

# UNION PACIFIC RAILROAD COMPANY

Alan L. Weed  
Director – Labor Relations



BUILDING AMERICA

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June 30, 2011

File: 550-1

Mr. C.R. Rightnowar  
General Chairperson  
Brotherhood of Locomotive Engineers and Trainmen  
320 Brookes Drive – Suite 115  
Hazelwood, MO 63042

Dear Sir:

Please refer to our recent discussions concerning the temporary establishment and use of an engineer training board at Villa Grove.


Accordingly, the parties have agreed to the following:

- 1) CMS may establish an engineer training board in Villa Grove and as necessary will assign engineers to this training board for the purpose of expediting training and qualification of engineers previously not qualified on the territory.
- 2) Engineer training boards established under this Letter of Understanding will work and be paid under the current provisions of the MPUL guaranteed extra board agreement. Pay will be pro-rated on a daily basis in the event an engineer is not on the board for an entire pay period.
- 3) Engineers forced assigned to Villa Grove away from their home terminal may avail themselves to company provided lodging for up to but no more than thirty (30) days. To qualify for this lodging provision engineers when assigned to a board at Villa Grove must report within 72 hours. Once released from the force assignment, an engineer subsequently forced back to Villa Grove will begin a new thirty (30) day period of lodging.
- 4) Engineers assigned to the training board under this Letter of Understanding will not be allowed to exercise their seniority to temporary vacancies (old-head) while so assigned.
- 5) The use of engineer pilots to re-familiarize previously qualified engineers is unaffected by this Letter of Understanding.

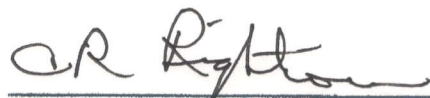
Mr. C.R. Rightnowar  
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It is understood that the terms and conditions expressed herein are the product of discussions to fairly and constructively address the immediate need to expedite the training of engineers force assigned to Villa Grove. Accordingly, it is understood that this agreement is made on a non-referable basis, and will not be cited by either party in any further proceedings. This Agreement will remain in full force and effect unless cancelled by either party signatory hereto serving a fifteen (15) day advance written notice of such intent.

If the above comports with our understanding please indicate where provided.

Sincerely,  
  
Alan L. Weed  
Director Labor Relations  
Arbitration & Negotiations

Agreed,



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C.R. Rightnowar  
General Chairman, BLET