

UNION PACIFIC RAILROAD COMPANY



1416 DOOGE STREET  
OMAHA, NEBRASKA 68179

Mr. John O. McArthur  
General Chairman BRS  
P.O. Box 5100  
Fallon, NV 89407

December 20, 2001

Re: Transfer of signal maintenance on Worthington Subdivision

Dear Sir:

This is in reference to our discussions regarding the addition of territory to Seniority District 14 and Zone 5. Pursuant to agreement between the UP and CN-IC railroads, the UP has assumed from CN-IC maintenance and dispatching responsibility for the trackage described as MP 484.9 (LeMars, Iowa) to MP 509.0 (Sioux City, Iowa) on the Worthington Subdivision. Effective immediately, the territory described above will be added to BRS Seniority District 14 and Zone 5. It is understood, however, that CN-IC retains ownership of such territory, and should maintenance responsibilities revert to CN-IC, UP signal employees will no longer have claim to work on the territory.

Inasmuch as the parties have agreed that this is a material addition to the existing maintenance territory, affected signal maintainers may request that their positions be posted for bid pursuant to Rule 32 of the collective bargaining agreement and they may exercise seniority as provided in that rule. Such exercise of seniority will not affect their rights under Section 5c of the Implementing Agreement effective February 1, 2000.

This agreement is made to address a unique situation, and it may not be referred to in any other negotiations, national or local. If the foregoing accurately reflects our understanding, please sign in the space provided below.

Yours truly,

Handwritten signature of Michael D. Phillips in cursive.

Michael D. Phillips  
Director Labor Relations

I concur:  
Handwritten signature of J. O. McArthur.  
General Chairman Date: 12-20-01

Approved:  
Handwritten signature of J. E. Tom.  
Vice President BRS Date: 12-20-01