

AGREEMENT
between
UNION PACIFIC RAILROAD COMPANY
and the
BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES DIVISION
of the IBT

The parties recognize there is a desire to achieve a higher level of safety and productivity in connection with the Maintenance of Way Department work of unloading ties along the Carrier's right of way. The Carrier is procuring a new type of equipment, hereinafter referred to as a "Tracker Tie Unloader," to perform this work, which will enhance both safety and production. In an effort to enhance the safety and productivity of the Maintenance of Way Department employees who will be assigned to perform this work,

IT IS AGREED:

Section 1.

(A) The classification for the Tracker Tie Unloader Operator and the Tracker Tie Unloader Operator-Trainee positions will be Group 20 Class (A) Rate 1 Roadway Equipment Operator.

(B) Assigned to work on the same crew as the Tracker Tie Unloader Operator will be a Tracker Tie Unloader Operator-Trainee and a Brandt Power Unit Truck Operator as provided hereinafter. All initial bulletined assignments for the Tracker Tie Unloader positions and for an equal number of Trainee positions will be made pursuant to Rule 20 (d)¹ of the UPRR/BMWE collective bargaining agreement dated July 1, 2001. Subsequent to the initial bulletined assignments, only the Trainee's positions will be assigned pursuant to Rule 20 (d) and the Tracker Tie Unloader positions will be assigned pursuant to the normal terms of the collective bargaining agreement. Qualified Tracker Tie Unloader Operators are ineligible for assignment to an advertised Trainee position. Employees assigned to bulletined Tracker Tie Unloader positions, who have not yet established qualifications therefor, will be given adequate time and training to qualify in line with the Carrier's Engineering Department Training and Testing Policy. Once a Trainee's qualification process is completed, he/she will be given four (4) working days advance notice that his/her position is being abolished in line with terms of the UPRR/BMWE collective bargaining agreement dated July 1, 2001. Upon request of the qualified employee, he/she will be given a print-out copy of the Carrier's record verifying his/her qualification as a Tracker Tie Unloader Operator.

¹The application of Rule 20 (d) as specified herein does not supercede, diminish or eliminate the application of Section 4 in the Consolidated System Gang Agreement dated August 1, 1998.

(C) The Carrier will bulletin and assign Trainee positions until at least eight (8) employees possess Tracker Tie Unloader qualifications. Thereafter, while the Carrier may bulletin and assign as many Trainee positions it deems appropriate, it will bulletin and assign Trainee positions any time there is less than eight (8) employees possessing Tracker Tie Unloader qualifications. Upon request of a General Chairman, the Carrier will forward a copy of the list of employees possessing Tracker Tie Unloader qualifications. If, for any Trainee position, bids are not submitted, the Carrier may blank that Trainee position during the six-month tour of duty. In any event, to establish qualifications as a Tracker Tie Unloader Operator, employees must be assigned by bulletin to an advertised Tracker Tie Unloader Operator or Trainee position and satisfy the qualification process connected thereto.

(D) At the option of the Trainee, he/she will be given adequate time and training to qualify on the operation of the Brandt Power Unit Truck in line with the Carrier's Engineering Department Training and Testing Policy during or immediately following the qualification process for the Tracker Tie Unloader. Again, once the Trainee's qualification process is completed for both pieces of equipment, he/she will be given four (4) working days advance notice that his/her position is being abolished in line with the terms of the UPRR/BMWE collective bargaining agreement dated July 1, 2001.

Section 2.

The Carrier may bulletin the Tracker Tie Unloader and its entire support crew with a consecutive compressed work half period consisting of a "work first-rest thereafter" schedule or a "rest first-work thereafter" schedule. Arrangements for such work periods will be in accordance with Rule 40 of the UPRR/BMWE collective bargaining agreement dated July 1, 2001. Absent an abolishment and re-bulletining of the positions, changes in the assigned work day schedule may not occur without the approval of the designated representative(s). If the Carrier chooses to utilize a Tracker Tie Unloader on each calendar day of the month, which contemplates having a crew working a "work first-rest thereafter" schedule and having another crew working a "rest first-work thereafter" schedule, there will be no reduction in regular assigned work hours or pay therefor in connection with two (2) crews being scheduled to work the same hours of overlapping work schedules.

Section 3.

The Operator position for each Tracker Tie Unloader and the operator position for each Brandt Power Unit Truck assigned to work directly with each Tracker Tie Unloader, will be established as "Restricted Positions," which will be governed by the following conditions:

- (A) Bulletins for these positions will indicate they are "GROUP 20 CLASS (A) RATE 1 ROADWAY EQUIPMENT OPERATOR RESTRICTED POSITIONS THAT WILL BE RESTRICTED FOR A SIX-MONTH TOUR OF DUTY WITH A \$1.50 PER HOUR DIFFERENTIAL."

- (B) Employees assigned to these restricted positions will not be allowed to apply for bulletined positions in the same or lower classes. Employees assigned to these restricted positions will not be subject to recall to another position or gang.
- (C) Employees assigned to these restricted positions may only be displaced by qualified senior employees who have been displaced from restricted positions either as a result of their positions being abolished or the exercise of seniority by senior employees.
- (D) Employees will not jeopardize or forfeit any seniority rights, protections or protective status under any agreement by accepting one of these restricted positions regardless of the circumstances involved.
- (E) Employees assigned to restricted positions will be accorded a differential allowance of one dollar and fifty cents (\$1.50) per hour in addition to the straight time hourly rate of pay they receive. This differential will not be subject to future general wage increases or cost of living allowances. The full restricted position rate of pay (i.e., full straight time plus the differential allowance) will be used to compute overtime pay.
- (F) Unless agreed otherwise by the parties signatory hereto or absent an abolishment of the positions previous thereto, these restricted positions will be abolished effective June 30th and December 31st in each calendar year, ending, respectively, each maximum six-month tour of duty. If the positions are to be reestablished, they will be re-bulletined pursuant to the provisions of the collective bargaining agreement and this agreement. Bulletins for vacancies in these positions will indicate the expiration date of the positions, (i.e., June 30th or December 31st, as applicable). Such information is not to be construed to affect in any way the Carrier's right to abolish these positions prior to such expiration dates.
- (G) Employees will not be required to apply for or exercise seniority displacement rights to fill any of the restricted positions identified in this section and they will not jeopardize or forfeit any seniority rights or protective status under any agreement in connection with declining such opportunities.² If force assigned or recalled to one of these restricted positions, paragraphs (B), (C), (D) and (E) of this Section 3 will not apply and, instead, the normal provisions of Section 7 contained in the Consolidated System Gang Agreement of August 1, 1998, will apply. The maximum period of time to

²Unless otherwise provided, if an employee with a protective rate of pay based on the REO Class A Rate I classification fails to exercise his seniority to secure one of these restricted positions for which he/she has qualifications and is entitled to fill under the working agreement, and, instead, he/she remains in an assignment of a lower class while a junior employee fills such position, he/she will be treated as occupying the position he/she elects to decline, i.e., his/her protection payments will be suspended during that time. It is understood, however, his/her protective rate will not be affected in any way as a result of such an election.

which the one dollar (\$1.00) allowance provided thereunder may apply will include all time from the employee's initial reporting date and time to the end of the six-month tour of duty.

Section 4.

(A) Where the provisions of this agreement conflict with the rules of the collective bargaining agreement, this agreement will apply. In all other cases, the terms of the collective bargaining agreement revised July 1, 2001, will apply.

(B) It is understood that this agreement will not be considered a precedent nor will the parties refer to this agreement or any part of it in any subsequent judicial or administrative proceedings, negotiations or any other forum other than those concerned with adjudicating disputes arising under this agreement.

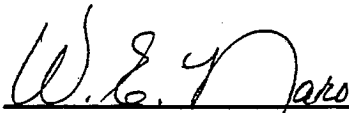
(C) This agreement does not supercede or affect any rights or practices previously established with regard to how the Carrier has had the work performed by company forces.

(D) This agreement will be effective February 1, 2005.

FOR THE ORGANIZATION:


General Chairman, BMWWE

FOR THE CARRIER:

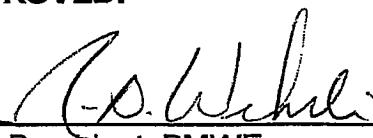

General Director Labor Relations


General Chairman, BMWWE


General Chairman, BMWWE


General Chairman, BMWWE

APPROVED:


Vice President, BMWWE