

UNION PACIFIC RAILROAD COMPANY

B. W. HANQUIST
GENERAL DIRECTOR
LABOR RELATIONS



BUILDING AMERICA

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December 5, 2011

Mr. Dennis Albers
General Chairman BMWED
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Hendersonville, TN 37075

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

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1011 Paris Road, Suite 333
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Mr. L. D. Riley
General Chairman BMWED
3626 Hotze Road
Salem, IL 62881

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

Gentlemen:

The purpose of this Letter Agreement is to extend the provisions of the TRT909 Concrete Production Crew Agreement, agreed on November 16, 2010 and due to expire on December 31, 2011, for one year. The new expiration date will be December 31, 2012. In extending these provisions, the parties recognize that the work percentage for calendar year 2012 will continue to be 50% for UP North and 50% for MP.

The provisions of the November 16, 2010 Agreement will continue in full force, except as modified below:

1. No TRT 909 work group positions will be abolished and re-advertised for the beginning of the calendar year 2012. It is the intent of the parties that incumbents on positions will remain on those positions, unless they exercise seniority or "walk off," as permitted by their applicable Agreements.
2. The following interpretations apply in the application of Paragraph 4 of the November 16, 2010 Agreement:
 - a. It is understood that only Sections (a) and (b) of Paragraph 4 only allows UP North and MP employees to walk off and exercise seniority back to their respective

collective bargaining agreements when the TRT moves to the territory in which they do not hold seniority.

- b. UP North employees with a "home road designation" as listed Appendix T, Section 3 of the July 1, 2001 Collective Bargaining Agreement, may continue to utilize a Section 5 (b) and (c) walk off only when the TRT moves between UP North home road designations.

3. Paragraph 6 of the November 16, 2010 Agreement is amended to read as follows:

The current schedule for the TRT 909 work groups shows the location of work to be performed in 2012 as approximately two-thirds on territory subject to the January 1, 2011 Collective Bargaining Agreement and one-third on all other Carrier territory. To maintain the current "50-50" division of positions between employees holding seniority under Appendix T of the July 1, 2001 Collective Bargaining Agreement and employees holding seniority under the January 1, 2011 Collective Bargaining Agreement, the parties have agreed to the following preservation of employment provisions for the calendar year 2012.

Whenever the TRT 909 work groups perform work in territory subject to the January 1, 2011 Collective Bargaining Agreement, the Carrier will recall to service any furloughed employees holding seniority rights under that Agreement. Additionally, the Carrier will ensure that no employees holding seniority rights under the January 1, 2011 Collective Bargaining Agreement in the Track, Roadway Equipment or Welding Subdepartments will be placed in involuntary furlough status while the TRT 909 work groups are working on territory subject to that Agreement.

4. Paragraph 10 of the November 16, 2010 Agreement is amended to read as follows:

There is no requirement to resend the November 16, 2010 Agreement or the July 1, 2001 Collective Bargaining Agreement to incumbent employees in a TRT 909 work group. However, a copy of this agreement will be provided to incumbent employees on TRT 909 work group positions. Additionally, new hires, and MP employees obtaining positions in a TRT 909 work group for the first time, will be provided copies of this agreement, the November 16, 2010 Agreement and the July 1, 2001 Collective Bargaining Agreement.

5. Execution of this extension to the November 16, 2010 Agreement is without prejudice to the parties' positions regarding the appropriate scope of contracting out of support functions for the TRT 909 production crew.

Please indicate your agreement by signing and returning one original of this letter to me.

Sincerely,



AGREED:

Dennis R. Albers

General Chairman

[Signature]

General Chairman

Wayne E. Morrow

General Chairman

Larry L Foster

General Chairman

L. D. Peley

General Chairman

APPROVED:

R. D. Smith

Vice President

David J. Turner

Vice President