Human Resources covered by Agreements dated February 10, 2000, October 2, 1996 and December 15, 1994, as revised effective September 1, 2003.

As we discussed earlier, employees covered by the above-referred to Agreements are excluded from Articles I and II of the Agreement signed June 16, 2003 covering wages and health & welfare benefits. As for Article III, Health & Welfare of the June 16, 2003 Agreement, you were advised the Carrier does not intend to implement the employee contributions until the next wage increase for employees covered by the above mentioned agreements. Furthermore, you were advised that there would be no retroactive adjustments for the cost of health & welfare benefits for these employees. If the above meets with your approval, will you please so indicate in the space provided below.

Sincerely,

/s/ D. J. Smith

AGREED:

/s/ Ricky Brown
General Chairman ARASA

APPROVED:

/s/ Joseph J. Derillo Sr.
President ARASA