

MEMORANDUM OF AGREEMENT

#2112040643

(840-1)

between the

UNION PACIFIC RAILROAD COMPANY

and the

UNITED TRANSPORTATION UNION

(For the Northwestern District)

PORTLAND HUB – ZONE 2
EBB AND FLOW CONDITIONS

In compliance with the applicable Collective Bargaining Agreement Rules concerning trainmen promoted to an engineer, as well as National Agreement rules addressing such employees, the parties signatory hereto agree to adopt the following Ebb and Flow conditions.

ARTICLE 1 – DEFINITIONS

Section 1 - The terms "employees, trainmen and/or engineers" used in this Agreement are only those employees who were promoted to an engineer, as well as all other employees who are promoted in the future.

Section 2 (a) - The term "terminal" as used in this Agreement is one (1) of the following listed locations which serves as a source of supply for engineer employees at this time:

Hinkle	LaGrande	Spokane
--------	----------	---------

(b) - All outlying points which are protected by that terminal source of supply are considered within the terminal for purposes of this agreement.

Section 3 - The term "seniority territory" or "district" as used in this agreement is the Portland Hub Zone 2 seniority district.

ARTICLE II - HOME TERMINAL DESIGNATIONS

Section 1 (a) - All engineers, as well as those employees currently certified as engineers but reduced in service to a Trainman/Yardman, will have the opportunity to select a home terminal for displacement and home terminal rights as described in Article III of this Agreement. The Home Terminal must be one of those identified in Section 2(a) of Article I above and is also within the employee's engineer seniority district as listed in Section 3 of Article I above. The election by the employee must be made by notifying Carrier's Crew Management System (CMS) Director within thirty (30) days after date of this Agreement.

(b) - Employees failing to elect a home terminal under the time frame set forth in this Section will be considered as electing the current working terminal if the employee is assigned as an Engineer or the last terminal worked when assigned as an Engineer prior to being reduced in force to a Trainman/Yardman.

ARTICLE III - HOME TERMINAL RIGHTS

Section 1 (a) - When an Engineer is reduced in force at a terminal and the employee cannot hold an Engineer's assignment or Engineer's extra board position within that terminal, the employee may elect to exercise his/her seniority as a trainman/yardman at the employees' designated home terminal (seniority permitting) as defined in Article II of this Agreement.

Note 1: An engineer may only work as a trainman/yardman in his/her designated Home Terminal if: 1) there are no engineers junior to him/her working in the terminal; 2) there are engineer(s) junior to him/her working outside the terminal but within the consolidated seniority district; and 3) seniority permitting.

Note 2: An engineer is not permitted to work as a trainman/yardman outside his/her Home Terminal if there are engineer(s) junior to him/her working in the consolidated seniority district.

Note 3: If an engineer is reduced in force and there are no engineers his/her junior working within the consolidated seniority district, he/she may exercise his/her seniority as a trainman/yardman in accordance with the collective bargaining agreement.

(b) - Engineers electing to exercise their seniority as a trainman/yardman at their designated home terminal must do so within forty-eight (48) hours from the time of notification.

Section 2 (a) - Employees exercising seniority as a trainman/yardman will continue to be subject to recall as an engineer within the consolidated seniority district of the employee.

(b) - When an engineer's services are needed at a terminal within the consolidated seniority district such services will be protected under the following order of preference:

Step 1: In seniority order (engineer's seniority) from those demoted engineers working as trainmen/yardmen at that terminal as defined in Article I, Section 2(a).

Step 2: In reverse seniority order (engineer's seniority) from all other demoted engineers within the applicable engineer's consolidated seniority district.

(c) - An Employee returned as an engineer under **Step 1** of Subsection (b) above will be immediately placed onto a permanent vacancy. Permanent vacancies may include extra boards.

(d) - If the employee is on duty as a trainman/yardman at the time recalled as an engineer, the employee will be placed on the permanent vacancy or extra board at the time of tie up at the home terminal.

(e) - If a force reduction is made to the working list of engineers at a terminal where employees are assigned pursuant to Section 2 (b), **Step 2** above, the senior most "forced engineer" with a request to return home (RTH) will be released to his/her home terminal designation.

(f) - An employee returned to engine service under **Step 2** of Subsection (b) will be permitted to apply for engineer assignments, including extra boards, only at the employee's designated home terminal or the terminal where working.

ARTICLE IV - GENERAL

Section 1 - This Memorandum of Agreement is made without prejudice to either parties' position relative to their rights and obligations under the applicable National Agreements, as well as the Basic Agreement Rules and practices between the parties and will not be cited by either party in any dispute over such agreements.

Section 2 - The parties recognize this Memorandum of Agreement amends in part various local and national agreement rules and practices and therefore, it is clearly understood that where such agreements, rules and/or practices are in conflict with this Memorandum of Agreement, the provisions of this Agreement will prevail.

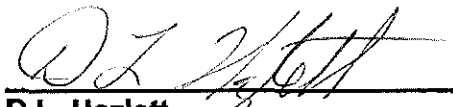
Section 3 - No claims will be filed and/or progressed in the application of this Agreement. After the implementation of this Agreement, the parties will evaluate the results and resolve an issues and/or disputes.

Section 4 (a) - The parties recognize that the conditions of this Agreement are equally represented in a separate agreement with the Brotherhood of Locomotive Engineers (MofA #1404020243). This Memorandum of Agreement will become effective on February 1, 2007 and will remain in full force and effect unless cancelled by any one of the parties signatory hereto by serving a thirty (30) day advance written notice on the other parties.


(b) - In the event this Agreement is cancelled, all working rules in effect prior to this agreement, unless modified by other agreements, i.e., National Agreements, will be restored.

Signed this 9th day of January 2008⁷.

**FOR THE UNITED TRANSPORTATION
UNION:**


D.L. Hazlett
General Chairman
United Transportation Union

FOR THE CARRIER:


Alan L. Weed
Director - Labor Relations
Arbitration & Negotiations

SIDE LETTER NO. 1
MOA# 2112040643

Mr. D.L. Hazlett
General Chairman, UTU
5990 SW 28th Street, Suite F
Topeka, KS 66614

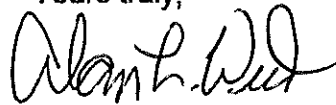
Dear Sir:

In connection with the parties negotiation of the Ebb and Flow Agreement(s) for the Portland Hub Zone 2, we discussed seniority rights of pre-November 1, 1985 Engineers.

This letter will confirm our understanding that pre-November 1, 1985 engineers existing seniority rights are retained as provided by Article XIII of the 1985 UTU National Agreement and Article XII of the May 19, 1986 BLE Arbitration Agreement.

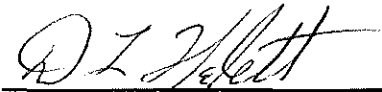
If this correctly reflects your understanding, please so indicate by signing in the designated space below.

Yours truly,



Alan L. Weed
Director - Labor Relations
Arbitration & Negotiations

Agreed:


D.L. Hazlett - UTU

SIDE LETTER NO. 2
MOA# 2112040643

D.L. Hazlett
General Chairman, UTU
5990 SW 28th Street, Suite F
Topeka, KS 66614

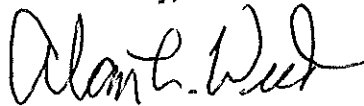
Dear Sir:

It is recognized issues and/or disputes may develop in connection with implementation of the Ebb and Flow Agreement(s) in which the parties did not anticipate.

This letter will confirm our agreement that no claims will be filed and/or progressed in the good faith implementation of this agreement. Any issues and/or disputes will be evaluated and resolved expeditiously between the parties.

If this correctly reflects our understanding, please so indicate by signing in the designated space provided below.

Yours truly,



Alan L. Weed
Director - Labor Relations
Arbitration & Negotiations

Agreed:



D.L. Hazlett - UTU

SIDE LETTER NO. 3
MOA# 2112040643

D.L. Hazlett
General Chairman, UTU
5990 SW 28th Street, Suite F
Topeka, KS 66614

Dear Sir:


This refers to Article II of the Ebb and Flow Agreement concerning employees selecting a designated home terminal.

During our negotiations, your Organization raised a concern wherein an employee due to a hardship or other unique circumstances may require a change in a designated home terminal.

It is agreed, an employee may change his/her designated home terminal with the concurrence of the BLE General Chairman, UTU General Chairman and Director of Labor Relations.

If this correctly reflects our understanding, please so indicate by signing in the designated space below.

Yours truly,



Alan L. Weed
Director - Labor Relations
Arbitration & Negotiations

Agreed:



D.L. Hazlett - UTU