

MEMORANDUM OF AGREEMENT

between

UNION PACIFIC RAILROAD COMPANY

and the

UNITED TRANSPORTATION UNION
For the Northwestern District

PORTLAND HUB - ZONE 1 **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 I – 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:

Portland	Seattle	Eugene	The Dalles
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(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 1 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 conditions as described in Article III of this Agreement. The Home Terminal must be one of those identified in Section 2 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 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 seniority district.

Note 3: If an engineer is reduced in force and there are no engineers his/her junior working within the 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 seniority district of the employee.

(b) – When an engineer's services are needed at a terminal within the 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.

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

(c) – An employee returned as an engineer under Step 1 of Subsection (b) above will be immediately placed onto a permanent vacancy. A permanent vacancy may include the extra board.

(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 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 any issues and/or disputes.

Section 4 (a) – This Memorandum of Agreement will become effective on _____, provided that the conditions of this agreement represented in a separate

Memorandum of Agreement with the Brotherhood of Locomotive Engineers identified as Memorandum of Agreement 1404010243 is also agreed upon by that Organization.

(b) – Providing that all of the conditions set forth in Subsection (a) of this Section are satisfied, this Memorandum of Agreement will remain in full force and effect unless cancelled by either party signatory hereto serving a thirty (30) day advance written notice or by the parties (Brotherhood of Locomotive Engineers and Carrier) signatory to the same agreement provisions in Memorandum of Agreement 1404010243.

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

Signed this 29th day of September, 2003.

**FOR THE UNITED
TRANSPORTATION UNION:**


D. L. Hazlett
General Chairman - UTU

FOR THE CARRIER:


S. F. Boone
Director-Labor Relations

SIDE LETTER NO. 1
MOA #2104010243

Mr. D. L. Hazlett
General Chairman, UTU
5990 SW 28th St., Ste. F
Topeka, KS 66614-4818

Dear Sir:

In connection with the parties' negotiation of the Ebb and Flow Agreement for Portland Hub Zone 1, we discussed the establishment of seniority in Zone 1 prior to the negotiation of the Ebb and Flow Agreement.

This letter will confirm our understanding that the provisions of the Ebb and Flow Agreement for Portland Hub Zone 1 do not modify the establishment of seniority for trainmen/yardmen (switchmen) as set forth in Article II of the Portland Hub Zone 1 Agreement dated September 16, 1998.

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

Yours truly,



S. F. Boone
Director Labor Relations

AGREED:


D. L. Hazlett
General Chairman, UTU

SIDE LETTER NO. 2
MOA #2104010243

Mr. D. L. Hazlett
General Chairman, UTU
5990 SW 28th St., Ste. F
Topeka, KS 66614-4818

Dear Sir:

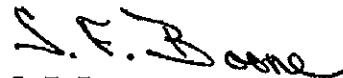
This refers to Article II of the Ebb and Flow Agreement concerning employees selecting a designated home terminal.

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 UTU General Chairman, BLE General Chairman and Director of Labor Relations.

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

Yours truly,



S. F. Boone
Director Labor Relations

AGREED:



D. L. Hazlett
General Chairman, UTU