

MIKE PHILLIPS  
Director-Labor Relations

UNION PACIFIC RAILROAD COMPANY



1416 Dodge Street  
Room 332  
Omaha, Nebraska 68179  
(402) 271-4112

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

December 4, 2002

Dear Sir:

This is in reference to our discussions regarding the status of construction electronic technicians working at various locations in the Seniority Districts comprising the Zone 2 Construction Zone. As we discussed, the use of those employees across district lines within Zone 2 has become increasingly necessary, although there is not sufficient work at this time to justify establishment of separate positions within each district.

To address these issues, the parties agreed by letter of October 2, 2001 that one new zone construction electronic technician position could be established in Zone 2. Such position is subject to the provisions of Rule 36 - Traveling Gang Work, with the exception that employee occupying the position is not entitled to the \$9.00 for twenty-five miles traveled at the beginning and end of each work period since the employee holding the position is provided with a company vehicle. Such position is restricted to working new construction in Zone 2 only. We have now agreed that a second zone construction technician position may be established in Zone 2 subject to the same provisions.

The parties agree that this modification is effective November 25, 2002, and may be cancelled upon thirty (30) days advance written notice by either party. This agreement is made to address a unique situation and is without prejudice to either parties' position in this or similar matters. If the foregoing correctly sets forth the understanding reached in conference, please indicate so in the space provided below.

Yours truly,

M. D. Phillips  
Director Labor Relations

Agreed:  
  
General Chairman BRS

Approved:  
  
Vice President BRS