

November 7, 2006

Mr. M. Reedy
General Chairman - UTU
307 W. Layton Ave.
Milwaukee, Wi. 53207

Dear Sir;

This will confirm our conferences on January 16, March 7, April 21, and July 13, 2006, concerning the Commuter Ops expansion of service to Elburn, Illinois, and the resolution of the issues surrounding this expanded service.

Subsequent to your letter dated January 9, 2006, protesting the expansion of service to Elburn scheduled for January 23, 2006, the parties have met to discuss the issues surrounding your correspondence. We have directed our discussion into two areas. One involves agreements covered by the basic CBA that are affected by the expansion to Elburn, and the second involves the provisions of the RTA Protection Agreement dated June 3, 1977.

The first issue, concerning CBA revisions has been resolved in the signing of two Memorandum of Agreements, dated November 7, 2006.

The second issue, involving the June 3, 1977 Protection Agreement will be settled in the following manner:

- 1) The Organization has requested the Carrier to furnish the earnings of trainmen working in Commuter service on the date of the Elburn expansion, to assist the employees in determining if they were placed in a worse position with respect to compensation as a result of this expansion. The Organization has provided a list of trainmen who were in Commuter service on the date prior to the implementation of the expanded service. The Carrier has utilized this list as a work sheet and provided the estimated earnings of each trainmen for the period of January 1, 2005 through December 31, 2005, attached as exhibit #1. This list is not to be construed in any manner as recognition or admission that any employee has been affected by the expansion, nor is any trainmen being auto certified under this arrangement.

Trainmen desiring to submit a protection claim will be required to complete the attached claim form (exhibit #4), and submit it to Union Pacific Protection Dept. (Sue Wimmer), at the address provided.

- 2) The current ranking of the trainmen's positions in Commuter Ops has been attached as exhibit #2. This list establishes the order/ranking of trainmen's positions by compensation, and the list may be updated periodically at the discretion of the Carrier. (based on the earnings potential of the positions). The list is provided to allow trainmen the opportunity to occupy the highest rated position, and to assist in this requirement all Commuter Ops trainmen positions on the Geneva Subdivision will be re-bulletined and assigned within forty-five days from the execution of this letter of understanding. This will include all regular assigned conductor and collector positions at Elburn, CPT and points in between, including the guaranteed extra boards at the CPT.

The protection period provided for within the June 3, 1977 Protection Agreement will commence on the day the assignments are re-bulletined and assigned, as set forth above. No claims will be filed or handled for any period of time prior to the date the assignments are re-bulletined and assigned under this paragraph 2.

- 3) The parties recognize that some trainmen may be entitled to relocation or protection benefits as a result of the expansion of service to Elburn. Trainmen meeting the terms and conditions of the June 3, 1977 Protection Agreement will have the right to progress their request for benefits or claims in accordance with that agreement.

- 4) Under the provisions of Section 9 of the June 3, 1977 Protection Agreement, the parties are required to determine, "the exact extent of the responsibility of the Carrier under this Section 9, " as it pertains to four specific items (listed below) associated to moving expenses. The parties have agreed that any trainmen required to change his/her point of employment in order to retain or secure active employment, and meeting the provisions of Section 10 of the June 3, 1977 agreement, will be required to submit a written request to the Carrier for authorization for relocation benefits under the agreement. A relocation form has been attached as exhibit #3, and must be completed and submitted to Mr. Greg Larson, Superintendent Commuter Ops, with a copy to the UTU Local Chairman, of a trainmen's desire to relocate their personal residence. The Carrier will determine if the employee is entitled to relocation and moving benefits, under the conditions of 1977 Protection Agreement. Trainmen

meeting the conditions of the agreement will be advised in writing, and a meeting will be scheduled with the employee and UTU representative to determine the benefits afforded under the provisions of Section 9, as noted below:


- 1) all expenses of moving household and other personal effects;
- 2) traveling and living expenses for employee and immediate family;
- 3) employees actual wage loss during the time necessary for such transfer;
- 4) additional reasonable time (not to exceed five (5) working days) to be used in securing a place of residence in the new location.

Any trainmen denied relocation benefits under this Elburn expansion will have the right to progress a claim to Arbitration, as set forth in the 1977 Protection Agreement.


This arrangement is being made in full and final settlement, without prejudice to either parties position, of the UTU's correspondence dated January 9, 2006, and the expansion of Commuter Ops service to Elburn, Illinois. If this accurately reflects our understanding, please sign in the space provided below.

Signed this ^{Nov. TS} ~~7th~~ day of ~~June~~ ^{NR}, 2006, in Chicago, Illinois.


M. Reedy
Gen. Ch. UTU


T. Stone
Dir. Labor Relations

Approved:


J. Babler ^{PJM}
V. Pres. UTU

November 7, 2006

Mr. M. Reedy

Dear Sir;

This will confirm our understanding of various protection items that were discussed in connection with our understanding dated November 7, 2006, Commuter Ops - Elburn expansion.

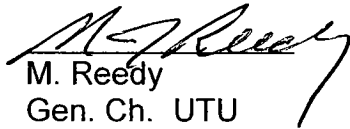
Attachment #1 of the November 7, 2006 understanding contains the estimated earnings for trainmen who were in Commuter Operations during 2005, and whose names were furnished by the UTU. In order to maintain confidentiality of these monetary figures, trainmen interested in securing their individual estimated 2005 average may contact Suburban Operations, room 3610 in person.

Within the rankings of the assignments (attachment #2), the Carrier has listed freight and passenger positions. This will confirm our discussion that passenger trainmen who were not assigned in freight service during 2005, will not be required to occupy a position in freight service, as set forth in Section 4 of the 1977 Protection Agreement. They will, however, be required to hold the highest ranked position in passenger service regardless of the distance from point of employment or residence, pursuant to Section 4(a)(5). Trainmen who were assigned in both passenger and freight service during 2005 will be required to occupy the highest rated position available to them in either freight or passenger service, as set forth in Section 4.

This will confirm our understanding that any trainmen who files a claim for protection benefits, and is determined to have been adversely effected by the Elburn expansion, will be provided their protection hours when they are certified. Trainmen covered by the November 7, 2006 understanding who are forced from a conductor's position to a brakemen's position, as a result of this expansion of service, will also be provided their test period hours if their claim for protection benefits are declined by the Carrier. In addition, any passenger trainman that is required to move onto a position where the interval of release does not exceed one hour, as a result of this expansion, will have their claim reviewed on a case

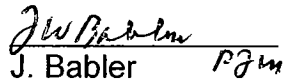
by case basis. This is without prejudice to either party's position regarding the application of hours in the determination of eligibility for protection benefits and the Carrier's obligation to provide the requested data.

If this accurately reflects our understanding, please acknowledge your concurrence by signing in the space provided below.


M. Reedy
Gen. Ch. UTU

T.M. Stone

Approved:


J. Babler *PJm*
V. President UTU

Last Name	Initials	Estimated 2005 Average
Aguilera	A	\$4,769.48
Berg	JC	\$6,559.08
Bertolani	AM	\$3,152.33
Best	JM	\$6,598.02
Blomgren	RB	\$6,062.13
Bowe	GF	\$5,361.55
Brodbeck	RL	\$5,282.71
Broom	RA	\$5,107.01
Butcher	BT	\$5,998.01
Cameron	DL	\$4,028.15
Douglas	MD	\$4,378.36
Evans	WL	\$6,056.70
Farley	DC	\$6,127.69
Ferry	WS	\$6,269.41
Fisher	RK	\$4,758.51
Fuentes	MA	\$4,934.81
Galloway	LJ	\$4,993.65
Grumbos	D	\$4,397.78
Harris	R	\$5,103.78
Hill	JG	\$5,039.49
Hill	D	\$4,106.89
Holinka	MJ	\$5,150.47
Johnson	AH	\$6,005.64
Johnson	EE	\$3,787.54
Jones	DA	\$5,462.45
Klingel	JM	\$5,218.62
Knight	R	\$3,691.33
Krawczykowski	TC	\$6,694.75
Lilly	MA	\$5,506.00
Lockett	M	\$4,797.65
Lozada	JJ	\$5,447.98
Marra	BR	\$4,052.92
Martin	S	\$6,605.48
Mathis	RB	\$5,165.62
Metekaitis	JJ	\$5,460.34
Moose	DR	\$5,919.92
Payne	LD	\$4,111.91
Plocinski	KA	\$6,101.79
Rendleman	RN	\$6,734.04
Ricker	MA	\$4,787.15
Riggins	EB	\$5,312.07
Robinson	CE	\$6,123.52
Rosebrough	ML	\$4,277.57
Scibor	JE	\$5,557.56
Sipp	LW	\$6,876.82
Smith	CD	\$4,268.99
Stewart	RR	\$6,493.27
Streeter	CK	\$5,250.22
Szczesny	WC	\$5,676.52
Taylor	SM	\$3,730.29
Walker	DE	\$6,380.37
Walker	CA	\$4,243.64
Wiatr	DJ	\$5,937.05
Woodard, Jr	AL	\$4,892.77
Zasada	MT	\$5,110.35

Provided for informational purposes only. Inclusion on this listing in no way indicates or implies the employees are affected by a transaction or are entitled to protective or relocation benefits. Includes estimated impact of national wage increases.

Rankings for Metra Protective Conditions as of 10/19/06. Rankings are subject to change upon appropriate notice to the Organization

Rank	Circ 7	Board	Job #
1	NZ021	RT8A	
2	NZ021	RT8C	
3	NZ021	RT8B	
4	NZ021	RT81	
5	NZ021	RT8D	
6	NZ021	RT8X	
7	NZ044	AT80	7407
8	NZ044	AT80	7405
9	NZ044	AT81	7607
10	NZ044	AT80	7408
11	NZ044	AT80	7412
12	NZ044	AT80	7411
13	NZ044	AT81	7605
14	NZ044	AT81	7608
15	NZ030	RT85	
16	HH008	AT81	7651
17	NZ027	AT81	7652
18	NZ044	AT80	7410
19	NZ044	AT81	7612
20	NZ044	AT81	7611
21	NZ030	AT81	7654
22	NZ044	AT80	7409
23	NZ044	AT80	7414
24	NZ044	AT80	7415
25	NZ044	AT80	7404
26	NZ044	AT81	7610
27	NZ044	AT80	7416
28	NZ030	AT81	7653
29	HV000	AT80	7406
30	NZ044	AT81	7609
31	Freight & Passenger Conductor's Extra Board		
32	NZ044	AT81	7614
33	NZ044	AT81	7615
34	NZ027	AT81	7656
35	NZ044	AT80	7413
36	NZ044	AT81	7604
37	NZ044	AT81	7616
38	HV000	AT81	7606
39	NZ030	AT81	7657
40	NZ044	AT80	7403
41	NZ044	AT80	7418
42	TCL Extra Board		

Rankings for Metra Protective Conditions as of 10/19/06. Rankings are subject to change upon appropriate notice to the Organization

Rank	Circ 7	Board	Job #
43	NZ044	AT80	7401
44	NZ044	AT81	7613
45	NZ024	AT81	7655
46	HV000	AT81	7617
47	NZ044	AT81	7603
48	NZ044	AT81	7618
49	NZ044	AT81	7601
50	NZ044	AT80	7402
51	HV000	AT80	7417
52	NZ044	AT81	7602
53	HV000	AT81	7658
54	All other 6 day Conductor Positions		
55	All other 5 day Conductor Positions		
56	All other 6 day TCL Positions		
57	All other 5 day TCL Positions		

Superintendent - Suburban Operations

Pursuant to the provisions of the June 3, 1977 Agreement Between the Regional Transportation Authority, Chicago Commuter Railroads, Motor Bus Carriers, and Representatives of Their Employees, I am applying for the relocation benefits provided in Sections 9 and 10 of the Agreement. I was required to change the point of my employment to a different point which is located either (A) outside a radius of 30 miles of my former work location and farther from my residence than was my former work location, or (B) is located more than 30 normal highway route miles from my residence and also farther from my residence than was my former work location.

Prior to the expansion of the Metra suburban passenger service to Elburn on January 23, 2006, I was employed on assignment _____ which reported on duty at _____. Subsequent to the establishment of the expanded service, I was required to work assignment _____ which reports on duty at _____.

My current residence is located at:

(Street address)

(City) (State)

My prospective residence is located at:

(Street address)

(City) (State)

I request a meeting between myself, my UTU Local Chairman, and the local management representative, to determine in advance the exact extent of the responsibilities of the carrier under Section 9 and the ways and means of transportation.

(Print name)

(Employee signature)

(Date)

Copy to UTU Local Chairman

**UNION PACIFIC RAILROAD
APPLICATION FOR PROTECTIVE BENEFITS**

Exhibit # 4

**CLAIMING ADVERSE AFFECT AS A RESULT OF THE
EXPANSION OF SERVICE TO ELBURN**

PERSONAL INFORMATION			
NAME (LAST, FIRST, MI)			EMPLOYEE ID
MAILING ADDRESS			HOME TELEPHONE
CITY	STATE	ZIP	CELL TELEPHONE
PRIOR POSITION			
CIRC7	BOARD	POSITION	
JOB NUMBER	GUARANTEE OF POSITION		
POSITION EXERCISED TO			
CIRC7	BOARD	POSITION	
JOB NUMBER	GUARANTEE OF POSITION		
AFTER COMPLETION, PLEASE MAIL OR FAX TO:			
PROTECTION MANAGEMENT UNION PACIFIC RAILROAD 1400 DOUGLAS STREET, STOP 0710 OMAHA, NE 68179		COMMERCIAL FAX: 402-501-0117 COMPANY FAX: 8-501-0117	
EMPLOYEE SIGNATURE			DATE

MEMORANDUM OF AGREEMENT
between the
UNION PACIFIC RAILROAD COMPANY
and the
UNITED TRANSPORTATION UNION
(For The Former C&NW Lines Territory)

Commuter Operations

It is Agreed:

The parties have agreed to codify the practice currently in effect on the Commuter Operations, pertaining to the situation when a trainmen has insufficient or late funds for cash fares, during a ticket audit. Trainmen have been, and may be charged with a level 5 rule infraction (on the first offense) and will be afforded the opportunity to waive their rights to a formal investigation and accept a level 2 (or the equivalent), under the UP discipline policy, making full restitution of the cash fares through a cash payment or an arrangement for a payment plan. For employee's waiving their rights to a formal investigation, time withheld from service pending the resolution of the charges has been and will continue to be a part of the discipline, without claim for lost wages. The trainman and the UTU representative will be afforded the opportunity to accept the waiver and discuss restitution of the of the insufficient funds with the management representative, as early as the first business day following the audit, without the necessity of a formal charge letter being completed. The time period of "the first business day", stated above, may be shortened by mutual concurrence of the parties on a case by case basis.

A second occurrence of insufficient or late funds for cash fares may be progressed with up to a level 5 (dismissal) charge, and progressed in accordance with the procedures set forth in the collective bargaining agreement. (This agreement will only apply to situations of insufficient or late funds on cash fare audits.)

Signed this ____ day of _____, 2006, in Chicago, Illinois.

M. J. Reedy
General Chairman – UTU

T. M. Stone
Director Labor Relations

APPROVED:

J. W. Babler
V. President - UTU

MEMORANDUM OF AGREEMENT
between the
UNION PACIFIC RAILROAD COMPANY
and the
UNITED TRANSPORTATION UNION

For The Former C&NW Lines Territory
(Eastern Seniority District)

Modification of Rule 5 - Chicago Suburban Service

Road Rule 5 contained in the CNW Conductors/Trainmens Agreements will be modified for the Eastern Seniority District to include the expanded operation of suburban service to Elburn, Illinois.

Accordingly, IT IS AGREED:

Section 1 -

Road Rule 5 currently reads:

SUBURBAN SERVICE DEFINED. Chicago suburban service shall be considered as referring to conductors (trainmen) making one or more round trips daily, or daily except Sunday, between Chicago Passenger Terminal and Racine or Harvard on the Wisconsin Division; Williams Bay, Aurora or St. Charles on Galena Division, or intermediate points.

Elburn station, including milepost 45 on the Galena Division, shall be included in the definition of Chicago suburban service.

Section 2 -

In connection with the inclusion of Elburn in the Chicago suburban service, Memorandum Agreement # 261119919 will be amended as follows.

Attachment "A", add under Geneva Subdivision:

Elburn	88 miles	\$1.60
--------	----------	--------

Section 3 -

The carrier shall supply a sufficient number of parking spaces near to the yard office, or point of reporting for duty, to accommodate those train service employees reporting to Elburn.

Signed this 7 day of November, 2006, in Omaha, Nebraska, to be effective 11/7/06, 2006.

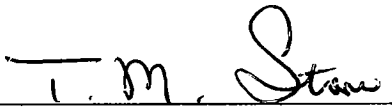
AGREED:

For the United Transportation Union:

For Union Pacific Railroad:

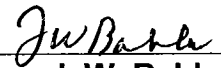


M. J. Reedy
General Chairman, G.C.A.



Terry M. Stone
Director - Labor Relations

APPROVED:



J. W. Babler *PJM*
Vice-President, UTU

November 9, 2006

RECEIVED

Mr. M. Reedy
General Chairman - UTU
307 W. Layton Ave.
Milwaukee, Wi. 53207

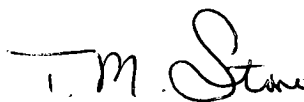
NOV 13 2006
UTU GENL. COMM-PROPER
U.P. (CNW)

Dear Sir;

On November 7, 2006, we executed the written understanding involving the expansion of Commuter service to Elburn, Ill. Within the understanding, the parties set forth a forty-five day period from the date the understanding was signed, wherein the Carrier would re-bulletin all of the Commuter Ops trainmen's position on the Geneva Subdivision.

During our discussions it was mutually agreed that it would better serve everyone involved if the re-bulletining of the trainmen's position was set back until after the up coming Holidays. Accordingly, this will confirm our understanding that the Carrier will initiate the re-bulletining process no later than January 17, 2007.

If this accurately reflects our understanding, please indicate your concurrence and acceptance by signing in the space provided below.



T. M. Stone



M. Reedy - UTU Gen.Ch