

**MEMORANDUM OF AGREEMENT
(#3207010844)**

Between the

UNION PACIFIC RAILROAD COMPANY

and the

**BROTHERHOOD OF LOCOMOTIVE ENGINEERS & TRAINMEN
(EASTERN DISTRICT)**

and the

**UNITED TRANSPORTATION UNION
(EASTERN DISTRICT – Zone 100)**

**Modification of BLET Rule 105(a) and Article XII, Section 2B(2)
of the 1986 BLE National Agreement**

**Modification of Article XIII
of the 1985 UTU National Agreement and
Letter of Understanding dated August 20, 1987**

**Working Engineers Bidding Hostler Positions
at Council Bluffs, Iowa**

In order for UPED First District engineers to have the ability to make application (bid) to hostler positions at Council Bluffs, Iowa, BLET Rule 105(a), Article XII, Section 2B(2) of the 1986 BLET National Agreement and Article XIII of the 1985 UTU National Agreement are hereby revised to provide the following:

IT IS AGREED:

1. For the purpose of this agreement only, if a hostler(s) at Council Bluffs desire(s) to work as an Engineer, employees who are holding a position as

an Engineer on a First District assignment may make application (bid) on such hostler positions at Council Bluffs in accordance with their fireman (hostler) seniority date.

2. Engineers may elect to move to these positions four (4) times per year in accordance with Rule 63 of the UTU-E Agreement.
3. Engineers/hostlers utilizing this Agreement must remain in hostling/engine service until the next quarterly application (bid), seniority permitting.
4. Engineers electing to make application (bid) on hostler positions will be compensated the earnings of the assignment worked (hostler). Any familiarization training for either a hostler or engineer, if necessary, will be without any additional cost to the Carrier.
5. This Agreement does not allow employees who can hold a position as an engineer to self-demote themselves to the position of conductor, trainman or yardman.
6. Should there be no hostlers who make application (bid) to work as an Engineer as a result of this agreement, then the employees holding a working position as an Engineer will not be permitted to be assigned to a hostler position.
7. Any employee entitled to labor protection benefits will be subject to offsets for failure to bid to the highest rated position.
8. Prior to filing time claims, the parties agree to meet and discuss any issues with regard to this handling.
9. The Superintendent and Local Chairman will work together to ensure there is minimal disruption to operations as a result of the implementation of this agreement.

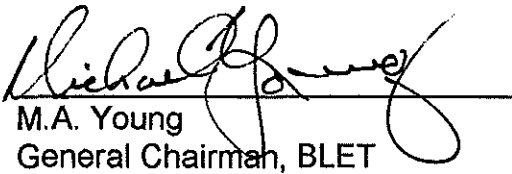
NOTE: For qualification purposes the parties recognize it may be necessary to stagger the number of employees moving to/from these positions.

10. The terms and conditions set forth herein are without prejudice to either parties' position and are made on a non-referable and on a not-to-be-cited basis; it will not be used in any arbitration or negotiation proceeding, nor will it be advanced to any authorized agency as a measure to establish "cross utilization" or creation of a single craft employee for operating crafts.
11. This Agreement applies only at Council Bluffs and will remain in full force and effect unless cancelled by any party signatory hereto serving a ten (10) day advance written notice of such intent upon the other signatory parties.

- (a). In the event this agreement is cancelled, the provisions of Rule 105(a) and Article XII, Section 2B(2), of the 1986 BLET National Agreement, as well as Article XIII of the 1985 UTU National Agreement will revert to its original meaning. Engineers who are holding a position as an engineer will not be permitted to make application (bid) on hostler positions.

Signed this 31 day of July, 2008, in Omaha, Nebraska.

For: THE BROTHERHOOD OF
LOCOMOTIVE ENGINEERS AND
TRAINMEN


M.A. Young
General Chairman, BLET

For: THE UNION PACIFIC
RAILROAD COMPANY


Alan L. Weed
Director - Labor Relations

FOR THE
UNITED TRANSPORTATION UNION


D.L. Hazlett
General Chairman, UTU



D.K. Peitzmeier
Director - Labor Relation

July 28, 2008

3201290744

Mr. D. L. Hazlett
General Chairman
United Transportation Union
5990 SW 28th Street, Suite F
Topeka, KS 66614-4181

Dear Sir:

This concerns Memorandum of Agreement #3201290744 providing for, among others, the modification of the 1985 UTU National Agreement and the Letter of Understanding dated August 20, 1987 to enable UPED First District engineers to have the ability to make application to hostler positions at Council Bluffs, Iowa.

This will confirm our understanding that in the event this Agreement is cancelled as outlined in Paragraph 11, the Letter of Understanding dated August 20, 1987 (commonly referred to as the "Margason Agreement") will revert to its original meaning, as will the provisions of rule 105(a) and Article XII, Section 2B(2), of the 1986 BLET National Agreement, and Article XIII of the 1985 UTU National Agreement, as set forth in Paragraph (a).

If this accurately reflects our understanding in this matter please sign in the space provided below.

Yours truly,

A handwritten signature in cursive script, reading "D.K. Peitzmeier".

I CONCUR:

A handwritten signature in cursive script, reading "D. L. Hazlett".

D. L. Hazlett
General Chairman, UTU