

MEMORANDUM OF AGREEMENT

Between the

UNION PACIFIC RAILROAD COMPANY

And

UNITED TRANSPORTATION UNION (C, T, Y, &E)

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Regional Trainer Agreement

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Union Pacific Railroad Company ("UP" or "Company") and the United Transportation Union ("UTU") acknowledge and agree the rail transportation workplace is a dynamic work environment. UP and UTU recognize that improvements in this environment can be accomplished through a cooperative and partnership approach.

Accordingly, the UP and the UTU General Committee of Adjustment for the territory comprising the former Missouri Pacific Upper Lines have agreed to the following:

I. Regional Trainers

UP and the UTU recognize that employee performance and safety can be enhanced through the use of training. The effective and selective use of operating craft employees can be a beneficial method to support training and assist in employee performance. Therefore, UP and UTU have agreed to establish Regional Trainers to support UP's training initiatives.

A. Selection

1. UP may develop a pool of trainers for use in providing classroom and/or field training to other employees. UP will determine the number of trainers to be used in connection with the particular program or training initiative. Employees are designated as both classroom and field trainers and may be used in either capacity. The two classifications are meant as guidelines and it is recognized that the work will overlap and claims will not be filed because of any overlap.

At locations where more than one seniority district/zone works, it is not necessary to have trainers from each seniority district/zone. A trainer may train employees from multiple seniority districts/zones.

2. The list (pool) of potential trainers will be established and maintained by use of the standing bid/application process. The Superintendent or his/her designee and

the General Chairperson or his/her designee will select the trainers from the bid/applications. The General Chairperson will advise the respective Service Unit General Superintendent/Superintendent in writing of his designee to assist in the selection process. Fitness, ability and merit being equal, seniority shall prevail.

Note 1: In the event a sufficient number of qualified or acceptable applicants are not received, the General Chairperson, or his/her designee will solicit additional applications. Additionally, the General Chairperson or his/her designee and the Superintendent or his/her designee will meet to discuss other possible trainer candidates.

Note 2: In the event the Parties cannot agree on a sufficient number of qualified and acceptable candidates for the list (pool), the UP reserves the right to select additional candidates for the trainer pool.

Note 3: It is understood, however, that no employee will be force assigned to a trainer position.

3. Employees selected as trainers will be subject to the following:

- a. Employees participating, as trainers will attend all necessary training classes.
- b. Trainers will be required to maintain proficiency and qualification as a conductor/brakeman/switchman/hostler, including successfully completing all required examinations.
- c. A trainer may be assigned to a 1, 2, 3, 4, 5, 6, or 7-day(s) assignment.
- d. Employees selected as trainers will serve for a minimum of twenty-four months from date of assignment. The parties may agree to extend an individual's assignment an additional year following the expiration of the first two-year assignment. Additional one (1) year extensions may be granted by mutual consent of the parties.
- e. An employee may be relieved from his/her duties as a trainer by UP "for cause". If requested, the matter will be discussed between the General Chairperson and the Director -- Labor Relations.
- f. A trainer may voluntarily relinquish his/her duties as a trainer by giving thirty (30) days notice to the Superintendent, or UP manager responsible for the involved training program. If a trainer is providing training at the time, he/she shall complete the program, if practical.

Note 4: It is understood personal emergencies or hardships may be handled within a shorter time period.

4. A train/yard service employee working a road or yard assignment will not be considered as a trainer under the terms of this Agreement when other employees or students are assigned to his/her job for on-the-job-training, mentoring, piloting, etc.
5. An employee working as a trainer will not be counted or included in applicable manpower requirement determinations, pool or extra board regulations, or any other similar determinations for the territory/zone/district he/she was working prior to his/her assignment to the trainer position. The position vacated by an employee assigned to a trainer position will be filled in accordance with applicable Agreement rules.
6. When UP elects to reduce the number of employees assigned and/or working as trainers, employees working as trainers should be canvassed for volunteers who wish to return to regular duty. If there are insufficient volunteers, reductions will be made in reverse seniority order assuming fitness, ability and merit are equal.

B. Utilization

- I. Trainers may be utilized for any training needs including, but not limited to, classroom and/or field training in the following areas:
 - a. Newly hired train/yard service personnel,
 - b. Hump operating and control systems,
 - c. Conductor/foreman training,
 - d. Computer system(s) training,
 - e. Remote control locomotive technology training,
 - f. Electronic switch training,
 - g. Rules and other safety training,
 - h. Training utilizing simulators or other advanced technologies,
 - i. Health awareness training,
 - j. Other related operating/operations training.

Note 5: It is understood trainers may be required to record, analyze and/or update data and reports in connection with preparation or execution of training classes, organize and schedule classes, monitor and report attendance, and other similar administrative

duties in connection with their training program or assignment.

Note 6: Trainers can administer examinations in connection with the training program.

2. Employees assigned as trainers may be required to become proficient and/or qualified on a particular subject or in all of the programs or topics where trainers are utilized.
3. When a training need arises, UP may utilize a qualified trainer already selected. If a qualified trainer is not available or does not desire to become proficient or qualified on the subject of training, an additional trainer may be selected in accordance with this agreement.
4. UP may, depending on the training needs, use trainers 1, 2, 3, 4, 5, 6, or 7 day(s) a week. The Superintendent and/or his/her designee in consultation with the General Chairperson or His/her designee will advise the employee accordingly.
5. It is not intended that trainers will be used from their home territory on other areas of the system for unusually long or extended periods. Issues that might arise as a result of the Carrier's use of trainers off their territory to other areas of the system will be handled by the Director of Labor Relations and the General Chairperson.
6. Trainers may be required to obtain their training at locations outside their home terminal or seniority district.
7. Trainers shall not be used to supplant or substitute for train service or engine service employees on assignments.

C. Compensation

1. Trainers will be compensated as follows:
 - a. Employees assigned as peer trainers will be paid a daily rate of 292.33 per day, subject to all applicable federal, state and/or railroad Retirement deductions/withholdings, for each day required to work as a peer trainer.
 - b. The rate of pay set forth above will be subject to all applicable general wage and cost-of-living adjustments.
 - c. Employees assigned as trainers may not simultaneously hold a Reserve Board position.
2. When trainers are required to work or attend classes more than thirty (30) miles from the trainers home terminal, the trainer will be reimbursed for the necessary

and reasonable expenses incurred in connection with such work and in accordance with UP's Travel and Business Expense Policy while away from home. Trainers who receive permission to drive their personal automobile will be reimbursed at the current IRS mileage rate. Trainers must turn in proper expense forms and provide actual receipts for all lodging, travel and meal expenses incurred in connection with his/her travel as a trainer.

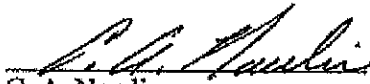
3. Employees assigned and working as trainers will be treated as occupying the highest rated position for purposes of computing any applicable wage protection or guarantee. Time paid as a trainer will be considered as compensated service for the purpose of calculating vacation qualification and earnings.

D. General

1. The parties recognize that many other types of trainers will continue to be utilized by the UP for training on the former MPUL territory, including but not limited to management personnel, outside contractors, other employees, etc. Trainers will be utilized only when deemed necessary by the Superintendent or the UP official responsible for the involved training.
2. The Parties recognize that this agreement does not extend to or provide UTU or the crafts represented by the UTU exclusive right to conduct training on the territory governed by this agreement.
3. Either party to this agreement may cancel the provisions of this agreement by serving a thirty-day (30) advance written notice.
4. In the event the provisions of this Agreement conflict with existing collective bargaining agreement provisions, the terms and conditions set forth herein shall prevail.

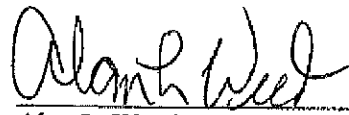
Signed this 16th day of January, 2009.

FOR THE ORGANIZATION



C. A. Nowlin
General Chairman UTU

FOR THE CARRIER:



Alan L. Weed
Director Labor Relations
Arbitration & Negotiation

UNION PACIFIC RAILROAD COMPANY

Alan L. Weed
Director - Labor Relations



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BUILDING AMERICA

January 15, 2009

Regional Trainer Agreement

Side Letter No. 1

Mr. C. A. Nowlin
General Chairman
United Transportation Union
12200 NW Ambassador Drive, Suite 236
Kansas City, Missouri 64163

Dear Sir:

This is in reference to our discussion concerning the Regional Trainer Agreement. During our discussion you raised a concern that trainers who are advised/instructed to remain available for seven (7) days a week and not allowed to return to their regular assignments will not be properly compensated.

This will confirm the Carrier's commitment that if a trainer is advised/instructed to remain available seven (7) days a week under Section B.4. of the Trainer Agreement and not allowed to return to his/her regular assignment, the trainer will be compensated for the entire seven (7) days at the trainer rate of pay.

If this properly reflects your understanding, please sign in the space provided below.

Sincerely,

Alan L. Weed
Director Labor Relations
Arbitration & Negotiations

Agreed:

C. A. Nowlin
General Chairman - UTU

Date: January 15, 2009