

NEW YORK DOCK UP/SP MERGER IMPLEMENTING AGREEMENT
PORTLAND HUB – ZONES 2 AND 3

between

**UNION PACIFIC RAILROAD COMPANY
 SOUTHERN PACIFIC TRANSPORTATION COMPANY**

and

UNITED TRANSPORTATION UNION

In Finance Docket No. 32760, the Surface Transportation Board ("STB") approved the merger of Union Pacific Corporation, Union Pacific Railroad Company/Missouri Pacific Railroad Company (hereinafter, collectively referred to as "UP" or "Carrier"), Southern Pacific Rail Corporation, Southern Pacific Transportation Company ("SP"), St. Louis Southwestern Railway Company, SPCSL Corp., and Denver & Rio Grande Western Railroad Company. In approving this transaction, the STB imposed the labor protective conditions set forth in New York Dock.

Pursuant to New York Dock, and to achieve the public transportation benefits and operational changes made possible by this transaction, **IT IS AGREED:**

I. ZONE DESCRIPTIONS

Two new seniority zones shall be created that encompass the following area: UP territory from Hinkle, Oregon (milepost 186.0), to Eastport, Idaho (milepost 140.74), on the Spokane International Railroad to Silver Bow, Montana, to McCammon, Idaho (milepost 109.8) and Granger, Wyoming (milepost 0.64). This territory shall be divided into two (2) zones as follows:

- A. Zone 2 will include all operations between, and including, Hinkle and Huntington, Oregon, including Huntington; and between Hinkle, Oregon, and Eastport, Idaho, including Eastport. Zone 2 shall also include through freight operations between LaGrande, Oregon, and Nampa, Idaho.

NOTE: Those regular and extra board positions at Hinkle covered Article II, Section B, Paragraphs 7.a. – 7.d. of the September 16, 1998 Merger Implementing Agreement for Portland Hub Zone 1 will be included in Zone 2.

- B. Zone 3 will include operations from, but not including, Huntington, Oregon, to, and including, Silver Bow, Montana and to, but not including, milepost 109.8 at McCammon, Idaho, and to milepost 0.64 at Granger, Wyoming.

NOTE: The operations and territories described in Paragraphs A and B, above, shall include all main, branch and/or secondary lines, yard trackage, industrial leads and all other track, leads

and stations between the points identified.

- C. Trackage or lines, either under lease or sale, that may be reacquired by UP will be included in the appropriate Zone.

II. SENIORITY INTEGRATION AND CONSOLIDATION

The following seniority consolidations for Zones 2 and 3 will be made:

- A. 1. New master seniority rosters for conductors, brakemen, yardmen (switchmen) and hostlers shall be created for Zone 2. The Zone 2 master seniority rosters will be comprised of the following:
- a. Employees holding seniority on the Oregon 3rd Seniority District;
 - b. Employees holding seniority on the Oregon 4th Seniority District;
 - c. Employees holding seniority on the Oregon 5th Seniority District;
 - d. Employees holding seniority on the former Spokane International Railroad ("SI") Seniority District;
 - e. Employees holding seniority, pursuant to the Memorandum of Agreement dated October 1, 1982, effective November 1, 1982, "Hinkle North Consolidated Seniority District" or, pursuant to the Memorandum of Agreement dated December 16, 1996, on the Oregon Division Zone 2 Consolidated Seniority Roster (as amended by the September 16, 1998 Portland Hub Zone 1 Merger Implementing Agreement);
 - f. Employees holding seniority on the UP Idaho Seniority District and, as of the date this Agreement is signed, assigned in the area for which Nampa is the source of supply (identified on Attachment "A") who elect pursuant to Article II, Section A, Paragraph 4.b.v. and Article VII, Section D, of this Agreement to permanently relocate to Zone 2; and,
 - g. Employees holding seniority on Portland Hub Zone 1 and assigned to positions at Hinkle pursuant to Article II, Section B, Paragraphs 7.a. – 7.d. of the September 16, 1998 Merger Implementing Agreement for Portland Hub Zone 1 who elect, pursuant to Article II, Section A, Paragraph 4.b.iv. of this Agreement to permanently remain in this Zone 2.
2. The Zone 2 master rosters shall include trainmen/yardmen on the rosters identified in Paragraph 1, above, who are borrowed out to

other locations but will return to Zone 2 upon their release.

NOTE: Employees who are borrowed out to locations on Zone 2 from other locations on the UP system, and who are at their home terminal of their assignment on the date this Agreement is implemented must elect to remain in Zone 2 or return to his or her home territory. Employees who are at the away from home terminal of an assignment on the date of implementation will make their election not later than return to the home terminal of such assignment. If such employees do not make an election by the time this Agreement is implemented, except as set forth above, the employee will be considered as having elected to remain in Zone 2 and will relinquish his or her seniority on their home territory.

3. The Zone 2 master roster for each craft shall be created as follows:

- a. Employees identified in Section A, Paragraph 1 of this Article II shall be placed on the appropriate Zone 2 master roster in dovetail order based on their retained seniority date in the craft – i.e., the employee's working seniority date in the craft.
 - i. Idaho Seniority District trainmen permanently relocating to Zone 2 will, for purposes of placement on Zone 2 master rosters and the Hinkle-East sub-zone prior rights rosters, use their retained seniority dates – their working seniority date -- on the Idaho Seniority District rosters. Relocating employees placed on the Zone 2 master rosters and the Hinkle-East sub-zone prior rights seniority rosters will be treated as though they had originally hired on the Oregon 3rd Seniority District.
 - ii. Employees covered by Article II, Section B, Paragraphs 7.a. – 7.d. of the September 16, 1998 Merger Implementing Agreement for Portland Hub Zone 1 who elect to permanently remain in Zone 2 will, for purposes of placement on the Zone 2 master rosters and the Hinkle-East sub-zone prior rights rosters, use their retained seniority dates – their working seniority dates -- from the Zone 1 seniority rosters. Employees electing to remain in Zone 2 and placed on the Zone 2 master roster and the Hinkle-East sub-zone prior rights seniority rosters will be treated as though they had originally hired on the Oregon 3rd Seniority District.
- b. If in the process of ranking employees on the Zone 2 master roster(s) several employees have identical seniority dates, the roster order for such employees will be determined in

accordance with applicable provisions of the Northwest District (Oregon) collective bargaining agreement, including the Letter of Understanding dated May 10, 2000.

4. a. Zone 2 will be divided into two (2) prior rights sub-zones – a "Hinkle - North" sub-zone and a "Hinkle - East" sub-zone. These sub-zones will be comprised of the following:
 - i. "Hinkle – North" prior rights sub-zone – Assignments and work in the territories comprising the former 4th, 5th and SI Seniority Districts – i.e., on the territory north of Hinkle to and including Eastport.
 - ii. "Hinkle – East" prior rights sub-zone – Assignments and work in the territories comprising all of the former 3rd Seniority District, from Hinkle east (including Hinkle) to and, and including, Huntington, Oregon and the LaGrande – Nampa through freight pool.
- b. Prior rights rosters will be established for each of the Zone 2 sub-zones. Employees holding a working seniority date in one of the sub-zones, on implementation of this agreement, will be eligible for retention of sub-zone prior rights, unless the employee has retained prior rights on the other sub-zone. Such employees will be allowed to continue working in the sub-zone where they are currently employed, based on their December 16, 1996 Zone 2 consolidated seniority, however will retain prior rights in the sub-zone area of their pre-December 17, 1996 seniority date. Employees will be placed on the applicable sub-zone roster(s) in dovetail order based on their retained seniority date in the craft – i.e., the employee's working seniority date in the craft.
 - i. Employees acquiring seniority on Zone 2 master rosters subsequent to December 16, 1996, will not acquire prior rights in either of the two sub-zones identified in Paragraph a, above, except as provided for in this Article II, Section A, Paragraph 4. Employees acquiring seniority on Zone 2 subsequent to December 16, 1996, will be considered as "common" employees on Zone 2.
 - ii. Eligible trainmen/yardmen possessing a seniority date prior to December 17, 1996, on the Hinkle North Seniority District will be granted prior rights on the Hinkle – North sub-zone.
 - iii. Eligible trainmen/yardmen possessing a seniority date prior to December 17, 1996, on the former Oregon 3rd Seniority District will be granted prior rights on the

Hinkle - East sub-zone.

- iv. Trainmen/yardmen covered by Article II, Section B, Paragraphs 7.a. – 7.d. of the September 16, 1998 Merger Implementing Agreement for Portland Hub Zone 1 who elect to remain in Zone 2 will be granted prior rights in the Hinkle - East sub-zone and will be slotted into the Hinkle-East sub-zone and the Zone 2 master seniority rosters in accordance with the employee's retained Zone 1 seniority date in the craft – i.e., the employee's working seniority date in the craft.
 - (a) Employees covered by Article II, Section B, Paragraphs 7.a. —7.d. of the Portland Hub Zone 1 Merger Implementing Agreement will be given a one-time opportunity to elect to either remain in Zone 2 or relocate to Portland Hub Zone 1.
 - (b) Those employees who elect to remain in Zone 2 will permanently relinquish all seniority rights and standing in Portland Hub Zone 1.
 - (c) Coincident with implementation of this Agreement, Article II, Section B, Paragraphs 7.a. – 7.d. of the September 16, 1998 Merger Implementing Agreement for Portland Hub Zone 1 will automatically terminate.
- v. Eligible trainmen/yardmen holding seniority on the Idaho Seniority District who elect, pursuant to this Agreement, to permanently relocate to Zone 2 will be granted prior rights on the Hinkle - East sub-zone and will be slotted into the Hinkle-East sub-zone and the Zone 2 master seniority rosters in accordance with their retained Idaho Seniority District seniority date in the craft – i.e., their working seniority date in the craft.
 - (a) Eligible trainmen/yardmen holding seniority on the Idaho Seniority District will, prior to implementation of this Agreement, be given a one-time opportunity to elect to either remain in Zone 3 or relocate to Zone 2.
 - (b) Eligible employees who elect to relocate to Zone 2 will permanently relinquish all seniority rights in Zone 3.
- vi. If in the process of ranking employees on the sub-zone prior rights roster(s) several employees have identical

seniority dates, the roster order for such employees will be determined in accordance with applicable provisions of the Northwest District (Oregon) collective bargaining agreement, including the Letter of Understanding dated May 10, 2000.

- c. Former Oregon 4th Seniority District trainmen identified on Attachment "B" shall be given prior rights to assignments originating in the territory comprising the former Oregon 4th Seniority District.
 - d. Existing agreement rules and arrangements governing prior rights for employees in the territory comprising Zone 2 are, effective with implementation of this Agreement, superceded by the provisions set forth herein.
- 5. Zone 2 vacancies shall be filled in accordance with existing Agreement provisions, subject to the following:
 - a. References to "district" in existing provisions governing the filling of vacancies or new positions shall be changed to either "Zone" or "sub-zone," as may be appropriate.
 - b. The parties will, on request of either party to this Agreement, meet prior to implementation to ensure existing Agreement provisions permit the timely and efficient filling of vacancies or new positions in Zone 2 and to confirm any necessary understandings, modifications and/or clarifications attendant thereto.
- B. 1. New master seniority rosters for conductors, brakemen, yardmen (switchmen) and hostlers shall be created for Zone 3. The Zone 3 rosters shall be comprised of employees holding seniority on the Idaho Seniority District rosters, subject to the following:
 - a. The new Zone 3 master seniority rosters will include employees holding seniority on the Idaho Seniority District who may be borrowed out to other locations but will return to Zone 3 upon their release.
 - b. The Zone 3 master rosters will not include trainmen/yardmen who elect, pursuant to this Agreement, to permanently relocate to Zone 2.
 - c. The Zone 3 master rosters will not include trainmen/yardmen from outside the territory comprising Zone 3 who are borrowed out to locations in Zone 3.
 - d. Existing agreement rules and arrangements governing prior

rights for employees in the territory comprising Zone 3 are, effective with implementation of this Agreement, superseded by the provisions set forth herein.

2.
 - a. Employees acquiring seniority on Idaho Seniority District rosters on or prior to May 22, 2000, will be given prior rights in Zone 3.
 - b. Employees acquiring seniority on Zone 3 subsequent to the date this Agreement is signed will not acquire prior rights on Zone 3 and will be considered as a "common" employee. Such employees will be required to protect all work and/or assignments in Zone 3.
3.
 - a. Employees holding seniority on Zone 3 master seniority rosters on the date this Agreement is signed shall be placed on the bottom of the applicable UP/UTU Salt Lake Hub Merged Rosters in the same relative order as they stand on the Zone 3 master rosters.
 - b. Employees acquiring seniority subsequent to May 22, 2000, in Zone 3 will be considered as "common" employees in this territory. Such employees will be required to protect work, vacancies and/or assignments in both Zone 3 and the Salt Lake Hub in accordance with understandings reached by the parties pursuant to Paragraph 4 and the Note below.

NOTE: During the period preceding implementation of this Agreement, the parties will meet to finalize any necessary modifications and/or clarifications required to ensure, that as a result of the seniority arrangements provided herein, vacancies, new positions, etc. in the Salt Lake Hub and in Zone 3 are filled/protected in a timely and efficient manner. In connection with those discussions, the parties will also earnestly explore expanding seniority and work opportunities for employees in the Salt Lake Hub to include this Zone 3.

4. Employees holding prior rights in Zone 3 will be required to protect/fill Salt Lake City Hub vacancies in accordance with the following:
 - a. Zone 3 prior rights employees will be required to first protect assignments in Zone 3.
 - b. Employees holding prior rights in Zone 3 and unable to hold an assignment in Zone 3 will be required to protect/fill any road service vacancy or position, including, but not limited to, local

freight, road switchers, and road or combination extra board(s), on the territories listed below:

- i. Salt Lake City / Ogden – Green River (Salt Lake and Evanston Subdivisions)
- ii. Salt Lake City / Ogden – Elko (Salt Lake, Lakeside, Lynndyl [to Smelter] and Shafter Subdivisions)
- iii. Salt Lake City / Ogden – Pocatello (Salt Lake and Ogden Subdivisions)

(a). Zone 3 prior rights employees will not be required to protect vacancies in the Salt Lake City – Milford through freight pool, on the extra board protecting that pool, or assignments originating on the Lynndyl Subdivision outside the Salt Lake City terminal.

(b). Zone 3 prior rights employees will not be required to protect vacancies in the Salt Lake City – Provo, Helper and/or Grand Junction through freight pool(s), on the extra board(s) protecting this service or other positions originating on the Provo Subdivision outside the Salt Lake City terminal.

NOTE: The parties agree to meet within one hundred twenty (120) days of implementation of this Agreement to finalize arrangements and procedures governing the exercise of this seniority, employee obligations associated therewith and applicable CMS vacancy procedures.

(c). Zone 3 prior rights trainmen will not be required to protect/fill yard service assignments or vacancies outside of Zone 3.

5. Trainmen/yardmen identified on Attachment "A" (Idaho) of this Agreement who do not relocate to Zone 2 will, subject to the terms and conditions set forth herein, retain the right to exercise their Zone 3 trainman seniority to positions at Nampa, including to "Nampa" positions in the LaGrande – Nampa through freight pool.

6. Trainmen/yardmen identified on Attachment "B" (Oregon 4th Seniority District) of this Agreement will, subject to the terms and conditions set

forth herein, retain the right to exercise their Oregon 4th District seniority to the "Hinkle" positions in the Spokane – Hinkle through freight pool and will retain their right to exercise their Hinkle-North sub-zone and Zone 2 master seniority rights.

7. New positions or permanent vacancies at Nampa, other than "Nampa" positions in the LaGrande – Nampa pool, for which there are no bidders/applicants shall be filled as follows:

- a. Force assign the junior conductor holding a "Nampa" position in the LaGrande – Nampa pool; or
- b. If there are no conductors holding "Nampa" positions in the LaGrande – Nampa pool, the vacancy will be filled in accordance applicable UP Eastern District Agreement provisions.

NOTE: A vacancy on a "Nampa" position in the LaGrande – Nampa pool resulting from assignment of a trainman listed on Attachment "A" to another vacancy at Nampa will be filled on a temporary basis by a Zone 2 trainman. It is not intended that in these circumstances the involved vacancy will be permanently transferred to Zone 2. A trainman with rights to the Nampa vacancy may claim the position in the LaGrande - Nampa through freight pool, seniority permitting, if he or she is not needed on another Nampa vacancy.

- C. Trainmen/yardmen who chose to relocate and placed on the Zone 2 master roster(s) shall relinquish all seniority outside the territory comprising Zone 2.
- D. Except as set forth in Section B of this Article II, employees placed on the Zone 3 master seniority roster(s) shall relinquish all seniority outside the territory comprising Zone 3. Likewise, all seniority inside Zone 3 held by trainmen/yardmen outside Zone 3 shall, except as set forth in Section B of this Article II, be eliminated.
- E. An employee on an authorized leave of absence, holding an official position – i.e., with the Carrier or UTU -- or who is dismissed from service and later reinstated will be placed on the appropriate Zone 2 or Zone 3 seniority roster (master and sub-zone, where appropriate). The parties will create a roster for such inactive employees until they return to service in either Zone 2 or Zone 3, at which time they will be placed on the appropriate seniority roster(s) and removed from the inactive roster.

III. THROUGH FREIGHT POOL OPERATIONS

A. Zone 2

Pool Freight in Zone 2 will be governed by applicable Northwest District (Oregon) collective bargaining agreement rules, subject to the following:

1. Spokane – Eastport

Pool freight service between Spokane and Eastport may be operated with a conductor-only crew in accordance with the provisions of existing Northwest District (Oregon) Crew Consist Agreements, including the Conductor-Only Agreement.

NOTE: The provisions of Side Letter No. 16 of the Northwest District (Oregon) Conductor-Only Crew Consist Agreement requiring use of brakemen between Spokane and Eastport is, effective with the implementation of this Agreement, automatically terminated and of no future force or effect.

2. Spokane – Hinkle

- a. The current Spokane – Hinkle freight service is Assigned Through Freight Service. On implementation of this agreement, Carrier may establish a pool freight service to operate between Spokane, Washington, and Hinkle, Oregon. Such Pool Service will replace the present assigned service. Spokane will be the home terminal for this pool.
- b. Hinkle will be retained on a temporary basis as the home terminal for the former Oregon 4th Seniority District trainmen listed on Attachment "B", who will continue to work out of Hinkle, until one of the following occurs:
 - (i) All the employees identified on Attachment "B" have either attrited (severed their employment relationship with Carrier) or have had their names removed from Attachment "B" in accordance with Paragraph 2.d.(v), below.
 - (ii) All "Hinkle" positions in the Spokane – Hinkle through freight pool are permanently held by Zone 2 trainmen not listed on Attachment "B"; or
 - (iii) The expiration of six (6) years from the date this Agreement is implemented. At that time, any Spokane – Hinkle pool assignments remaining at Hinkle will be bulletined and assigned out of Spokane. Spokane will continue to be the home terminal of the Spokane-Hinkle

pool. Former Oregon 4th District trainmen/yardmen will retain their Hinkle-North sub-zone and Zone 2 seniority roster standing and rights.

- c. Existing Northwest District (Oregon Division) Agreement provisions governing assignment and allocation of work between the Oregon 4th (48%) and 5th (52%) Seniority District trainmen for the Spokane-Hinkle run will, subject to the provisions of this Agreement, be retained and continue to apply until such time as Hinkle ceases to be a home terminal for the Attachment "B" employees. Such work allocations will no longer be based on miles; but instead on the number of turns or assignments in the Pool.
- d.
 - (i) Only trainmen identified on Attachment "B" will have the right to exercise their seniority to, and will be obligated to protect, "Hinkle" positions in this pool. Employees holding seniority on the Zone 2 master roster or the Hinkle-North sub-zone roster not listed on Attachment "B" are not eligible to exercise their seniority to "Hinkle" positions in this pool.
 - (ii) The home terminal for the Attachment "B" employees working in this pool and assigned to the "Hinkle" positions will be at Hinkle as set forth above.
 - (iii) A permanent vacancy on a "Hinkle" (Spokane – Hinkle) pool position not filled or protected by an employee identified on Attachment "B" will be filled by application at Spokane in accordance with applicable Agreement provisions.
 - (iv) Temporary vacancies on "Hinkle" positions in the Spokane – Hinkle through freight pool will be protected by the Walla Walla extra board until such time as Hinkle ceases to be a home terminal. If the Walla Walla extra board is exhausted, or the Walla Walla extra board has been attrited, temporary vacancies on "Hinkle" positions will be protected by the Hinkle Road extra board.
 - (v) A trainman identified on Attachment "B" who voluntarily exercises his or her seniority to a position outside the territory comprising the former Oregon 4th Seniority District and does not exercise his or her rights to an available "Hinkle" (Spokane – Hinkle) Pool position shall automatically and permanently forfeit all rights to the "Hinkle" pool positions.

NOTE 1: This Paragraph (v) shall apply only to the

first trainman on Attachment "B" who would have been the successful bidder/applicant had he or she submitted such bid or application and not to other junior trainmen listed on Attachment "B."

Such employee will not, however, forfeit these rights in the "Hinkle" pool position/vacancy is filled by another employee listed on Attachment "B".

NOTE 2: It is the parties' intent that an employee identified on Attachment "B" shall retain the right to the "Hinkle" positions in this pool until such time as he or she attrites, his or her name is removed from Attachment "B" pursuant to this Paragraph (vi) or upon expiration of six years from the date this Agreement is implemented.

- (vi) Regulation of this pool will be based on the mileage regulating factors of the Northwest District (Oregon Division) Agreement. All work allocations or percentages specified in the Interdivisional Service Agreements for division of work between the 4th and 5th Seniority Districts will terminate at such time as Hinkle ceases to be a home terminal for the Attachment "B" employees.
 - (vii) Recognizing the ebbs and flows of business in this territory, the parties acknowledge that the "Hinkle" pool positions will be reestablished as it is necessary to meet Carrier's commitment to employees listed on Attachment "B".
 - e. A trainman identified on Attachment "B" who elects, pursuant to this Agreement, to permanently relocate to Spokane will relinquish the prior rights established pursuant to Article II, Section A, Paragraph 4.c. of this Agreement. In other words, the employee who chooses to accept relocation on implementation will not retain any right to exercise seniority to "Hinkle" pool positions retained by other Attachment "B" employees; however said employee will retain all Hinkle North sub-zone and Zone2 master seniority roster rights.
3. LaGrande – Nampa
- a. LaGrande will be the home terminal, except that Nampa will be retained as a home terminal for those Idaho Seniority District

employees listed on Attachment "A" until such time as one of the conditions set forth in Paragraph 3.b.(i), below, is met.

- b. Work allocations between the former Oregon 3rd Seniority District and former Idaho Seniority District (Nampa) trainmen will, subject to the provisions of this Agreement, be retained and continue to apply to the LaGrande – Nampa through freight pool operation until such time as Nampa ceases to be a home terminal for this run. However such work allocations will no longer be determined on the basis of miles.

- (i) Nampa will permanently cease to be a home terminal when one of the following occurs:

- (a) The employees identified on Attachment "A" have either attrited (severed their employment relationship with Carrier) or have had their names removed from Attachment "A" in accordance with Article III, Section A, Paragraphs 3.b.(iv). and (v); or

- (b) All "Nampa" positions in the LaGrande – Nampa through freight pool are permanently held by Zone 2 trainmen.

- (ii) Only trainmen identified on Attachment "A" who do not relocate to Zone 2 may exercise their seniority to, and will be obligated to protect, "Nampa" positions in this pool. Employees holding seniority on the Zone 2 master roster or on the Zone 3 master roster but not listed on Attachment "A" are not eligible to exercise their seniority to "Nampa" positions in this pool.

- (iii) The home terminal for employees assigned to "Nampa" positions in this pool will be at Nampa. The right or obligation of employees identified on Attachment "A" to hold the "Nampa" positions in this pool will be subject to their obligations to protect other assignments as set forth elsewhere in Article III, Section A, Paragraph 3.

- (iv) An employee identified on Attachment "A" who voluntarily exercises his or her seniority to a position for which Nampa is not the source of supply – i.e., to a position in the Salt Lake Hub or east of Glenn's Ferry in Zone 3 – shall automatically and permanently forfeit all rights to the "Nampa" pool positions.

- (v) An employee identified on Attachment "A" who is assigned to a position for which Nampa is not the

source of supply and does not exercise his or her seniority to a "Nampa" position in the LaGrande - Nampa pool shall automatically and permanently forfeit all rights to the "Nampa" pool positions. Such employee will not, however, forfeit these rights if the "Nampa" position/vacancy is filled by another employee listed on Attachment "A".

NOTE: This Paragraph (v) shall apply only to the single trainman listed on Attachment "A" who would have been the successful bidder/applicant had he or she submitted such bid or application and not to other junior trainmen listed on Attachment "A."

- (vi) A "Nampa" pool position not filled by an employee listed on Attachment "A" will be filled as a new position at LaGrande in accordance with applicable Northwest District (Oregon Division) Agreement provisions.

NOTE 1: If a "Nampa" position in this pool is not filled by an employee listed on Attachment "A" and the position is, pursuant to this Paragraph (vi), to be filled at LaGrande by a Zone 2 employee, Carrier may delay filling the unfilled "Nampa" pool position at LaGrande for up to a maximum of forty-eight (48) hours; if there are Attachment "A" employees on the "Bump Board" at Nampa who may place to the "Nampa" pool assignment.

NOTE 2: It is the parties' intent that an employee identified on Attachment "A" shall retain the right to the "Nampa" positions in this pool until such time as he or she terminates his or her employment relationship with Carrier, or his or her name is removed from Attachment "A" in accordance with provisions set forth in this Agreement.

- (vii) Trainmen identified on Attachment "A" will be required to protect all other assignments and vacancies in the area for which Nampa is the source of supply (including the extra board at Nampa) prior to protecting "Nampa" positions in the LaGrande - Nampa pool. Absent a bid, request or application for placement on such position, the junior trainman holding a "Nampa" position in the

LaGrande-Nampa pool may be removed from his or her position and placed on such other assignment. "Nampa" positions vacated pursuant to this Paragraph (vii) to fill other assignments will be filled/protected at LaGrande by Zone 2 trainmen. When removed from a "Nampa" position in this pool to protect other Nampa area positions, the employee will, for purposes of applying New York Dock, be considered as having occupied the highest paying assignment.

- (viii) Regardless of the number of positions in the LaGrande – Nampa pool, apportionment of work between the Oregon 3rd Seniority District and Idaho Seniority District shall not result in assignment of more than twenty (20) employees identified on Attachment "A" to "Nampa" positions.
 - (ix) Temporary vacancies on "Nampa" positions in the LaGrande – Nampa pool will be protected by the Nampa extra board until such time as Nampa ceases to be a home terminal for this pool or the Nampa extra board is exhausted. In such case, the LaGrande extra board shall be used to fill the vacancy.
- c. For each Idaho Seniority District trainman identified on Attachment "A" who elects, pursuant to this Agreement, to permanently relocate to Zone 2, one (1) "Nampa" position in the LaGrande – Nampa pool will be permanently transferred to LaGrande (Zone 2). In concert therewith, the work allocation/number of positions in this pool designated as "Nampa" positions will be correspondingly reduced and the applicable pool pro ration percentage will also be reduced proportionately.
- d. (i) Regulation of this pool will, except as set forth herein, be conducted in accordance with applicable Northwest District (Oregon) Agreement rules. UTU will designate one (1) representative who will be responsible for monitoring and determining necessary pool adjustments and coordinating such adjustments with appropriate Carrier representatives. UTU's representative will perform such duties for both home terminals in this pool until Nampa is eliminated as a home terminal.
- (ii) Regulation of this pool will be based on the mileage regulating factors of the Northwest District (Oregon Division) Agreement. The existing work allocations between Nampa and LaGrande will no longer be used in this pool. The work allocation percentages specified

in the Interdivisional Service Agreements, as modified by Paragraph c, above, will be used to determine the number of pool turns to be assigned to LaGrande or Nampa, respectively until Nampa ceases to be a home terminal in accordance with this Implementing Agreement.

B. ZONE 3

The terms and conditions of existing Zone 3 interdivisional freight runs remain unchanged, except as modified by this Agreement.

IV. EXTRA BOARDS

A. The following shall govern changes in the administration and operation of extra boards in Zone 2:

1. Spokane

- a. Carrier may establish a single consolidated combination (road/yard) extra board at Spokane which consolidates the former Oregon 5th Seniority District and SI extra boards. To establish the consolidated combination extra board, Carrier will serve a sixty (60)-day advance written notice to the General Chairman.
- b. Assignments to the Spokane extra board(s) shall be made based on the employee's standing (1st) on the Hinkle-North sub-zone prior rights roster and (2nd) on the Zone 2 master roster. Existing prior rights and/or mileage or work pro rations involving the former Oregon 4th or 5th Seniority District and/or the former Spokane International Railroad shall not be used in making assignments to this Spokane extra board.

2. Hinkle (Road)

- a. The road (conductor/brakeman) extra board presently established at Hinkle will be a Zone 2 extra board manned by employees holding seniority on the Zone 2 master roster.
- b. This Hinkle Road Extra Board will protect Zone 2 service and vacancies originating at Hinkle, as it presently does. It may also provide hours-of-service relief into Hinkle, to and including, Bonifer (east), Blalock (west), and Ayer (north) by geographic direction.
 - (i) This extra board will be used to protect vacancies, service and hours-of-service relief on the territory

comprising the former Oregon 4th Seniority District when the Walla Walla extra board is either exhausted or has been eliminated as a result of the attrition of the employees listed on Attachment "B."

NOTE 1: The Walla Walla extra board will perform hours-of-service relief (dogcatching) on territory comprising the former Oregon 4th Seniority District unless there is already a hours-of-service relief (dogcatch) crew (from the Hinkle road extra board) on duty and available with time remaining to perform the work.

NOTE 2: If the first hours-of-service relief (dogcatch) is to be performed in the territory comprising the former Oregon 4th Seniority District, the Walla Walla extra board will be used.

- (ii) The Hinkle Road extra board will continue to protect Zone 2 service and vacancies on assignments working to/from the coal power utility plant located near Castle, as it presently does.

3. Walla Walla

- a. The existing Walla Walla extra board will be retained until one of the following events have occurred:
 - (i) All employees listed on Attachment "B" have attrited or resigned and are not in active service with Carrier, or have, in accordance with the provisions of this Agreement, had their names removed from Attachment "B";
 - (ii). All remaining employees on Attachment "B" are assigned to other 4th District positions; or
 - (iii) On the expiration of six (6) years from the date this Agreement is implemented the Walla Walla extra board will cease to exist.
- b.
 - (i) During its continued existence, the Walla Walla extra board will protect service, vacancies and hours-of-service relief in the territory comprising the former Oregon 4th Seniority District.
 - (ii) If the Walla Walla extra board is exhausted, or it has

been eliminated in accordance with this Agreement, service, vacancies and hours-of-service in the territory comprising the former Oregon 4th Seniority District will be protected by the Hinkle Road extra board.

- c. (i) Only those employees listed on the Attachment "B" who do not permanently relocate to Spokane may be assigned to the Walla Walla extra board.
- (ii) Assignment of eligible employees to this extra board will be made according to their relative standing on the Attachment "B" of this Implementing Agreement.
- d. Recognizing the ebbs and flows of business in this territory, the parties acknowledge that the Walla Walla extra board will be reestablished as necessary to meet Carrier's commitment to employees listed on Attachment "B."

B. The following shall govern changes in the administration and operation of extra boards in Zone 3:

1. Nampa

- a. i. The existing conductor, brakeman and yardman extra boards at Nampa will, effective with implementation of this Agreement, be consolidated into a single combination road/yard (conductor/brakeman/yardman) guaranteed extra board. The existing conductor, brakeman and yardman extra boards will be abolished. Assignments to the new combination road/yard guaranteed extra board will be based on the employees' conductor seniority date on the Zone 3 master seniority roster.
- ii. This extra board shall protect service, vacancies and/or hours-of-service relief between Glenns Ferry and (excluding) Huntington. In addition, this extra board may be used to provide hours-of-service relief for eastbound through freight crews tying up under the Hours-of-Service Act at or east of Huntington.
- b. For as long as Nampa remains a home terminal for the LaGrande – Nampa through freight pool, this extra board shall also protect temporary pool freight vacancies on "Nampa" positions at Nampa. Once Nampa ceases to be a home terminal, vacancies in this pool will be protected by the LaGrande extra board.

2. Pocatello

The existing conductor and brakeman extra boards at Pocatello will, effective with the implementation of this Agreement, be consolidated into a combination road (conductor/brakeman) guaranteed extra board. The existing conductor and brakeman extra boards will be abolished. Assignments to the new combination road guaranteed extra board will be based on the employees' conductor seniority date on the Zone 3 master seniority roster.

3. Other Zone 3 Extra Boards (except Nampa and Pocatello)

At those Zone 3 locations (except Nampa and Pocatello, which are addressed in Paragraphs 1 and 2, above), including but not limited to Dillon and Montpelier, where separate brakeman, conductor and/or switchman extra boards have been established, Carrier may, effective with the implementation of this Agreement, establish consolidated combination road/yard (conductor/brakeman/switchman) guaranteed extra boards or a consolidated road (conductor/brakeman) guaranteed extra boards.

4. Zone 3 guaranteed extra boards shall be governed by applicable provisions set forth in the Idaho District Crew Consist Agreements.

V. TERMINAL AND OTHER CONSOLIDATIONS

There are no changes in terminal limits, consolidations or operational changes contemplated for yards in Zones 2 and 3.

VI. AGREEMENT COVERAGE

- A. Trainmen/yardmen working in Zone 2, including employees assigned in the LaGrande-Nampa through freight pool, shall be governed by the Northwest District (Oregon) Collective Bargaining Agreement. None of the Agreement provisions are retroactive.
- B. Coincident with implementation of this Agreement, the provisions of the Agreement between Spokane International Railroad Company and the Employees Thereon Represented by the Switchmen's Union of North America, effective September 16, 1957, will be automatically terminated and of no future force or effect. The Northwest District (Oregon) Collective Bargaining Agreement will apply.
- C. Trainmen/yardmen working in Zone 3 shall be governed by the UP Eastern District Collective Bargaining Agreement, subject to the following:
 - 1. Existing Idaho Crew Consist Agreements shall continue to govern crew consist matters in Zone 3.

NOTE: Guaranteed extra boards located in Zone 3 shall continue to be governed by the guaranteed extra board provisions set forth in the Idaho Crew Consist Agreements.

- 2 Coincident with implementation of this Agreement, the provisions of the Idaho Seniority District Collective Bargaining Agreement will, except as provided herein, be automatically terminated and of no future force or effect.

D. General Conditions for Pool Operations

1. a. Item Nos. 2, 3 and 4 of Appendix "I" of the Memorandum of Agreement between the Spokane International Railroad Company and the Brotherhood of Locomotive Firemen & Engineers and the Order of Railway Conductors & Brakeman and of the Memorandum Agreement, effective September 26, 1955, will be retained and applicable only for the trainmen identified below:

- i. J. P. KINGEN
- ii. G. A. SIGUAW
- iii. M. J. THILL
- iv. D. D. LEAVEY
- v. W. R. SEWELL
- vi. R. E. HANSON
- vii. J. M. ANGIOI
- viii. R. A. GISH
- ix. L. G. STERRITT
- x. M. E. ROSGEN
- xi. G. D. HAVENS
- xii. D. R. LIEN
- xiii. W. J. MOORE
- xiv. R. J. CHAVEZ
- xv. S. B. POLELLO
- xvi. G. G. VELTRY
- xvii. D. S. BAGGARLEY
- xviii. J. W. PALMER
- xix. T. H. BAKER
- xx. L. M. BICKFORD
- xxi. E. J. CARLSON
- xxii. L. K. HONEGGER
- xxiii. E. R. KIRBY
- xxiv. R. T. SLADE
- xxv. L. E. OLMSTEAD
- xxvi. N. L. SIMMONS
- xxvii. A. L. DAUENHAUER
- xxviii. L. W. DORSEY
- xxix. R. A. CLEMENS

- xxx. G. R. BATTY
- xxxi. N. L. KNAPP
- xxxii. R. S. DIETRICH
- xxxiii. H. K. READ
- xxxiv. E. F. BEVACOUA
- xxxv. J. L. THOME
- xxxvi. D. D. DAVIS
- xxxvii. J. L. SHERIDAN

b. Item Nos. 2, 3 and 4 of Appendix "I" reads as follows:

"2. Crews operating through Eastport on turnaround run from Bonners Ferry, Idaho, to Eastport to Bonners Ferry shall be given an arbitrary allowance of one (1) hour in addition to all other compensation.

"3. Crews operating to Eastport as a terminal will be given an arbitrary allowance of one-half (1/2) hour for operating into Eastport and one-half (1/2) hour for operating out of Eastport in addition to all of their compensation.

"4. The arbitrary allowance shall apply to freight trains and not to snow plows or work-trains."

2. The existing Hinkle - Spokane Interdivisional Through Freight Service Agreement provision(s) providing constructive miles for certain trainmen working in through freight service between Spokane and Hinkle shall be retained and continue to apply for those trainmen eligible for such payments on the day prior to implementation of this Agreement. Specifically, said constructive miles will be paid as follows:

a. The following trainmen will, when working in through freight service between Spokane and Hinkle, be paid 198 miles as presently paid and provided for by the pertinent Interdivisional Service Runs Agreement:

- i. T. D. STAMATE
- ii. R. L. CARTER
- iii. J. W. JENKINS
- iv. R. E. STARK
- v. E. HUDSPETH
- vi. J. J. STAMATE
- vii. W. C. FARMER
- viii. L. R. LANE
- ix. L. D. MCKILLIP
- x. J. P. MCCLURE

xi. R. K. ZITTERKOPF
xii. G. D. FLEENOR
xiii. D. S. THONNEY
xiv. D. E. MORRISON
xv. G. L. WOLFE
xvi. R. D. JENNINGS SR
xvii. D. W. GRIEB
xviii. J. P. KINGEN
xix. G. A. SIGUAW
xx. M. J. THILL
xxi. D. D. LEAVEY
xxii. R. SEWELL
xxiii. R. E. HANSON
xxiv. J. M. ANGIOI
xxv. R. A. GISH
xxvi. L. G. STERRITT
xxvii. M. E. ROSEN
xxviii. G. D. HAVENS
xxix. D. R. LIEN
xxx. W. J. MOORE
xxxi. R. J. CHAVEZ
xxxii. S. B. POLELLO
xxxiii. G. G. VELTRY
xxxiv. D. S. BAGGARLEY
xxxv. J. W. PALMER
xxxvi. T. H. BAKER
xxxvii. L. M. BICKFORD
xxxiii. E. J. CARLSON
xil. L. K. HONEGGER
xl. E. R. KIRBY
xli. R. T. SLADE
xlii. L. E. OLMSTEAD
xliii. N. L. SIMMONS
xliv. A. L. DAUENHAUER
xlv. L. W. DORSEY
xlvi. R. A. CLEMENS
xlvii. G. R. BATTY
xlviii. N. L. KNAPP
xlix. R. S. DIETRICH
xli. K. L. EDWARDS

- b. Trainmen not identified in Paragraph 2.a., above, will be paid 190 miles, as presently paid and provided for by the pertinent Interdivisional Service Runs Agreement.

3. The existing LaGrande-Nampa Interdivisional Through Freight

Agreement provision(s) providing constructive miles for certain trainmen working in through freight service between LaGrande and Nampa shall be paid only to those trainmen eligible for such payments on the day prior to implementation of this Agreement and listed in Paragraph 3.a., below. Specifically, said constructive miles will be paid as follows:

a. The following trainmen will, when working in through freight service between LaGrande and Nampa, be paid 188 miles, as presently paid and provided for by the pertinent Interdivisional Service Runs Agreement:

- i. L. J. JAMES
- ii. J. C. ALFORD
- iii. J. R. HALLADAY, JR
- iv. L. D. JOHNSON
- v. J. W. DRISKELL
- vi. W. M. THOMPSON
- vii. F. D. NEER
- viii. D. E. MC LAUGHLIN
- ix. J. L. MARTIN
- x. D. E. LOVELY
- xi. W. J. COX
- xii. S. W. BROYLES
- xiii. S. CUELLAR
- xiv. F. X. MILLER
- xv. T. W. GAERTNER
- xvi. R. L. TARTER
- xvii. A. W. CASE
- xviii. R. E. MONTGOMERY
- xvix. M. L. GIRFFIN
- xx. L. A. MARSHALL
- xxi. D. K. BECHTEL
- xxii. P. R. OROURKE
- xxiii. A. W. ABEL
- xxiv. S. R. DREHER
- xxv. G. W. BLANKENSHIP
- xxvi. D. E. HARRIS
- xxvii. W. E. STEPHENS
- xxviii. D. D. DIBBEN
- xxvix. G. W. BOATRIGHT
- xxx. S. L. BROWN
- xxxi. J. L. CROW
- xxxii. R. D. MECHAM
- xxxiii. D. L. MOSER
- xxxiv. L. M. BRESNAHAN

xxxv. W. R. FREEMAN
xxxvi. R. C. BURNETT
xxxvii. R. L. JONES
xxxviii. L. V. FREEMAN
xxxix. A. W. LYLE
xl. C. W. GRIFFITTS
xli. C. R. WARD
xlii. R. L. SLACK
xliii. B. A. LINVILLE
xliv. M. H. LOPEZ, JR
xlv. R. F. BIBBY
xlvi. S. W. OWINGS
xlvii. G. E. WILSON
xlviii. O. L. BOWLES
xlix. G. E. METCALF
l. M. D. ADAMSON

- b. Trainmen not identified in Paragraph 2.a., above, will be paid 182 miles, as presently paid and provided for by the pertinent Interdivisional Service Runs Agreement.
4. The existing Pocatello – Green River Interdivisional Through Freight Agreement provision providing constructive miles for certain trainmen working in through freight service between Pocatello and Green River shall continue to be paid to those trainmen eligible for such payments on the day prior to implementation of this Agreement. Specifically, Zone 3 employees possessing a seniority date on applicable Idaho Seniority District trainman seniority rosters prior to June 8, 1972, will be paid two hundred forty-five (245) miles for their through freight service working trip between Pocatello and Green River. Employees possessing a seniority date on Zone 3 trainman seniority rosters subsequent to June 7, 1972, will be paid two hundred forty-four (244) miles for their through freight service working trip between Pocatello and Green River.
5. The existing Pocatello – Dillon Interdivisional Through Freight Agreement provision providing constructive miles for certain trainmen working in through freight service between Pocatello and Dillon shall continue to be paid to those trainmen eligible for such payments on the day prior to implementation of this Agreement. Specifically, Zone 3 employees possessing a seniority date on applicable Idaho Seniority District trainman seniority rosters prior to June 8, 1972, will be paid two hundred (200) miles for their through freight service working trip between Pocatello and Dillon. Employees possessing a

seniority date on Zone 3 trainman seniority rosters subsequent to June 7, 1972, will be paid one hundred ninety-five (195) miles for their through freight service working trip between Pocatello and Dillon.

6. Zone 3 trainmen making a turnaround trip between from Dillon to Silver Bow and back to Dillon will be paid 170 miles. Zone 3 trainmen making a turnaround trip from Dillon to Barretts and back to Dillon will be paid 140 miles.
7. Zone 3 trainmen will continue to be paid two hundred forty-three (243) miles for a working trip made between Pocatello and Nampa if routed/operated via Kuna. Zone 3 trainmen will continue to be paid two hundred fifty-four (254) miles for a working trip made between Pocatello and Nampa if routed/operated via Boise.

E. In addition to the above, the following will govern in Zones 2 and 3:

1. **Twenty-Five Mile Zone** - At all home and away from home terminals, both inside and outside the Hub, pool crews may receive their train up to twenty-five miles on the far side of the terminal and run on through to the scheduled terminal. Crews shall be paid an additional one-half (1/2) basic day for this service in addition to the miles run between the two terminals. If the time spent in this zone is greater than four (4) hours, then they shall be paid on a minute basis for all time consumed in the zone, in addition to the earnings of the assignment.

NOTE: The "Twenty-Five Mile Zone" provision shall be applicable only at those locations where there is a reciprocal or similar arrangement in the adjoining hub or location. For example, a Pocatello – Green River through freight crew may not be used in a twenty-five mile zone east of Green River because there is not a similar or reciprocal "Twenty-Five Mile Zone" agreement/arrangement at Green River.

2. Nothing in this Agreement prevents the use of other crews to perform work currently permitted by prevailing agreements, including, but not limited to, yard crews performing hours-of-service relief within road/yard service zones, interdivisional service crews performing service and deadheads between terminals, road switchers handling trains within their zones.

F. Except as specifically set forth in this Agreement, trainmen/yardmen who relocate from the Idaho Seniority District to Zone 2 (Northwest District

(Oregon Division)) will be treated for vacation, payment of arbitraries, personal leave days, etc. as though all of their service on the Idaho Seniority District had been in the Northwest District (Oregon Division).

VII. PROTECTION

- A. Due to the parties voluntarily entering into this Agreement, Carrier agrees to provide New York Dock wage protection (automatic certification) to trainmen/yardmen/hostlers listed on the applicable Zone 2 or Zone 3 Master Seniority Rosters and in active service as a trainman (conductor, brakeman, switchman (yardman) or hostler) in said zones on the date this Agreement is implemented. In active service includes those who are dismissed, on a medical or on a union leave of absence and who subsequently return to active covered service. This protection will begin with the implementation date of this Agreement. Employees must comply with the requirements associated with New York Dock conditions or their protection will be reduced for such items as layoffs, bidding/displacing to lower paying assignments when they could hold higher paying assignments, etc. Protection offsets due to unavailability will be lost earnings in accordance with New York Dock provisions. Those who elect to retain pre-merger protection benefits, if any, will be governed by the protection offsets set forth in that protection agreement.
- B. This protection is wage only and hours will not be taken into account.
- C. Employees with a seniority date prior to implementation of this Agreement and working under the provisions of this Implementing Agreement shall be provided a test period average ("TPA") based on either the employee's applicable earnings for calendar year 1998, calendar year 1999, calendar year 2000, or the 12-month period immediately preceding the date this Agreement is implemented. (The employee will select one of these 3 options for determining his or her TPA.)
 - 1. Individual employee TPA's will not include certain taxable and non-taxable items, such as, but not limited to, relocation allowances/payments, lump sum payments (as provided via National and/or Local Agreements), lump sum claim settlements, protection payments, and away-from-home terminal meal allowances. It will include the \$1.50 for in-lieu meal allowances.
 - 2. Test period averages for union officers will be based on an average of two above and two below in like service last performed by the union officer.

3. Each employee's TPA will be subject to change based on future wage and COLA adjustments. The time period for computing such changes will begin with implementation of this Agreement and shall run for the length of the employee's New York Dock protection period.
- D. A former 4th Seniority District trainman identified on Attachment "B" who exercises his or her seniority to the highest paying position in the territory comprising the former 4th Seniority District will be considered as having satisfied his or her obligation under New York Dock to occupy the highest paying position.
- E. An Idaho trainman identified on Attachment "A" who is removed from the LaGrande – Nampa pool and placed, pursuant to Article III, Section A, Paragraph 4.b.(vi), on a position in the area for which Nampa is the source of supply will be considered as having exercised his or her seniority to the highest paying position and will accordingly not have his or her labor protection offset by the earnings of a higher paying position.
- F. Trainmen/yardmen required to relocate under this agreement will be governed by the relocation provisions of New York Dock. Those required to relocate to may elect, in lieu of New York Dock provisions, one of the following options:
 1. Non-homeowners may elect to receive an "in lieu of" allowance in the amount of \$10,000 upon providing proof of actual relocation.
 2. Homeowners may elect to receive an "in lieu of" allowance in the amount of \$30,000 upon providing valid proof of home ownership.
 3. No claim for an "in lieu of" relocation allowance will be accepted after two (2) years from date of implementation of this agreement.
 4. Employees receiving an "in lieu of" relocation allowance pursuant to this Section F will be required to remain at the new location, seniority permitting, for a period of two (2) years.

NOTE 1: Employees presently covered by Article II, Section B, Paragraphs 7.a. – 7.d. of the September 16, 1998 Merger Implementing Agreement for Portland Hub Zone 1 who elect to return to Portland Hub Zone 1 will be afforded the relocation benefits options set forth in this Section F.

NOTE 2: When Hinkle is eliminated as a home terminal for the

Spokane – Hinkle through freight pool, any remaining employees listed on Attachment "B" who elect to relocate to Spokane with the transfer of the through freight pool work previously performed out of Hinkle will be entitled to the relocation benefits set forth in this Section F, subject to terms and conditions set forth herein. This Paragraph F shall not require Carrier to transfer more employees, or provide more relocation benefits, than that which is commensurate with the amount of work (pool positions) transferred to Spokane.

- G. There will be no pyramiding of benefits.
- H. National Agreement "Termination of Seniority" provisions shall not apply to trainmen/yardmen hired prior to the effective date of this agreement.

VIII. CREW CONSIST

- A. Subject to the provisions of this Agreement, the applicable crew consist provisions of the Northwest District (Oregon) Collective Bargaining Agreement shall govern for employees assigned to positions in Zone 2 and to employees working "Nampa" positions in the LaGrande – Nampa pool.
- B. (i). Zone 3 employees who relocate to Zone 2, or who work on the Nampa positions in the Nampa – LaGrande pool, pursuant to this Article II, Section A, Paragraph 4.b.v. and Article VII, Section F of this Agreement will have entitlement to share in the Zone 2 Productivity Fund (Fund #602) for such service. These employees will also receive special allowance payment(s), as provided by the Oregon Crew Consist Agreements, if eligible.

NOTE 1: In keeping with the provisions of the Oregon Crew Consist Agreements, Carrier Productivity Fund contributions ("Fund Plugs") will be made into the Zone 2 Productivity Fund (Fund #602) for service in the LaGrande – Nampa pool.

NOTE 2: Zone 3 employees who previously sold their "Crew Consist Special Allowance" entitlement under provisions of Idaho Crew Consist Agreements are not eligible to receive a crew consist special allowance payment pursuant to this Paragraph B.(i) or other provision(s) of this Agreement.

- (ii) Applicable productivity fund contributions (Fund Plugs) and trip credits

for service in the LaGrande – Nampa pool shall be handled in accordance with the provisions of the Northwest District (Oregon) crew consist agreements

- C. The three (3) productivity funds in the territory comprising Zone 2 (Productivity Fund Nos. 603, 604 and 605) will, as of the effective date of this agreement, be consolidated into a single productivity fund for Zone 2 (Productivity Fund No. 602). All contributions to and disbursements from this single fund will be made in accordance with applicable provisions set forth in the Northwest District (Oregon) crew consist agreements.
- D. The existing productivity fund in the territory comprising Zone 3 (Productivity Fund No. 607) prior to implementation of this agreement will be retained and administered in accordance with the provisions set forth in Article VI, Section C, paragraph 1 of this Agreement.

IX. FAMILIARIZATION

- A. Employees will not be required to lose time or "ride the road" on their own time in order to qualify for the new operations. Employees taking familiarization trips shall be compensated at the rate of the trip taken or their regular assignment, whichever is greater. Employees will be provided with a sufficient number of familiarization trips in order to become familiar with the new territory. Issues concerning individual qualifications shall be handled on a local basis. The parties recognize that different terrain and train tonnage impact the number of trips necessary and Carrier officers and local UTU officials will work together to implement this section.
- B. Prior to implementation, Carrier may begin familiarization trips, where necessary, to "pre-qualify" employees. Likewise, the Carrier may bulletin and assign employees prior to implementation so employees will be in place on implementation day.

X. IMPLEMENTATION

- A. Carrier shall give not less than a forty-five (45)-day advanced written notice advising of its intent to implement this Agreement and of the number of initial positions that will be changed in Zones 2 and 3.
- B. All positions may be pre-advertised to close thirty (30) days prior to the effective date of this Agreement. In conjunction with implementation of this Agreement, any employee who fails to sufficiently bid on, or obtain, a position may be assigned by Carrier to an unfilled position.
- C. In conjunction with the implementation of this Agreement, it will not be

necessary to bulletin all the jobs in Zones 2 and/or 3. Employees on assignments which are not changed or impacted by the implementation of this Agreement need not be bulletined. Employees on such assignments will remain thereon unless their assignment is abolished, consolidated or materially impacted by implementation of this Agreement.

D. Trainmen/yardmen required to make a relocation election pursuant to this Agreement will be canvassed by UTU Local Chairmen to determine and document said employees' relocation decisions. The following shall govern canvassing of involved trainmen/yardmen:

1. Trainmen/yardmen at locations or on rosters required to make a relocation decision in connection with the implementation of this Agreement will be given a one-time opportunity to make such election. Trainmen/yardmen at locations or on rosters required to make a relocation decision will be contacted by the Local Chairman. The trainmen/yardmen to be contacted and offered the opportunity to relocate will include:
 - a. Trainmen/yardmen holding positions at Hinkle pursuant to Article II, Section B, Paragraphs 7.a. – 7.b. of the September 16, 1998 Merger Implementing Agreement for Portland Hub Zone 1;
 - b. The six (6) senior conductors identified on Attachment "B". (Canvassing will cease when the six (6) senior conductors on Attachment "B" have been contacted and offered the opportunity to relocate to Spokane.)
 - c. Twenty-one (21) senior Nampa conductors identified on Attachment "A" will be given the right to relocate to Zone 2 and establish permanent seniority on the Zone 2 Master Seniority Roster(s) and the Hinkle-East sub-zone seniority roster(s). Canvassing will cease when the twenty-six (26) senior Nampa conductors on Attachment "A" have been contacted and offered the opportunity to relocate to Zone 2.
2. Trainmen/yardmen covered by this Article X, Section F will be canvassed in seniority order and required to make their relocation decision when canvassed/contacted. The employee's decision will be irrevocable. If an employee fails to make a decision, he or she will be considered as having elected to remain at his or her current location.
3. All canvassing must be completed 30 days prior to implementation of this Agreement.

XI. SAVINGS CLAUSES

- A. In the event the provisions of this Agreement conflict with existing collective bargaining agreement provisions, rules and/or practices, the provisions of this Agreement shall prevail.
- B. The provisions of this Agreement are entered into without prejudice to either party's position and the parties agree not to cite this agreement in other negotiations or arbitration proceeding(s).

SIGNED THIS 27TH DAY OF FEBRUARY, 2001, IN TOPEKA, KANSAS.


**FOR THE UNITED TRANSPORTATION
UNION:**


L. L. Nelson
Associate Chairperson



D. L. Hazlett
General Chairperson

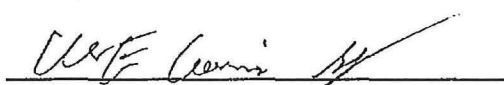

R. E. Carter
General Chairperson



A. Martin III
International Vice President



M. B. Futhey, Jr.
International Vice President

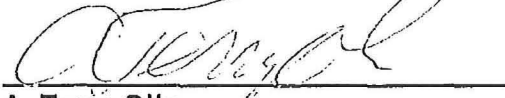
**FOR UNION PACIFIC RAILROAD
COMPANY:**


T. G. Taggart
Director - Labor Relations


W. E. Loomis
General Director - Labor Relations


F. A. Tamisiea
Director- Labor Relations


J. M. Raaz
Asst. Vice President - Labor Relations


A. Terry Olin
General Director - Employee Relations
Planning

Side Letter No. 1

Mr. D. L. Hazlett
General Chairperson, UTU
5990 SW 28th Street, Suite F
Topeka, KS 6614-2535

Dear Mr. Hazlett:

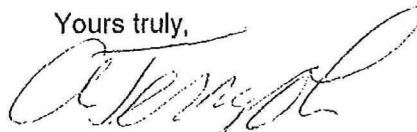
This refers to the parties' discussions regarding the New York Dock Merger Implementing Agreement for Zones 2 and 3.

One issue discussed by the parties focused on the filling on yard jobs once the UP Eastern District collective bargaining agreement governed the working conditions for Zone 3. In particular, there was a concern that the procedures for filling yard assignments at Pocatello and, if necessary, at Nampa would meet or satisfy the Carrier's and employees requirements at those locations. To address those concerns, the parties agreed to the following:

1. Prior to implementation of this Agreement, the parties will meet to develop procedures and provisions for filling positions and vacancies at Pocatello and, if necessary, Nampa.
2. If the parties are unable to reach an agreement on those procedures and provisions prior to the date this Agreement is to be implemented, the existing yard assignment procedures presently in effect at Pocatello and Nampa will be retained and used until such time as the parties reach an agreement. Zone 3 yard vacancies will be filled in accordance with applicable Eastern District Agreement provisions.
3. The parties commit to pursue in good faith an agreement providing for reasonable and feasible assignment and vacancy procedures for yard positions/vacancies. In conjunction therewith, the parties commit to have such arrangements completed by no later than one hundred twenty (120) days from the date this Agreement is implemented.

If the foregoing properly and accurately reflects the parties' understandings, please so indicate by affixing your signature in the space provided below.

Yours truly,



A. Terry Olin

AGREED:



D. L. Hazlett

Side Letter No. 2

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

Mr. L. L. Nelson
Associate Chairman, UTU
P. O. Box 14849
Portland, OR 97293-0849

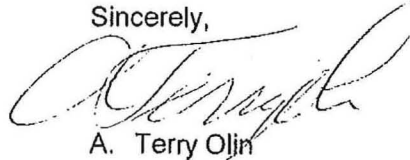
Gentlemen:

This refers to the parties' discussions in connection with the Merger Implementing Agreement for that portion of the Portland Hub not covered by the September 16, 1998 Merger Implementing Agreement for Portland Hub Zone 1.

During our discussions, your organization raised several concerns regarding the working conditions for employees assigned in the territories covered by this Agreement, including concerns regarding fatigue and quality of life issues for trainmen working in unassigned through freight service or on extra boards. In connection with those concerns, Carrier committed to commence negotiations with your organization within one hundred twenty (120) days following implementation of this Agreement to explore and develop work/rest cycles for trainmen working in pool freight service or on extra boards. Nothing herein shall preclude the parties from initiating such negotiations prior to expiration of the 120-day period referenced above.

If the foregoing properly and accurately reflect the parties' understandings on this matter, please so indicate by affixing your respective signature in the space provided below.

Sincerely,



A. Terry Olin

AGREED:


L. L. Nelson
D. L. Hazlett

Side Letter No. 3

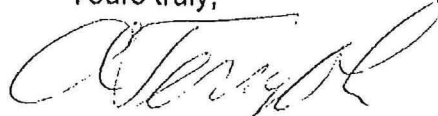
Mr. D. L. Hazlett
General Chairman, UTU
5990 SW 28th Street, Suite F
Topeka, KS 66614-4181

Dear Mr. Hazlett:

This refers to the parties' discussions in connection with the Merger Implementing Agreement for that portion of the Portland Hub not covered by the September 16, 1998 Merger Implementing Agreement for Portland Hub Zone 1.

The parties recognize there are certain Idaho Agreement provisions that are local in nature and need to be retained. These agreements or rules are specific to a unique operation or location that would not be covered under an Eastern District Agreement rule. The parties agree to meet within the next sixty (60) days and review what former Idaho Agreement rules should be retained and incorporated as part of the Eastern District Agreement for application on Zone 3. Failure to agree on all rules shall not interfere with or delay implementation of this Agreement and will not bar the parties from further discussions on this matter.

Yours truly,



A. Terry Olin

AGREED:


D. L. Hazlett

Side Letter No. 4

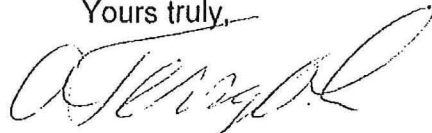
Mr. D. L. Hazlett
General Chairman, UTU
5990 SW 28th Street, Suite F
Topeka, KS 66614-4181

Dear Mr. Hazlett:

During our discussions regarding the Merger Implementing Agreement for Zones 2 and 3 of the Portland Hub, the parties discussed the need for, and the benefit of, a train service/engine service "ebb and flow" agreement for trainmen working in Zone 2 or 3.

In connection with those discussions, this letter will confirm the parties' mutual commitment to explore options and opportunities for development of an arrangement providing "ebb and flow" between train service and engine service for employees working in Zone 2 or 3. The parties recognize this effort will involve negotiations with the Brotherhood of Locomotive Engineers and thus commit to seeking an "ebb and flow" arrangement that will benefit all involved. Accordingly, the parties agree to commence such explorations and discussions with one hundred twenty (120) days following implementation of this Agreement.

Yours truly,



A. Terry Olin

AGREED:


D. L. Hazlett

Side Letter No. 5

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

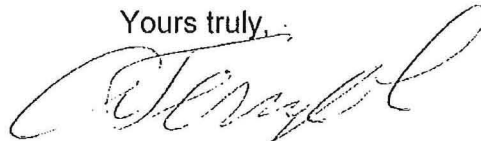
Dear Mr. Hazlett:

During our discussions regarding the Merger Implementing Agreement for Zones 2 and 3 of the Portland Hub.

Article II, Section B, Paragraph 3.a. provides that trainmen holding seniority on Zone 3 will be placed on the bottom of the applicable UP/UTU Salt Lake Hub Merger Rosters. This letter will confirm our understanding that the seniority date to be used in placing the Zone 3 trainmen on the bottom of applicable UP/UTU Salt Lake Hub Merged Rosters will be May 22, 2000.

If the foregoing accurately and properly reflects our understandings regarding this matter, please so indicate by affixing your signature in the space provided below.

Yours truly,



A. Terry Olin

AGREED:


D. L. Hazlett

Side Letter No. 6

Mr. D. L. Hazlett
General Chairperson, UTU
5990 SW 28th Street, Suite F
Topeka, KS 66614-4181

Mr. L. L. Nelson
General Chairperson, UTU
P. O. Box 14849
Portland, OR 97293-0849

Gentlemen:

During our negotiations regarding the Merger Implementing Agreement for Zones 2 and 3 of the Portland Hub the issue of representation in matters related to this agreement was raised. In concert therewith, this letter will confirm the parties' discussions and understandings regarding this matter.

The provisions of this Merger Implementing Agreement do not modify existing Northwestern District (Oregon Division) Agreement or UP Eastern District Agreement rules and/or practices regarding representation of employees covered by said Agreements. Likewise, the provisions of this Merger Implementing Agreement do not alter existing Northwestern District (Oregon Division) Agreement or UP Eastern District Agreement rules and/or practices governing the administration and interpretation of those Agreements, including this Merger Implementing Agreement and the handling of grievances/disputes arising in connection with those agreements.

In applying the foregoing understandings, it is understood the provision of Northwestern District (Oregon Division) Agreement Rule 90 (Representation) is not modified by this Merger Implementing Agreement. Rule 90 reads, in relevant part, as follows:

"(a) Jurisdiction: The right to make and interpret contracts, rules, rates of pay and working agreements for conductors, trainmen and yardmen, regular, extra or emergency, while acting as such will be vested in the regularly constituted Committee of the United Transportation Union, C & T Divisions.

...

"(c) Interpretation of Agreement: All controversies affecting conductors, brakemen, and yardmen will be handled in accordance with the interpretation of the provisions of this contract as agreed upon by the General Committee of the United Transportation Union, C & T Divisions, and the Director of Labor Relations."

Inasmuch as work performed by hostlers is, as a result of previous National Agreement covenants, now considered part of the duties required of train/yard service employees, Rule 90 would accordingly extend to employees performing hostling work/duties and all

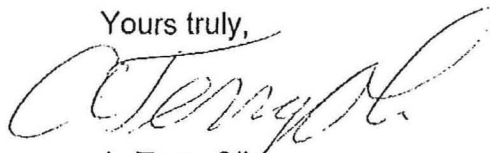
references to "trainmen and yardmen" in that rule shall include hostlers.

Throughout this Merger Implementing Agreement, the parties have used the terms "yardmen" and "switchmen" to describe or refer to employees performing yard service work. The parties have specifically used either term interchangeably and do not intend that any difference or distinction be inferred from our use of either term.

Finally, it is understood all references in this Merger Implementing Agreement to Local Chairman (Chairmen), union officer, representative, or General Chairman shall mean UTU Local Chairman (Chairmen), UTU Union officer(s), UTU representative(s) or UTU General Chairman (Chairmen).

If the foregoing properly and accurately reflects our understanding on this matter, please so indicate by affixing your signature in the space provided below.

Yours truly,



A. Terry Olin

AGREED:



D. L. Hazlett



L. L. Nelson

Side Letter No. 7

Mr. D. L. Hazlett
General Chairperson, UTU
5990 SW 28th Street, Suite F
Topeka, KS 66614-4181

Mr. R. E. Carter
General Chairperson, UTU
P. O. Box 1333
Pocatello, ID 83204

Mr. L. L. Nelson
Associate Chairperson, UTU
P. O. Box 14849
Portland, OR 97293-0849

Gentlemen:

This refers to the parties' discussions in connection with the Merger Implementing Agreement for that portion of the Portland Hub not covered by the September 16, 1998 Merger Implementing Agreement for Portland Hub Zone 1. During our negotiations, your organization raised a concern regarding the application of Article VII, Section A and, specifically, how that provision affects employees furloughed prior to the implementation of this Agreement.

Article VII, Section A automatically certifies, and accordingly extends the labor protective benefits of set forth in New York Dock to, "... *trainmen/yardmen/hostlers listed on the applicable Zone 2 or Zone 3 Master Seniority Rosters and in active service as a trainman . . . in said zones on the date this Agreement is implemented.*" Based thereon, it is clear it was the parties' intent that only those employees in active service and working as trainman (conductor, brakeman, switchman or hostler) at the time this Agreement is implemented are to be automatically certified. In light of the delay in implementing this Agreement, the parties agree the following shall apply in connection with application of this Article VII, Section A:

1. An employee listed on the Zone 2 or Zone 3 Master Seniority Roster who is in active service as a trainman (conductor, brakeman, switchman (yardman) or hostler) on December 1, 2000, will, subject to the provisions of Items 2, 3 4 and 5, below, be considered, "... *in active service as a trainman (conductor, brakeman, switchman (yardman) or hostler) in said zones on the date this Agreement is implemented.*"
2. An employee covered by Item 1, above, who is furloughed at the time the Merger Implementing Agreement is implemented will not receive any labor protective benefits afforded pursuant to the Merger Implementing Agreement until such time as he/she is recalled to service pursuant to applicable agreement rules.
3. The time an employee covered by Item 1, above, is furloughed will not extend the period of time he or she is entitled to the labor protective benefits – i.e., regardless of whether an employee is furloughed (and covered by Item 1, above) or in active service, the period that an eligible employee is entitled to labor protection benefits will commence on the date of implementation of this Merger Implementing Agreement.

EXAMPLE 1: Employee A is furloughed on December 15, 2000. Under New York Dock, Employee A's protective period is six years. The Merger Implementing Agreement is implemented April 1, 2001. Employee A is recalled to service April 1, 2002. Employee A would commence

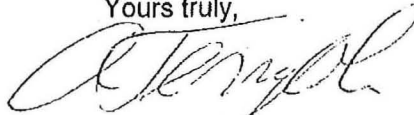
receiving labor protection benefits on April 1, 2002. Employee A's protection period would end on March 31, 2007 (six years from April 1, 2001).

EXAMPLE 2: Employee B is furloughed on January 15, 2001. Under New York Dock, Employee B's protective period is 4 years. The Merger Implementing Agreement is implemented April 1, 2001. Employee B is recalled to service December 1, 2001. Employee B would commence receiving labor protection benefits on December 1, 2001. Employee B's protection period would end on March 31, 2005 (four years from April 1, 2001).

4. The understandings set forth here in are made without prejudice to either parties' position(s) and shall not in any manner constitute a precedent for handling such or similar situations.
5. The parties agree these understandings are made to address a unique situation and will not under any circumstances be cited or referred to in any other forum or proceeding.


If the foregoing properly and accurately reflects our understanding on this matter, please so indicate by affixing your signature in the space provided below.

Yours truly,



A. Terry Olin

AGREED:


D. L. Hazlett
L. L. Nelson
R. E. Carter

MERGER IMPLEMENTING AGREEMENT
PORTLAND HUB -- ZONES 2 & 3

IDAHO SENIORITY DISTRICT TRAINMEN/YARDMEN ASSIGNED RIGHTS TO
"NAMPA" POSITIONS IN THE LAGRANDE - NAMPA THROUGH FREIGHT POOL

NAME

W E STEPHENS
D D DIBBEN
D L MOSER
J L CROW
L M BRESNAHAN JR
W R FREEMAN
R L JONES
A W LYLE
C W GRIFFITTS
C R WARD
M H LOPEZ
G E WILSON
S W OWINGS
R C BURNETT
C J AMAN
O L BOWLES
D H FENDER
C B STEWART
W S YOUNG
H A ZIMMERMAN
W A MCCURDY
C E KUNERTH
C E BREWER
J S BRYANT
T O DURHAM
D E HARRIS
J L LUTZ
N S WARD
M A CLAPP
D D SHULTZ
A L LIGGINS
J A MCKEAN
R R FRITZ
J F GABRIELSON

MERGER IMPLEMENTING AGREEMENT
PORTLAND HUB -- ZONES 2 & 3

IDAHO SENIORITY DISTRICT TRAINMEN/YARDMEN ASSIGNED RIGHTS TO
"NAMPA" POSITIONS IN LAGRANDE -- NAMPA THROUGH FREIGHT POOL

NAME

R N PATTERSON
P J MCGREW
J D KELLEY
D G CAFFERTY
T M ZAHRADNICEK
J D CONRAD
G A FARNSWORTH
A K HAMILTON
L T JORDON
R C FERGUSON
M J ARCHULETA
W E WOOD JR
W B WILSON JR
R C GOLDSMITH
J R ALDRIDGE
R S WHITING
P M GALLOWAY
M R ROE
S W BRUMBAUGH
R S MEYER
S MCAUGHEY
R R THACKER
J A RAMAGE
R L RASH
C A STAPELTON
D C WILLIAMS
E NARTE JR
G W BOATRIGHT
S L BROWN
R L SLACK
B A LINVILLE
R F BIBBY
G E METCALF

ATTACHMENT "A"

MERGER IMPLEMENTING AGREEMENT
PORTLAND HUB -- ZONES 2 & 3

IDAHO SENIORITY DISTRICT TRAINMEN/YARDMEN ASSIGNED RIGHTS TO
"NAMPA" POSITIONS IN THE LAGRANDE - NAMPA THROUGH FREIGHT POOL

NAME

M D ADAMSON
J R SWOPES
J E MOORE
M A GANTENBEIN
D L WARD
C F SMART
G L WHEELER
C A SPRAGUE
R L ANDERSON
M R KELLY
T J SOUTHWOOD
S D MOORE
G E SUCHY
M HENNESSY
R L DAVIS
S H ANDERSON
B M STANDRIDGE
K W STOCK
B E CREA
N A ZIMMERMAN

ATTACHMENT "B"

MERGER IMPLEMENTING AGREEMENT
PORTLAND HUB -- ZONES 2 & 3

FORMER 4th SENIORITY DISTRICT TRAINMEN ASSIGNED
LIMITED PRIOR RIGHTS IN HINKLE-NORTH SUB-ZONE

NAME

T. D. STAMATE
R. L. CARTER
J. W. JENKINS
R. E. STARK
E. HUDSPETH
J. J. STAMATE
W. C. FARMER
L. R. LANE
L. D. MCKILLIP
J. P. MCCLURE
R. K. ZITTERKOPF
G. D. FLEENOR
D. S. THONNEY
D. E. MORRISON
G. L. WOLFE
R. D. JENNINGS, SR
D. W. GRIEB
J. K. MCCLURE
D. E. EISENBARTH