

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET, RM 332
OMAHA, NEBRASKA 68179-0323



April 2, 2004

L/R File: 1368535

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

Dear Sir:

This is in reference to the claim of J. R. Jenne, alleging a violation of Title 49 § 20109 (a) of the United States Code.

This claim is based upon allegations that Union Pacific officials discriminated against Mr. Jenne because of their belief that Mr. Jenne allegedly reported to the Federal Railroad Administration (FRA) an incident that occurred on the dates of February 9 and 10, 2002. The reporting of which resulted in a Grade 1 violation being issued against Union Pacific. In order to avoid costly and time-consuming litigation of this claim, the parties have agreed to the following settlement:

1. Union Pacific agrees to pay to Mr. Jenne the sum of Twelve Thousand Five Hundred Sixty Five Dollars and twelve cents (\$12,565.12) in full and final settlement of this claim as well as any other actions that may arise out of this matter. Such payment is being made without Union Pacific admitting that its officials discriminated against Mr. Jenne in any manner whatsoever or that it was in violation of Title 49 § 20109(a) of the United States Code.
2. The claim filed on behalf of Mr. Jenne is withdrawn, and no further claims concerning the underlying events will be filed in any forum whatsoever. Your file UPGC-1204 and Carrier's file 1368535 covers this claim.
3. Carrier will issue a Form 1099 with respect to the above settlement amount. This form will indicate that the payment falls within the "other" category with the explanation that it is a settlement of this claim.


If the foregoing correctly sets forth the understanding reached in conference, please sign in the

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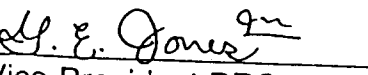
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AGREED:

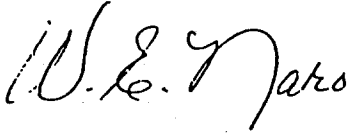

General Chairman, BRS


J. R. Jehne

APPROVED:


Vice President BRS

Yours truly,



W. E. Naro
General Director Labor Relations