

UNION PACIFIC RAILROAD COMPANY

B. W. HANQUIST
GENERAL DIRECTOR
LABOR RELATIONS



BUILDING AMERICA

1400 Douglas Street
STOP 0710
Omaha NE 68179

October 30, 2012

File 210-16

Mr. Dennis Albers
General Chairman BMWED
111 Imperial Blvd., C-300
Hendersonville, TN 37075

Mr. Larry Foster
General Chairman BMWED
1845 11000 Road
Oswego, KS 67356-2712

Mr. H. J. Granier
General Chairman BMWED
1011 Paris Road, Suite 333
Mayfield, KY 42066

Mr. T. J. Cartwright
General Chairman BMWED
17113 Nightingale Place
Lowell, IN 46356

Mr. Wayne E. Morrow
General Chairman BMWED
PO Box 850
100 East Sage Street
Lyman, Wyoming 82937

Gentlemen:

This letter is in reference to our discussions on September 26, 2012 regarding the Local/National Agreement ratified on April 20, 2012.

We discussed the application of paragraph 5 of the April 20, 2012 Local/National Agreement to the language of Section 2 of Article XIV and corresponding Collective Bargaining Agreement Rules regarding "fly home" travel provisions: Rule 29 of the CBA (SPWL) effective October 1, 1973, last revised December 31, 2003; Rule 36 of the CBA (UP) effective July 1, 2001; Rule 37 of the CBA (UP/MP) effective January 1, 2011; and Rule 28 of the CBA (CNW) effective November 1, 2001. It is agreed that the April 20, 2012 Agreement will be applied to those fly home provisions as follows:

1. The Carrier will allow employees to travel between work to home at the beginning and end of their work periods by other than driving and still receive travel allowance as if they drove by the most direct highway route.
2. This agreement eliminates all Article XIV, Section 2 agreement provisions that previously allowed employees who were more than 400 miles from their residences to elect an air transportation package to enable employees to return home once every three weeks, unless that employee is grandfathered for Article XIV Section 2 benefits, as described in 3 below.
3. An employee with a seniority date prior to July 1, 2012, will be grandfathered with the ability to use the Article XIV Section 2 "fly home" provisions, upon request to the Company and verification that the employee had used those provisions since July 1, 2010. Likewise, such employees may also request the grandfathered provisions, subject to the director's approval, for a documented hardship reason. Under the grandfathered Article XIV Section 2 provisions, the meal and lodging arrangements that will be provided on the rest day periods between the employee's use of the grandfathered "fly home" option will be the following:
 - a. Lodging: Employees will be reimbursed for actual and necessary lodging at or near the worksite in lieu of receiving lodging per diem allowance on their rest days.
 - b. Meals: Employees will receive a per diem meal allowance of \$29.00 (\$31.00 effective January 1, 2015) for each rest day.

Please indicate your agreement by signing below.

Sincerely,

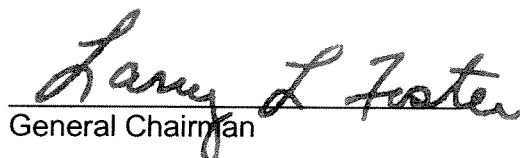


B. W. Hanquist
General Director Labor Relations

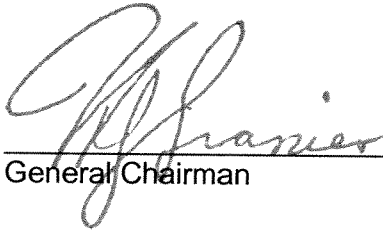
AGREED:



General Chairman




General Chairman


General Chairman


General Chairman


General Chairman

APPROVED:


Vice President


Vice President