

MEMORANDUM of AGREEMENT
#2211240984
between
UNION PACIFIC RAILROAD COMPANY
and
UNITED TRANSPORTATION UNION

EXTENSION OF SWITCHING LIMITS
LAS VEGAS, NEVADA

In its notice dated August 7, 2009 (corrected notice served September 8, 2009), Union Pacific Railroad Company (hereinafter, "UP") advised the United Transportation Union (hereinafter, "UTU") of its intent to extend the switching limits at Las Vegas, Nevada, pursuant to Article VI of the January 27, 1972 UTU National Agreement. In connection therewith, the parties have agreed to the following:

1. a. The west switching limit at Las Vegas, Nevada, will be extended from Milepost 327.40 to Milepost 320.5.
- b. The east switching limit at Las Vegas, Nevada, will be extended from Milepost 336.33 to Milepost 344.3.

NOTE 1: The parties acknowledge and agree crews operating outside the extended switching limits specified in Paragraphs a and b, above, with all or any portion of their train, cut(s) of cars, locomotive consist(s), etc. for the purpose of acquiring necessary headroom or tail room will not constitute a violation of this or other Agreements or serve as a foundation for any time claim or penalty payment.

NOTE 2: This will confirm the parties' understanding the above-described switching limit extensions will correspondingly extend the limits of turning points for trainmen governed by Rule 31 (Zone Rule).

2. a. Trainmen working in through freight service on the run between Las Vegas, Nevada, and Milford, Utah, will receive seven additional miles at the prevailing overmile rate. The payment of the additional miles will be incorporated into the prevailing trip rate.
- b. Trainmen working in through freight service on the run between Las Vegas, Nevada, and Yermo, California, will receive six additional miles at the prevailing overmile rate. The payment of the additional miles will be incorporated into the prevailing trip rate.

NOTE 1: The additional miles provided pursuant to this Item 2 will not be used for extending applicable thresholds governing payment of overtime. Additionally, these mileages will not be incorporated into calculations used for regulating the involved through freight pools.

NOTE 2: The current rate (as of July 1, 2009) to be used is \$1.46940 per overmile.

3. a. The location of the outer limits of the Twenty-Five Mile Zone at Las Vegas, set forth in Article IV, Section B, Paragraph 1 of the Salt Lake arbitration proposal as reinstated by the *Merger Supplemental Agreement (Salt Lake Hub) between the Union Pacific Railroad Company [/] Southern Pacific Railroad Company and the United Transportation Union,* dated September 18, 1997, will remain unchanged by the switching limit extensions set forth in Item 1, Paragraphs a and b, above.
- b. The payment provided in Article IV, Section B, Paragraph 1 will not apply to trainmen who get or receive their trains between Milepost 320.5 and Milepost 344.3.

NOTE: Nothing in this Agreement is intended to modify the manner in which the payment afforded pursuant to Article IV, Section B, Paragraph 1 of the Salt Lake arbitration proposal as reinstated by the *Merger Supplemental Agreement (Salt Lake Hub) between the Union Pacific Railroad Company [/] Southern Pacific Railroad Company and the United Transportation Union,* dated September 18, 1997, is calculated or applied.

4. a. Trainmen working in through (pool) freight service on the Las Vegas – Yermo run may get or receive their trains between Milepost 361.33 and Dry Lake, Nevada, and operate said trains back through Las Vegas en route to Yermo.

NOTE: In applying this Item 4, it is understood trainmen may get or receive their trains at any of the trackage at or that comprises Dry Lake station. In the event the trackage at Dry Lake is extended eastward, it is agreed the easternmost limit of the trackage comprising Dry Lake will not extend beyond Milepost 364.4, for the purpose of applying the provisions of this Item 4, Paragraph a.

- b. Trainmen working in through (pool) freight service on the Las Vegas – Yermo run who get or receive their train between Milepost 361.33 and Dry Lake pursuant to Item 4, Paragraph a, above, will receive an additional eighteen and no/100's dollars (\$18.00) payment, subject to the following:
 - i. Said payment will be made in addition to the payment afforded trainmen pursuant to Article IV, Section B, Paragraph 1 of the Salt Lake arbitration proposal as reinstated by the *Merger Supplemental Agreement (Salt Lake Hub) between the Union Pacific*

Railroad Company [i] Southern Pacific Railroad Company and the United Transportation Union," dated September 18, 1997.

- ii. This payment will be made in addition to all other earnings made by said trainman during his or her tour of duty and will not be used as an offset against overtime. Additionally, this payment will be made to trainmen regardless of their trainman seniority date.
 - iii. This payment will be subject to applicable general wage and cost-of-living adjustments.
5. UP will provide the UTU General Chairman written notice advising the date the terms of this Memorandum of Agreement will be placed into effect. Such notice will be provided to the General Chairman not less than ten days prior to the date this Agreement is to be placed into effect.
 6. The terms and conditions set forth herein represent an effort by the parties to address their respective concerns regarding the extension of switching limits at Las Vegas. Consequently, these provisions are made without prejudice to the position of either party.
 7. This Memorandum of Agreement shall satisfy all requirements or obligations associated with Article VI of the January 27, 1972 UTU National Agreement and UP's notices of August 7, 2009 and September 8, 2009.


SIGNED THIS 13 DAY OF JANUARY, 2010.

FOR THE UNITED TRANSPORTATION
UNION

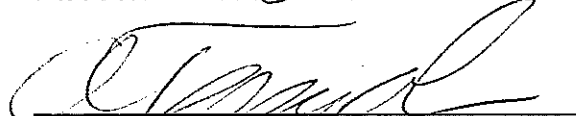


R. M. Draskovich
General Chairman

FOR THE UNION PACIFIC RAILROAD
COMPANY:



D. K. Peitzmeier
Director - Labor Relations



A. Terry Olin
General Director - Labor Relations