

MERGER IMPLEMENTING AGREEMENT

between the

UNION PACIFIC/MISSOURI PACIFIC RAILROAD COMPANY CHICAGO AND NORTHWESTERN RAILWAY COMPANY

and the

BROTHERHOOD OF LOCOMOTIVE ENGINEERS

In Finance Docket No. 32133, the Interstate Commerce Commission (ICC) approved the acquisition and control of the Chicago and North Western Railway Company (CNW) by the Union Pacific/Missouri Pacific Railroad Company (Union Pacific or UP). In order to achieve the benefits of operational changes made possible by the transaction and to modify pretransition labor arrangements to the extent necessary to obtain those benefits,

IT IS AGREED:

I. Seniority and Work Consolidation.

To achieve the work efficiencies and allocation of forces that are necessary to make the merged Carrier operate efficiently as a unified system, the following seniority consolidations will be made:

A. St. Louis, Missouri

1. (a) The CNW employees assigned to CNW yard assignments at Madison, Illinois, on September 1, 1995, will be placed on the bottom of Missouri Pacific (MP) Merged Roster No. 1 and will have prior rights to the former CNW regularly assigned yard assignments at Madison. Should those former CNW assignments be abolished or consolidated with other MP assignments, the former CNW employees will have no prior rights. However, should those former CNW assignments be reestablished, prior rights shall apply. Any newly established assignments will not be subject to prior rights.

(b) Both MP employees and former CNW employees may work all assignments covered by Merged Roster No. 1 and may work all assignments protected by the MP St. Louis extra board. All employees and all assignments will work under the MP Agreement all in accordance with the employees' seniority on Merged Roster No. 1, subject to prior rights.

NOTE: Prior rights will not apply to assignments on nor operation of the MP Merged Roster #1 extra board at St. Louis.

2. (a) The CNW employee(s) assigned to the Monterey Mine assignment on September 1, 1995, will be placed on the bottom of the Chicago and Eastern Illinois (C&EI) road roster at St. Louis and will have prior rights to the Monterey Mine assignment, if regularly assigned. Should this assignment be abolished or consolidated with other C&EI assignments, the former CNW employee(s) will have no prior rights. However, should those former CNW assignments be reestablished, prior rights shall apply. Any newly established assignments will not be subject to prior rights.

(b) Both C&EI and the former CNW employee may work the Monterey Mine Assignment, may work all assignments covered by the C&EI road roster and may work all assignments protected by the C&EI extra board at St. Louis. All employees and all assignments will work under the C&EI Agreement all in accordance with the employees' seniority on the C&EI road roster at St. Louis, subject to prior rights.

NOTE: Prior rights will not apply to assignments on nor operation of the C&EI extra board at St. Louis.

3. (a) The number of employees assigned to work South Pekin, Illinois, to St. Louis (in through freight only, excluding power plant operations) on September 1, 1995, will be transferred to St. Louis and will be placed on the bottom of the C&EI road roster at St. Louis and will have prior rights to a maximum of three positions in the new St. Louis to Chicago/South Pekin pool. Any newly established assignments will not be subject to prior rights.

(b) Both C&EI employees and former CNW employees may work all assignments in the new St. Louis to Chicago/South Pekin Pool, may work all assignments protected by the C&EI road roster (including the Monterey Mine assignment) and may work all assignments protected by the St. Louis extra board (including the Monterey Mine assignment). All employees and all assignments will work under the C&EI Agreement all in accordance with the employees' seniority on the C&EI roster at St. Louis, subject to prior rights.

NOTE: Prior rights will not apply to assignments on nor operation of the C&EI extra board at St. Louis.

B. Kansas City, Missouri

1. (a) The CNW employees assigned to CNW yard assignments at Kansas City on September 1, 1995, will be placed on the bottom of MP Merged Roster No. 2A and Merged Roster 2B and will have prior rights to the former CNW yard assignments. Should those former CNW assignments be abolished or consolidated with other MP assignments, those former CNW employees will have no prior rights. However, should those former CNW assignments be

reestablished, prior rights shall apply. Any newly established assignments will not be subject to prior rights.

(b) Both MP employees and former CNW employees may work all assignments covered by Merged Rosters 2A and 2B and may work all assignments protected by the Merged Roster 2A and Merged Roster 2B extra boards. All employees and all assignments will work under the MP Agreement all in accordance with the employees' seniority on Merged Rosters 2A and 2B, subject to prior rights.

NOTE: These prior rights will not be applicable to assignments on nor operation of the three MP extra boards at Kansas City.

2. (a) The number of CNW employees assigned to road service work between Kansas City and Des Moines (excluding service to Indianola), on September 1, 1995, and who are headquartered at Des Moines, will be transferred to Kansas City. Those CNW employees, as well as the CNW employees currently assigned to work between Kansas City and Des Moines headquartered at Kansas City and the CNW employees on the CNW extra board at Kansas City, will all be placed on the bottom of the MP Merged Roster 2A and MP Merged Roster 2B and will have prior rights to their percentage in the new Kansas City to Omaha Metro Complex (OMC)/Des Moines pool. The percentage will be as follows: 75% for Merged Roster 2B and 25% for the former CNW employees. The percentage for the former CNW employees need not be maintained as those employees attrite or are unavailable. Any newly established assignments will not be subject to prior rights.

NOTE: These prior rights will not be applicable to assignments on nor operation of the three MP extra boards at Kansas City.

(b) Both MP employees and former CNW employees may work all assignments in the Kansas City to OMC/Des Moines pool, may work local assignments between Kansas City and Des Moines (excluding service to Indianola) and all assignments protected by Merged Roster No. 2A and Merged Roster 2B may work all assignments protected by the Merged Roster No. 2A and Merged Roster 2B extra boards. All employees and all assignments will work under the MP Agreement all in accordance with the employees' seniority on Merged Roster No. 2A and Merged Roster 2B, subject to prior rights.

C. Chicago, Illinois Complex

1. A new consolidated Chicago Terminal Complex (CTC) seniority roster will be established to protect all non-through freight, yard or extra board assignments headquartered within the CTC. The CTC is defined in Article III.

2. The new CTC seniority roster will consist of the following employees:

- (a) All C&EI employees working in Chicago on March 1, 1996;
- (b) All CNW employees on the Chicago Freight Terminal #7 Roster;
- (c) The number of CNW Eastern #1 employees working in Chicago on March 1, 1996; and,
- (d) The number of CNW Northeastern #2 employees working in Chicago on March 1, 1996.

NOTE 1: "Working in Chicago" is defined as holding an assignment (non-through freight, yard, or extra board) with an on-duty point within the territory of the new CTC as defined in Article III.

NOTE 2: One Eastern-1 extra board employee for each four Eastern-1 employees transferred to the CTC and one Northeastern-2 extra board employee for each four Northeastern-2 employees transferred to the CTC will also be transferred to the new CTC roster.

3. (a) Employees identified in Paragraph 2, above, will be placed on the new CTC seniority roster in the following manner:

(1) Employees identified in 2(a), (c) and (d), above, will be dovetailed based upon the employee's engine service date. If this process results in employees having identical seniority dates, seniority will be determined by the employee's service date.

(2) The dovetailed list in (1), above, will be placed on the bottom of the CNW Chicago Freight Terminal #7 Roster creating the new CTC roster.

(b) Each employee placed on the new CTC roster will be provided prior rights to their former work now included in the CTC. Current assignments retained in the new CTC will not be rebulletined. Should any former assignments subsequently be abolished or consolidated with other CTC assignments, there will be no prior rights to those assignments. However, should those former CNW assignments be reestablished, prior rights shall apply. Any newly established assignments will not be subject to prior rights. The new CTC seniority roster will indicate prior rights in the following manner:

NOTE: Prior rights will not apply to assignments on nor operation of the CTC extra board.

EXAMPLE (assumes roster only has five people on it):

Prior Rights to which Assignments				
Roster Name Ranking	Chicago Freight Terminal # 7	Eastern # 1	North-Eastern # 2	C&EI
Jones, J. #1	X			
Smith, L. #2	X			
Ames, G. #3			X	
Bailey, T. #4				X
Moore, K. #5		X		

(c) All employees placed on the CTC roster may work all assignments protected by the new CTC roster and may work all assignments protected by the new CTC extra board. All employees and all assignments will work under the CNW Agreement all in accordance with the employee's seniority on the new CTC roster, subject to prior rights.

(d) New employees hired and placed on the CTC roster subsequent to the adoption of the CTC will be governed by the CNW collective bargaining agreement, but will have no prior rights to any assignments within the CTC; will have no rights to any CNW Eastern #1, CNW Northeastern #2 nor C&EI assignments outside of the CTC; will rank below all prior rights employees on the roster and will have seniority to all assignments headquartered within the CTC.

D. Omaha

1. UP/BLE Roster #1 will be expanded to protect all assignments headquartered within the Omaha Metro Complex (OMC) or which have the OMC as the source of supply. The OMC is defined in Article III.

2. The new UP/BLE Merged Roster #1 will consist of the following employees:

(a) All UP employees on the current UP/BLE #1;

(b) All CNW employees assigned to work between the OMC and Sioux City, Iowa (including Sergeant Bluff, Iowa) on September 1, 1995.

NOTE 1: CNW employees who work in the Sioux City area on yard, locals and road switchers and through freight between Sioux City and St. James, Minnesota will remain

under the CNW Agreement until the Carrier gives a 30 day written notice that it is instituting through freight service between the OMC and Worthington. When such service is instituted then all employees in all classes of service between the OMC and Worthington, Minnesota will be part of the UPED Seniority District #1 and will operate under the UPED Agreement provisions and the provisions of Article II New Operations. Assignments at Worthington and to Minneapolis shall remain under the CNW.

NOTE 2: Employees on the Sioux City extra board may relieve crews unloading coal trains at the Sergeant Bluff power plant but will not be used to return trains to the OMC.

NOTE 3: The carrier notice to institute ID service to Worthington does not require additional bargaining of terms and conditions as those are already set forth in the Award but to give the parties time to transfer the employees to the new seniority roster and relocate additional employees to the OMC if needed.

(c) All CNW employees working an assignment headquartered within the OMC on September 1, 1995;

NOTE 1: "Working an assignment headquartered within the OMC" is defined as holding an assignment (non-through freight, yard or extra board) with an on-duty point within the territory of the OMC.

NOTE 2: "Working an assignment headquartered within the OMC" is also defined as the CNW assignments working to Norfolk, Nebraska, from Fremont, Nebraska, and the CNW assignment at Norfolk.

3. (a) Employees identified in Paragraph 2, above, will be placed on the new UP/BLE Merged Roster #1 in the following manner:

(1) Employees identified in 2(b) and (c), above, will be dovetailed based on the employee's engine service date. If this process results in employees having identical seniority dates, seniority will be determined by the employee's Company service date.

(2) The dovetailed list in (1), above, will be placed on the bottom of the UP/BLE Roster #1.

NOTE: Employees affected by the dovetailing of seniority in 3(a), above, will be transferred to the OMC in accordance with operational needs.

(b) Each employee placed on the new UP/BLE Merged Roster #1 will retain their current assignment (if operated) and will be provided primary prior rights to assignments on their former seniority district. Secondary prior rights shall be granted former CNW employees on other CNW work transferred to UP/BLE merged roster number 1 not covered by primary prior rights. Prior rights will also include the new operations established in accordance with Article II, Section A,

Paragraph (1), but prior rights will not apply to assignments on nor operation of the UP extra boards at the OMC. Should any former CNW assignment be abolished or consolidated with UP assignments, the former CNW employees will have no prior rights to those assignments. However, should those former CNW assignments be reestablished, prior rights shall apply. Any newly established assignments will not be subject to prior rights; however, additions to pool freight service shall not be considered "newly established assignments" as used in this sentence. The UP/BLE Merged Roster #1 seniority roster will indicate prior rights in the following manner:

EXAMPLE (assumes only five people on the roster):

Name	Roster Ranking	UP/BLE Roster #1	CNW within OMC	CNW - OMC to Worthington
Brown, J.	#1	P		
Green, S.	#2	P		
Black, C.	#3		S	P
White, P.	#4		P	S
Blue, R.	#5		P	S

(c) All employees placed on the UP/BLE Merged Roster #1 may work all assignments (regular or extra) protected by the new roster. All employees and all assignments will work under the UP Agreement in accordance with the employee's seniority on the new roster, subject to prior rights.

(d) New employees hired and placed on the new UP/BLE Merged Roster #1 subsequent to the adoption of this agreement will be governed by the UP Agreement, but will have no prior rights to any assignment protected by the new roster, will rank below all prior rights employees on the roster and will have seniority rights to all assignments protected by the new roster.

4. The expanded UP/BLE Merged Roster #1 will enable the Carrier to address necessary operational efficiencies and economies in the territory and on the following trackage: the existing UP/BLE Seniority District #1; the OMC as defined in Article III; and the north-south main line, branch lines and yards from the OMC to Sioux City. It will include all trackage from Sioux City to Worthington after service of the notice in Article ID2(b).

E. Midwest

1. A new CNW Midwest seniority district will be created to address necessary operational efficiencies and economies on the following lines: Mason City, Iowa,

to Butterfield, Minnesota; Allendorf, Iowa, to Bricelyn, Iowa; Hartley, Iowa, to Emmetsburg, Iowa; Estherville, Iowa, to Eagle Grove, Iowa; Burt, Iowa, to Goldfield, Iowa; Forest City, Iowa, to Belmont, Iowa; Kanawha, Iowa, to Belmont, Iowa; Dows, Iowa, to Clarion, Iowa; Mason City, Iowa, to Somers, Iowa; Eagle Grove, Iowa, to Ames, Iowa; Ellsworth, Iowa, to Jewell, Iowa; Mallard, Iowa, to Grand Junction, Iowa; Albert City, Iowa, to Rolfe, Iowa; Royal, Iowa, to Laurens, Iowa; Coulter, Iowa, to Clarksville, Iowa; Iowa Falls, Iowa, to Alden, Iowa; Oelwein, Iowa, to Waterloo, Iowa; Marshalltown, Iowa, to Steamboat Rock, Iowa; Marshalltown, Iowa, to Powerville, Iowa; Marshalltown, Iowa, to Albia, Iowa; Hampton, Iowa, to Sheffield, Iowa; Des Moines, Iowa, to Yale, Iowa; Des Moines, Iowa, to Woodward, Iowa; Des Moines, Iowa, to Indianola, Iowa; and Des Moines, Iowa, to Bondurant, Iowa. In addition, trackage from Des Moines to Mason City and trackage from the OMC to Clinton is included in the new Midwest seniority district.

2. The new Midwest Seniority District will consist of the following employees:

(a) The number of CNW Southern #3 employees working in the Midwest territory on September 1, 1995 (less those transferred to other districts in accordance with this Agreement);

(b) The number of CNW Central #5 employees working in the Midwest territory on September 1, 1995 (less those transferred to other districts in accordance with this Agreement).

NOTE: "Working in the Midwest territory" is defined as holding an assignment (through freight, non-through freight, yard or extra board) with an on-duty point within the territory of the new Midwest seniority district.

3. Currently active employees on the Central 5 and Southern 3 Seniority Rosters who have been placed on the new Midwest Seniority District will be listed on the new Midwest Seniority District Roster as follows:

(a) Two new rosters will be created; Midwest Roster A and Midwest Roster B:

Roster A will list the currently active Southern 3 employees with their current seniority date ahead of currently active Central 5 employees who will receive a common date of June 1, 1996 and will be ranked in the order they currently stand on the Central 5 Roster.

Roster B will list the currently active Central 5 employees with their current seniority date ahead of currently active Southern 3 employees who will receive a common date of June 1, 1996 and will be ranked in the order they currently stand on the Central 5 Roster.

(b) Employees with seniority dates on the Midwest Seniority District after June 1, 1996 will be listed on both Rosters A and B behind Southern and Central employees. Rosters A and B will exist until such time as all employees on either of the two rosters with dates older than June 1, 1996 are attrited.

(c) Employees listed on Roster A shall have prior rights to those positions (including extra boards) headquartered at points located on the former Southern 3 territory. Employees listed on Roster B shall have prior rights to those positions (including extra boards) headquartered at points located on the former Central 5 territory.

(d) On runs which operate over both former Southern 3 and Central 5 territories, the Local Chairmen involved will work with the Crew Management Director or his designee to determine whether equalization is required as between employees having a date of June 1, 1996 or earlier. If equalization is desired, the Local Chairman will then notify the Crew Management Director to post a bulletin to the entire district which will indicate that the bulletin is for equalization purposes, the time period the assignment will cover, and whether Roster A or B will have prior right to the assignment. No changes will be made during the life of the bulletin. If no bids are received from the Roster to whom equalization is owed, the right to the equalization will be deemed waived and the bulletin will be canceled.

(e) The prior rights set forth in this Section 3 govern assignment to service only. Once assigned, all employees, including prior rights employees, on the new Midwest seniority roster may work all assignments (regular or extra) protected by the Midwest roster without regard to former Southern 3 and Central 5 seniority demarcation lines. All employees and all assignments will work under the CNW (proper) Agreement and under the terms and conditions established in Article 11.

F. Seniority and Service Rights

The following will apply to employees transferring from CNW to UP (Sections A, B and D of this Article I) and to employees transferring from UP to CNW (Section C of this Article I):

(a) All engine service seniority with the employees' original railroad will be eliminated;

(b) Seniority with the employees' new railroad will be established in accordance with the provisions of this Article 1; and,

(c) The employees will be treated for vacation, entry rates and payment of arbitrables as though all their time in engine service on their original railroad had been performed on their new railroad.

(d) Employees with train service seniority on their original railroad will forfeit that seniority. Train service on the employees' new railroad will be established either following the same relative standing as on the original railroad or as provided for in the UTU National Agreement.

NOTE: Subparagraph (d) is contingent upon the implementing agreement for the other operating craft organization.

(e) The seniority consolidations provided for in this Article I will result in the elimination of CNW Southern #3 seniority district. CNW Freight Terminal #7 and the C&EI Chicago Yard seniority districts will also be eliminated and made part of the new CTC seniority district. The UP/BLE Seniority District #1 will also be eliminated and will become the basis for the new UP/BLE Merged Roster #1 seniority district.

(f) CNW employees placed on the bottom of a C&EI or MP roster under Sections A and B of this Article I will be placed on the roster in the same seniority order they held on the CNW.

(g) After the initial placement on a new roster in accordance with the procedures set forth in Article V, below, no additional employees hired prior to the date of this Agreement will be permitted to place on another roster under the provisions of this Agreement.

II. New Operations

A. The following new operations may be implemented in accordance with the provisions set forth in this Article II:

1. Under the UP Agreement with the OMC as the home terminal: OMC-Sioux City, OMC-Sergeant Bluff, OMC-North Platte, OMC-Grand Island (including the "picker" pool) and OMC-Marysville. OMC-Worthington shall be included after the notice in Article I D 2 (b) becomes effective.

NOTE: The current North Platte-Fremont and North Platte - Council Bluffs doubleheaded interdivisional pools may cease operations (with the understanding these pools may be reestablished by the Carrier) when replaced by an OMC-North Platte and North Platte-OMC pool.

2. Under the CNW Agreement with Boone as the home terminal: Boone-Clinton and Boone-OMC; with Clinton as the home terminal: Clinton-OMC.

NOTE: Return trips from the OMC and Clinton in the Boone pool may go to Des Moines, Mason City, Nevada and Ames with the employees being either transported back to the home terminal of Boone after completion of the trip or taking a train back to the home terminal of Boone and being paid actual miles run or transported or

combination thereof. This does not prohibit the use of Clinton crews on their return trip from being used to any of these cities and then transported to Clinton or used on another train to Clinton and paid actual miles run or transported or combination thereof.

Example: A crew goes from Boone to the OMC and on its return trip it takes a train to Ames and is then transported back to Boone to tie up. The crew is paid actual miles Boone to Council Bluffs (where it yarded its train), and on its return trip is paid from Missouri Valley (where it received its train) to Ames and Highway miles Ames to Boone unless overtime was greater.

3. Under the MP Agreement with Kansas City as the home terminal: Kansas City-OMC/Des Moines.

NOTE: This will be a single pool with alternative destinations (see Article I, Section B2).

4. Under the C&EI Agreement with St. Louis as the home terminal: St. Louis - Chicago/South Pekin.

NOTE 1: This will be a single pool with alternative destinations (see Article 1, Section A3).

NOTE 2: The current St. Louis-Chicago operation is a guaranteed pool. The guarantee and offset adjustments for the new pool operation will be paid and adjusted in accordance with Side Letter #1 of the Villa Grove Interdivisional Run Arbitration Agreement.

5. On the territory covered by the CNW Agreement:

(a) Twin Cities (home terminal) to Worthington (far terminal);

(b) Any Midwest Seniority District location to any other Midwest Seniority District location; (This includes runs to the OMC)

(c) Waukegan (home terminal) to Clinton (far terminal) with Waukegan as the on-duty point/off-duty point and transported to/from the power plants at Waukegan and Pleasant Prairie;

NOTE: Employees working in the Waukegan-Clinton pool freight service will be from both CNW Eastern #1 and CNW Northeastern #2. The equalization for the pool will be 71% for Eastern #1 and 29% for Northeastern #2. Either road extra board may be used to fill any vacancy in the pool or to perform hours of service relief.

(d) South Pekin (home terminal) to Clinton; and,

(e) Chicago (CTC) (home terminal) to Clinton/South Pekin.

NOTE: This will be a single pool with alternative destinations.

B. The terms and conditions of the new operations set forth in Section A, above, are as follows:

1. Miles Run - The miles paid shall be the actual miles run. Actual miles run to/from the OMC will be calculated in accordance with the chart found in Attachment A.

NOTE: As long as the Fremont-North Platte and Council Bluff-North Platte Double headed pools are operated they will be paid the minimum number of specified miles in the current ID agreements and will be paid additional miles if they run past their currently assigned final terminals.

Example 1: A Fremont-North Platte crew operates on a return trip ten miles past Fremont towards Blair and are then transported back to Fremont. They will be paid 244 miles North Platte to Fremont and an additional ten miles to the point of leaving their train.

Example 2: A Council Bluff-North Platte crew operates a train from North Platte to a point ten miles short of Council Bluffs and are then transported to their tie up point. They will be paid the full 282 miles. A Boone-OMC crew then takes the same train from the same point to Boone. They are paid the 144 miles Council Bluffs to Boone and an additional ten miles for the distance west of Council Bluffs.

2. Basic Day/Rate of Pay - The provisions of the November 7, 1991, Implementing Agreement (BLE) will apply, to include applicable entry rates.

3. Overtime - Overtime will be paid in accordance with Article IV of the November 7, 1991, Implementing Document (BLE).

4. Transportation - Transportation will be provided in accordance with Section (2)(c) of Article IX of the May 19, 1986, National Arbitration Award (BLE).

5. Meal Allowance and Eating Enroute - Meal allowances and eating enroute will be governed by Section 2(d) and Section (2)(e) of Article IX of the May 19, 1986, National Arbitration Award (BLE), as amended by the November 7, 1991, Implementing Agreement.

6. Suitable Lodging - Suitable lodging will be provided by the Carrier in accordance with applicable agreements as identified in Article II.

7. Held-away-from-home terminal time will be up to a maximum of eight (8) hours in every twenty-four (24) hour period beginning after the first sixteen (16) hours.

8. All through freight service will be rotary pool freight service with blue print board provisions for placing employees in the proper order at the home terminal and at the far terminal. Under a blue print board operation, employees are not run-around if used on the train for which called.

NOTE 1: Item B7, above, will not apply to the OMC-North Platte nor the North Platte-OMC operation. The traditional HAHT payment for that operation will continue to apply.

NOTE 2: Item B2, above, will reflect the CNW rate of pay for those new operations governed by the CNW Agreement.

NOTE 3: It is not the intent of this Award to eliminate provisions of the existing MP/C&E ID Agreements involving St. Louis - Chicago and Kansas City - Omaha by the addition of South Pekin and Des Moines respectively as alternate destinations from the home terminal and the creation of the OMC and CTC for the receiving and leaving of trains, except those subjects of this award that are identified in this note.

In addition, it is not the intent to eliminate provisions of existing UPED ID Agreements involving Fremont -North Platte, Council Bluffs - North Platte and Council Bluffs-Marysville by the creation of the OMC as a complex for the receiving and leaving of trains by a pool nor the North Platte - South Morrill ID Agreement by the creation of the thirty mile zone, except those subjects of this award that are identified in this note.

The specific areas of coordination are as follows:

Miles Run - The currently paid miles from St. Louis to South Pekin and Kansas City to Des Moines will be paid for crews run between those points. Mileage paid to and from the OMC will be paid per the chart set forth in Attachment A. For example, if a Kansas City crew receives its train six miles north of the Council Bluffs yard toward Missouri Valley and takes the train to Kansas City, the crew will be paid the 204 miles OMC to Kansas City and six miles for receiving the train north of the Council Bluffs yard. If new OMC-North Platte/North Platte-OMC or OMC-Marysville pools are established this note shall govern them. If new pools are not established then the note to B 1 above governs existing pools.

Hours of Service Relief - At South Morrill, the OMC, Des Moines, South Pekin, North Platte, Marysville and the CTC, the extra board(s) home terminalized at each location may now be used, if not previously allowed, to perform hours of service relief in all directions, except on northbound KC-OMC MP trains. If this service results in the extra board being used off its seniority district, the extra board crew is limited to the same road/yard limit that a yard crew would be limited to under applicable agreements measured from the consolidated switching limits not from the terminal complex limits.

Thirty Mile Zone - At South Morrill through freight crews from the UP and CNW may leave or receive their trains at any location within the thirty mile zone and will be governed by the conditions set forth in other sections of this Award.

Terminals/Complexes - ID crews may now receive or leave their trains anywhere within the complex limits of the OMC or CTC or the new terminal limits of Kansas City and St. Louis as established in this award.

NOTE 4: The Carrier will not serve a national ID notice to move the Clinton and Boone home terminals to the OMC and have those terminals become away from home terminals. This does not prohibit the serving of ID notices to run through either of these terminals with other than the OMC as the home terminal.

C. When the carrier has a customer request for particularized handling that would provide more efficient service, local and road switcher service may be established to operate in turnaround service or to operate from any location to any other location within any seniority territory outlined in Article I. Should this service be desired by the Carrier and the desired service would cross seniority lines, such service may be implemented upon a five (5) day notice by the Carrier to the involved General Chairmen. The service will be manned by employees from the seniority territory where the home terminal of the assignment is located. The involved local chairmen may make arrangements for the equalization of work; however, such equalization must be cost neutral to the Carrier.

D. All pool freight and all other road service crews may receive and/or leave trains anywhere within the boundaries of the terminal of their runs in accordance with the provisions of all national agreements.

NOTE: "Anywhere within the terminal" is defined to include the CTC and OMC as those complexes are defined in Article III and to include the consolidated terminals of St. Louis, Kansas City and South Morrill.

E. 1. Turnaround service/Hours of Service relief for the new operations listed in Section A, above, may be performed as follows:

(a) When crews are heading toward the home terminal, the protecting extra board will be used.

(b) When crews are heading toward the far terminal, an extra board at that terminal, if available, will be used first, in any direction out of the extra board point except on northbound KC-OMC MP trains. The first-out away-from-home terminal crew also may be used.

NOTE 1: Crews used for this service, whether extra or in the pool, may be used for multiple "dogcatches" during a tour of duty.

NOTE 2: When the first-out away-from-home terminal crew completes this service, the crew may be used for either a through train or for additional turnaround service/Hours of Service relief. Any crew used for two consecutive turnaround service/Hours of Service relief jobs will be placed first out after rest for a through train or deadheaded back to the home terminal.

2. Nothing in this Section E prevents the use of other employees to perform work currently permitted by other agreements, including, but not limited to, yard crews performing hours of service relief within the road/yard zone, ID crews performing service and deadheads between terminals, traveling switch engines (TSEs) handling trains within their zones and using an employee from a following train to work a preceding train.

F. 1. The new operations listed in Section A, above, may be implemented separately, in groups or collectively, upon five (5) days' notice by the Carrier to the involved General Chairman.

2. The new operations listed in Section A, above, may be run by the Carrier in pool service, extra service or any other type of service necessary to meet the demands of the service and/or to meet customer requirements.

III. Terminals/complexes

A. The following terminal and complex consolidations will be implemented on the Implementation Date of this Agreement in accordance with the provisions set forth in this Article III:

1. Kansas City

(a) The existing switching limits at Kansas City will now include the CNW rail line to CNW Mile Post 500.3.

(b) All road crews (MP, including former CNW, and UP) may receive/leave their trains at any location within the boundaries of the new Kansas City Consolidated terminal and may perform work anywhere within those boundaries. The Carrier will designate the on/off duty point(s) for road crews.

(c) All yard assignments in the new consolidated Kansas City terminal will be governed by the MP Agreement and manned by MP employees from MP Merged Roster 2, subject to the prior rights requirement of Article I.

NOTE: This provision will not alter the current work equity/seniority allocation for UP Seniority District #8 employees.

(d) All rail lines, yards and/or sidings within the new consolidated Kansas City terminal will be considered as common to all crews working in, into and out of Kansas City. All crews will be permitted to perform all permissible road/yard work. Interchange rules are not applicable for intra-carrier moves within the consolidated terminal.

2. St. Louis

(a) The existing switching limits at St. Louis will now include the CNW rail line to CNW Mile Post 144.

(b) All road crews (MP and C&EI, including former CNW) may receive / leave their trains at any location within the boundaries of the new St. Louis consolidated terminal and may perform work anywhere within those boundaries. The Carrier will designate the on/off duty point(s) for road crews.

(c) All yard assignments in the new consolidated St. Louis terminal will be governed by the MP Agreement and manned by MP employees from MP Merged Roster #1, subject to the prior rights requirement of Article I.

(d) All rail lines, yards and/or sidings within the new consolidated St. Louis terminal will be considered as common to all crews working in, into and out of St. Louis. All crews will be permitted to perform all permissible road/yard moves. Interchange rules are not applicable for intra-carrier moves within the consolidated terminal.

C. Chicago Terminal Complex

1. The new consolidated Chicago Terminal Complex (CTC) will be the entire area within and including the following trackage: Waukegan (CNW Mile Post 41.0 on the Kenosha Branch) southwest paralleling the EJE rail line to Geneva (CNW Mile Post 41.0 on the Geneva Subdivision), continuing on a parallel with the EJE line south through Normantown and East Joliet through Brisbane, Matteson, Chicago Heights (south to the current southern boundary of Mile Post 30.0 on the C&EI) to Griffith, then north on a parallel with the EJE through Van Loon and Ivanhoe, and then east paralleling the EJE line through Kirk and Gary Yard.

2. All road crews (CNW and C&EI) may receive/leave their trains at any location within the boundaries of the new CTC and may perform any work anywhere within those boundaries. The Carrier will designate the on/off duty point(s) for road crews.

3. All yard and non-through freight assignments headquartered within the CTC will be governed by the CNW Agreement and manned by employees from the new CTC seniority roster, subject to the prior rights requirements of Article I.

NOTE: This provision will not be applicable to C&EI non-through freight road assignments headquartered within the CTC which operate onto C&EI road territory.

4. All rail lines, yards and/or sidings within the new CTC will be considered as common to all crews working in, into and out of the CTC. All crews will be permitted to perform all permissible road/yard moves. Interchange rules are not applicable for intra-carrier moves within the CTC.

D. Omaha Metro Complex

1. The new consolidated Omaha Metro Complex (OMC) will be the entire area within and including the following trackage: Fremont (UP Mile Post 44.75 - west) to Omaha/Council Bluffs (UP Mile Post 473.1 - south) to Missouri Valley (CNW Mile Post 327.2 - east) and return to Fremont. At California Junction, trackage north to CNW Mile Post 10.2 will be included.

NOTE: The Omaha Metro Complex described above is part of the larger UP/BLE Merged Roster #1 seniority district described in Article I.

2. All road crews (UP, including former CNW, and MP) may receive/leave their trains at any location within the boundaries of the new complex and may perform any work within those boundaries. The Carrier will designate the on/off duty point(s) for road crews.

3. All yard and non-through freight assignments headquartered within the complex will be governed by the UP Agreement and manned by employees from the new UP/BLE Merged Roster #1 seniority district, subject to the prior rights requirement of Article I.

4. All rail lines, yards and/or sidings within the new complex will be considered as common to all crews working in, into and out of the complex. All crews will be permitted to perform all permissible road/yard moves. Interchange rules are not applicable for intra-carrier moves within the complex.

5. In addition to the consolidated complex, the UP terminal at Omaha/Council Bluffs and the CNW terminal at Council Bluffs will be consolidated into a single terminal controlled by UP. The existing UP switching limits at Omaha/Council Bluffs will now include the CNW rail line to CNW Mile Post 345.0.

E. South Morrill

1. South Morrill will be a consolidated terminal with the following boundaries: UP Mile Post 156.8 to UP Mile Post 166.0. All road crews (UP and CNW) may receive/leave their trains at any location within the boundaries of the consolidated South Morrill Terminal and may perform any work anywhere within those boundaries.

2. The following will be applicable to achieve efficient operations in and around the common UP/CNW terminal of South Morrill, Nebraska:

(a) UP crews (destined North Platte or Cheyenne) may receive their trains up to thirty (30) miles westward on the CNW from their existing far terminal of South Morrill. CNW crews (destined Bill) may receive their trains up to thirty (30) miles eastward on the UP (toward North Platte) or westward on the UP (toward Cheyenne) from their existing far terminal of South Morrill.

(b) The thirty (30) miles listed in (a), above, will run east from UP mile Post 156.8 to UP Mile Post 126.8 and will run west from UP Mile Post 166.0 to CNW Mile Post 24.8 and UP Mile Post 196.0.

(c) Crews relieving trains or extra crews called for this service may also perform all work in connection with the train regardless of where the train is received.

(d) Through freight crews that operate in the thirty mile zone at South Morrill will be paid time or miles whichever is greater with a minimum of one-half basic day. The time or miles paid in the thirty mile zone will be treated separately from the miles from South Morrill to Bill, Cheyenne or North Platte for the compensation of overtime. The time or miles paid is subject to wage adjustments.

Example: A pre-October 31, 1985 North Platte crew is transported to its train 10 miles north of South Morrill and they take the train to North Platte. The miles north of South Morrill equal 20 and it took one hour. The crew spent an additional 10 1/2 hours between South Morrill and North Platte for a total time on duty of 11 1/2 hours. The crew will be paid 1/2 basic day for the work in the thirty mile zone, the miles to North Platte and 1/2 hour overtime for the part of the trip South Morrill to North Platte that took over 10 hours.

(e) Initial terminal delay for crews performing this service will be governed by the applicable collective bargaining agreements and will not again commence when the crew operates into South Morrill. For the operation back through South Morrill, South Morrill will be considered an intermediate point.

(f) Departure and/or terminal runarounds will not apply for crews arriving/departing South Morrill under this Section.

3. Nothing in the Section E prevents the use of other employees to perform work currently permitted by other agreements, including, but not limited to, TSEs handling trains within their zone, an engineer from a following train to work a

preceding train and the CNW extra board at South Morrill to perform service in all directions on both CNW and UP trackage.

NOTE 1: The UP extra board at South Morrill may be abolished by the Carrier.

NOTE 2: The CNW extra board at South Morrill will be permitted to perform Hours of Service relief on the UP side of South Morrill consistent with the parameters of the road/yard service zone mileage limits found in the applicable National Agreement measured from the new terminal boundaries as set forth in Article III Section E1.

F. General Conditions for Terminal/Complex Operations

1. Initial delay and final delay at Kansas City and St. Louis terminal and at the Chicago and Omaha complexes will be governed by the applicable collective bargaining agreements, including the Duplicate Pay and Final Terminal Delay provisions of the 1986 and 1991 National Agreements.

2. For all locations, road employees will be transported to/from their trains to/from the designated on/off duty point in accordance with applicable rules. Yard Extra Board employees in the Chicago Terminal Complex will report to Proviso and will be transported to/from their assignment if the assignment is more than twenty (20) miles from the employee's home by the most direct highway route.

3. The current application of National Agreement provisions provides for the following regarding work and Hours of Service relief under the Combined Road/Yard Service Zone, which shall continue to apply:

(a) Yard crews at Kansas City and St. Louis may perform such service in all directions out of the new consolidated terminals.

(b) Yard crews at the CTC may perform such service in all directions out of individual yards (switching limits) within the complex.

(c) Yard crews at the Omaha Metro Complex may perform such service in all directions out of the individual yards (switching limits) within the complex.

4. Nothing in this Section F will prevent the use of other employees to perform this work and/or relief in any way permitted by applicable agreements.

IV. Extra Boards

A. Terminals/Complexes

1. Kansas City - The current Merged Roster #2B extra board will protect the work in the consolidated terminal. The current Merged Roster #2B extra board will

protect the Kansas City - OMC/Des Moines operation. This service for these extra boards is in addition to other service protected by these extra boards.

2. St. Louis - The current Merged Roster #1 extra board will protect the work in the consolidated terminal. The current C&EI road extra board at St. Louis will protect the Monterey Mine and the St. Louis - Chicago/South Pekin operations. This service for these extra boards is in addition to other service protected by these extra boards.

3. Chicago Consolidated Complex - The current CNW Chicago Freight Terminal #7 extra board will become the CTC extra board and will protect the work (yard and non-through freight) within the CTC, including former C&EI, Eastern #1 and Northeastern #2 work. This service is in addition to any other service protected by that extra board. Prior rights will not be applicable to positions on or operation of this extra board.

4. **Omaha Metro Complex** - The current UP/BLE Seniority District #1 combination extra board will protect the work in the complex and all assignments headquartered within the complex, including the new operations provided for in Article II. This service for this extra board is in addition to other service protected by this extra board.

5. Outlying Points:

(a) The Carrier may establish guaranteed extra boards at locations governed by the UP Agreement on the new OMC seniority territory where extra boards do not now exist.

(b) The Carrier may establish guaranteed extra boards at locations governed by the CNW Agreement on the new Midwest seniority territory where extra boards do not now exist.

B. Nothing in this Article IV will prevent the use of other employees to perform this work in any way permitted by applicable agreements.

V. Implementation

A. The Carrier will give at least forty (40) days' written notice of its intent to implement this Agreement.

B. 1. Concurrent with the serving of its notice, the Carrier will post a description of those new merged seniority districts which will require former CNW employees to make a seniority election. Those seniority districts are MP Merged Rosters #2A and #2B, C&EI road roster at St. Louis, the new CNW Chicago Terminal Complex, the new UP Omaha Metro Complex and the new CNW Midwest.

2. The Carrier will determine the number of employees to be transferred to those new rosters in accordance with Article I.

3. Fifteen (15) days after posting of the information described in B, above, the appropriate Directors of Labor Relations, General Chairmen and Local Chairmen will convene a workshop to implement assembly of the merged seniority rosters. Employees on a roster from where work is being transferred will be canvassed, in seniority order for each roster, and required to make an election as to which roster the employee wishes to be transferred or whether the employee wishes to remain on the current roster. (Staying will not be possible on those rosters which are being eliminated.) Positions on the new roster will be awarded on using the method as spelled out in the various provisions of this Agreement. Failure or refusal of an employee to make an election will result in the Carrier making the assignment for the employee.

4. At the end of the workshop, which will last no more than five (5) days, the participants will have finalized agreed-to rosters which will then be posted for information and protest in accordance with the applicable agreements. If the participants have not finalized agreed to rosters, the Carriers will prepare such rosters, post them for information and protest, will use those rosters in assigning positions and will not be subject to claims or grievances as a result.

C. Once rosters have been posted, the Carrier will bulletin all positions covered by this agreement which require rebulletining for a period of five (5) calendar days. Employees may bid on these bulletined assignments in accordance with applicable agreement rules. However, no later than 10 (ten) days after the closing of the bulletins, assignments will be made.

D. 1. After all assignments are made, employees assigned to positions which require them to relocate will be given the opportunity to relocate within the next thirty (30) day period. During this period, the affected employees may be allowed to continue to occupy their existing positions. If required to assume duties at the new location immediately upon implementation date and prior to having received their thirty (30) days to relocate, such employees will be paid normal and necessary expenses at the new location until relocated. Payment of expenses will not exceed thirty (30) calendar days.

2. The Carrier may, at its option, elect to phase-in the actual implementation of this Agreement. Employees will be given ten (10) days' notice of when their specific relocation/reassignment is to occur.

E. All employees on any affected roster who were not in active status (disability, leave of absence, holding official or union positions, dismissed, etc.) at the time of the roster workshop will be placed on an inactive roster. If at any future date any such employee is released to return to active service, the employee will be allowed to exercise an election as to which roster he/she wishes in line with his/her original seniority. Such election must be made at the time the employee marks up for service. Once the returning

employee elects a roster placement, the junior employee occupying that designated position and all other below him/her will be repositioned to the next lower designated position on that merged roster.

F. The parties will meet for purposes of reviewing the operational implementation of this Award. Questions and answers pertaining thereto should be prepared by the parties covering that implementation. Should the parties be unable to agree upon any item, that/those matter(s) is/are to be referred to party pay arbitration. Future individual claim disputes will be arbitrated in accordance with the applicable New York Dock or Railway Labor Act provisions. This provision will not delay the implementation of any section of the Award.

VI. Protection

1. Employees who are adversely affected as a result of the implementation of this Agreement will be entitled to the employee protection provided for in the New York Dock Conditions. With the following addition: Employees required to relocate under this Agreement will have the option of electing the relocation benefits provided for in the New York Dock Conditions or an in lieu allowance in the amount of \$28,000.00 less applicable taxes.
2. Employees currently eligible for other protective benefits must elect between those benefits and the benefits provided by this Agreement. This election must take place within ten (10) days after the adverse affect. No benefits will be paid until the employee has made an election.
3. There will be no pyramiding of benefits.
4. Health and Welfare benefits will be provided in accordance with the provisions of the applicable collective bargaining agreement.

VII. Familiarization

Employees will not be required to lose time or "ride the road" on their own time in order to qualify for new operations.

1. Employees will be provided with a sufficient number of familiarization trips in order to become familiar with a new territory. Issues concerning individual qualifications should be handled with local operating officers.
2. If road crew or extra board employees operating in CTC have not been in the Chicago Terminal Complex within six (6) months prior to assignment, Carrier will provide a local operating officer or pilot if requested. Issues concerning individual qualifications should be handled with local operating officers.

ATTACHMENT A

Actual miles (miles run on the train) will be paid on the basis of the chart set forth below. The miles listed for some locations reflect the mileage payment required under existing agreements. If a crew receives/leaves a train on main/line territory within a consolidated complex but outside a yard, the mileage paid will be based on the main line mile post nearest the train.

OMC (Council Bluffs)	Clinton	341 miles
	Boone	144 miles
	Des Moines	199 miles
	Mason City	251 miles
	Worthington	185 miles
	Sioux City	96 miles
	Sergeant Bluff	88 miles
	North Platte	282 miles
	Grand Island	144 miles
	Marysville	160 miles
	Kansas City	204 miles
OMC (Missouri Valley)	Clinton	320 miles
	Boone	124 miles
	Des Moines	178 miles
	Mason City	231 miles
	Worthington	165 miles
	Sioux City	76 miles
	Sergeant Bluff	68 miles
	North Platte	281 miles
	Grand Island	145 miles
	Marysville	180 miles
	Kansas City	224 miles
OMC (Fremont)	Clinton	357 miles
	Boone	161 miles
	Des Moines	215 miles
	Mason City	267 miles
	Worthington	202 miles
	Sioux City	113 miles
	Sergeant Bluff	105 miles
	North Platte	244 miles
	Grand Island	108 miles
	Marysville	145 miles
	Kansas City	238 miles

These miles are calculated with 4 additional miles working into Council Bluffs to MP 1. We pay 4 miles less working out of Council Bluffs.

These are the current miles and they are to be changed if additions or reductions in the mileage occur.

QUESTIONS AND ANSWERS
CONCERNING THE
JANUARY 10, 1996 ARBITRATION AWARD
VOL. I

South Morrill (BLE)

Q1. In the application of Section E2 of Article III, what penalty is paid if an engineer is required to go more than thirty miles to get a train?

A1. The appropriate penalty provided for in the applicable collective bargaining agreement will govern.

Q2. In the application of Section E2 of Article III, what happens if a North Platte or Cheyenne bound engineer does not get beyond South Morrill after 12 hours on duty?

A2. Engineers will be handled consistent with current short turnaround service. Under normal circumstances, the engineer will be deadheaded to the objective terminal at the completion of the 12 hours.

Q3. Under the current UP Agreement, will application of Section E2 affect the payment and computation of overtime?

A3. See Article III E2 (d) Example.

Q4. Will UP and CNW engineers receive familiarization trips on their new thirty miles of territory?

A4. See Article VII.

Q5. For engineers receiving trains within a thirty-mile zone, will the mileage of the run change?

A5. See Article III E2 (d) Example.

Q6. Will UP engineers be paid from South Morrill to the Scottsbluff Inn?

A6. The current agreement will continue to apply.

Q7. Will all engineers performing the service provided for in Section E2 receive the payment set forth in Section E2 (d) regardless of their seniority date?

A7. Yes.

Q8. Can Third District UP engineers perform Hours of Service relief on the Yoder Sub?

A8. Yes. The Award provides for this service within the 30-mile zone.

Q9. May both CNW and UP engineers performing service under Section E2 of Article III cut off power, sand, fuel and add power at South Morrill?

A9. Yes. The Award provides for one-half day's pay for Section E.2 service and includes the National Agreement incidental work listed.

Q10. Will this Implementing Agreement affect the UP South Morrill 4th District extra board offset miles?

A10. The Agreement provides that the 4th District extra board at South Morrill may be abolished by the Carrier. Should that extra board be abolished, there will be no extra board offset miles credited to the 4th District.

Q11. What can the CNW extra board do at South Morrill in addition to the work it now protects?

A11. See Article III E3 NOTE 2.

Q12. If a UP 4th District employee is living at South Morrill and the 4th District extra board at South Morrill is abolished, will the employee be considered adversely affected for purposes of relocation protection?

A12. Yes, such relocation protection will be afforded the longtime incumbent on the South Morrill 4th District extra board.

Q13. Does Article III E permit the use of road switchers to do the 30 mile zone work?

A13. No-through freight crews or extra crews are covered under this section. The carrier would need to serve an Article IX ID notice to run a road switcher over both seniority districts or it would have to use the "enhanced customer service provisions" of the new National/Local Agreements.

St. Louis (BLE)

Q1. Will all CNW engineers on the Eastern #1 seniority roster have the opportunity to select the C&EI road roster at St. Louis during the roster slotting workshop?

A1. No. CNW engineers working the Monterey Mine job and the Madison yard jobs on September 1, 1995, and who live in the St. Louis area elected a buy out. A maximum of two (2) additional Eastern # 1 employees may select the C&EI road roster at St. Louis. Choices must be made no later than close of bulletin or workshop.

Q2. How will CNW prior rights in the C&EI St. Louis to Chicago/South Pekin pool be regulated?

A2. The CNW prior rights pool turns will never exceed two and will be reduced by both attrition and business downturns. With business downturns, the CNW prior rights turns will not exceed 7% of the total turns. Eventually, there will be no CNW prior rights turns in the pool.

Q3. Will CNW engineers on the Eastern #1 seniority roster have the opportunity to select the MP Merged Roster No. 1 during the roster slotting workshop?

A3. No. CNW engineers will not be added to the MP Merged Roster No. 1 at St. Louis.

Q4. Will any separation allowances be offered to CNW, C&EI and MP employees?

A4. Yes. CNW employees at St. Louis will be offered up to three separation allowances. Any allowances not taken by CNW employees will be offered in the following manner: first, up to two separation allowances will be offered to C&EI employees on the St. Louis road roster and, if any allowances remain, up to one separation allowance will be offered to MP employees on MP Merged Roster No. 1.

Q5. Will the CNW engineer working the Monterey Mine job on September 1, 1995, be added to the C&EI road roster at St. Louis and will that engineer have prior rights to that job?

A5. Yes. The prior rights will apply so long as the job is not abolished or consolidated with other C&EI assignments.

Q6. What happens if the Monterey Mine job is not a regularly assigned job?

A6. The incumbent can exercise seniority to one of CNW prior rights turns in the St. Louis to Chicago/South Pekin pool or exercise C&EI seniority.

Q7. What will determine if the Monterey Mine job is regularly assigned?

A7. Whether the job is bulletined as a regular assignment.

Q8. What will determine whether the Monterey Mine job is "newly established assignment" or has been consolidated with other C&EI assignments?

A8. The assignment will be considered to have been consolidated with other C&EI assignments if it does any work beyond the work performed before the merger. Any assignments performing service to the Monterey Mine in addition to the one prior rights assignment will be considered a newly established assignment to which prior rights do not apply.

Q9. Will the overflow business (extra trains that were not handled by regularly assigned crews) that formerly went from South Pekin to Madison continue to be handled by CNW South Pekin crews?

A9. No. Business between St. Louis and South Pekin will be handled by the C&EI St. Louis to Chicago /South Pekin pool or extra board.

Q10. Will engineers in the St. Louis- South Pekin pool be allowed to operate trains from South Pekin to Chicago?

A10. No. Section A5 (d) and (e) of Article II provides for the following new operations involving South Pekin: South Pekin (home terminal) to Clinton and Chicago (CTC) (home terminal) to Clinton/South Pekin.

Kansas City (BLE)

A1. Will all CNW engineers on the Southern #3 seniority roster have the opportunity to select MP Merged Roster Nos. 2A and 2B during the roster slotting workshop?

Q1. No. Only those CNW engineers working Kansas City yard jobs, the Trenton local, the Kansas City extra board and the Kansas City portion of the Kansas City-Des Moines pool on September 1, 1995, and who live in the Kansas City area will be assigned to MP Merged Roster Nos. 2A and 2B. It is anticipated this will be no more than fourteen (14) employees.

Q2. What prior rights will former CNW engineers have on MP Merged Roster Nos. 2A and 2B?

A2. They will have prior rights to the following: one (1) MP yard job based on a 3% equity, the Trenton Local and a maximum of twelve (12) turns in the Kansas City to Des Moines/OMC pool. The CNW prior rights pool turns will never exceed twelve and will be reduced by both attrition and by business downturns. With business downturns, the CNW prior rights pool turns will not exceed the percentage of CNW prior rights pool turns on Implementation Day. Eventually, there will be no CNW prior rights turns in the pool.

Q3. Will any separation allowances be offered to MP employees?

A3. Yes. Two separation allowances will be offered to MP employees on MP Merged Roster No. 2B.

Q4. Will the existing Falls City Interdivisional Agreement apply to the terms and conditions of the Kansas City to Des Moines/OMC pool or will the terms and conditions of Section B of Article II apply?

A4. See Article II B8 NOTE 3.

Q5. What Merged Roster #2B extra boards at Kansas City will protect what work?

A5. XE 10/SE 10 will protect the work in the consolidated terminal. XE 12/SE 12 will protect all work currently protected plus the Kansas City to Des Moines/OMC pool and the Trenton Local.

Q6. How will the Kansas City to Des Moines/OMC pool be regulated?

A6. In accordance with the existing Falls City ID Agreement.

Omaha Metro Complex (BLE)

Q1. Is the current allocation for UP and MP yard jobs in the Omaha/Council Bluffs Terminal affected by this Implementing Agreement?

A1. No. However, all merged CNW assignments will be considered UP assignments.

Q2. Can Article II Section E1 (b) be used to have UP/BLE Merged Roster # 1 employees at the OMC dogcatch northbound NIP trains?

A2. If the train is within the OMC (UP Mile Post 473.1 - south), UP engineers may perform the service. If the train is outside the OMC, the applicable MP Agreement will apply. The current MP ID agreement covering trains from Kansas City does not permit multiple dogcatches when away from home terminal crews are used.

Q3. In Section D2 of Article III, what does the phrase "perform any work" mean?

A3. There are no seniority limitations on either UP, former CNW or MP engineers on performing work within the OMC. Applicable agreements govern the nature of the work which may be performed.

Q4. What terms and conditions will apply to the operations east out of the OMC?

Q4. See Article II B8 Note 3 (Hours of Service Relief)

Q5. Will all CNW engineers on Central #5 have the opportunity to select either Central #5, Midwest or UP/BLE Merged Roster #1?

A5. Yes. The Carrier will determine the number of Central #5 engineers needed on each roster and engineers will be given the opportunity, in seniority order, to select a roster so long as slots are still available on the selected roster.

Q6. Will all CNW engineers on Southern #3 have the opportunity to select either UP/BLE Merged Roster #1, Midwest or MP Merged Roster Nos. 2A and 2B?

A6. No. Southern #3 slots at Kansas City will belong to engineers working CNW Kansas City assignments on September 1, 1995, which are transferred to MP. Southern #3 slots at the OMC will belong to engineers working CNW assignments in the OMC on September 1, 1995, which are transferred to the UP.

Q7. Will all Western #6 engineers have the opportunity to select either UP/BLE Merged Roster #1 or Western #6?

A7. No. Only those Western #6 engineers working within the OMC on September 1, 1995 will be given the opportunity to select UP/BLE Merged Roster #1 or to remain on Western #6. Western #6 engineers selecting UP/BLE Merged Roster #1 will only have secondary prior rights to former CNW work (Central #5) transferred to UP/BLE Merged Roster #1. In addition, Western #6 engineers working within the OMC on September 1, 1995, will have the opportunity to participate in the separation offer discussed in Q and A #8.

Q8. Will any separation allowances be offered to CNW or UP employees?

A8. Yes. All CNW employees, subject to the Carrier's manpower needs, "working an assignment headquartered within the OMC" as that term is defined in NOTE 1 to Section D.2. (c) of Article I may be offered a separation allowance. Any separation allowances not taken by eligible CNW employees will be offered to UP Roster # 1 employees. The remaining CNW engineers electing UPBLE

Merged Roster #1 will maintain prior rights to former CNW assignments in the OMC (including working to and at Norfolk and Dakota City).

Q9. On Implementation Day, what prior rights will former CNW employees have who transfer to UP/BLE Merged Roster #1?

A9. See Section 3(b) of Article I.

Q10. Will former CNW employees who transfer to UPBLE Merged Roster #1 have to protect UP assignments which are more than 30 miles from the OMC?

A10. Transferred former CNW employees will not be required to place on a UP assignment with an on-duty point that is more than 30 miles outside the OMC. The former CNW employee will be required to place on a former CNW assignment that was transferred to the UPBLE Merged Roster #1 regardless of distance from the OMC. UP employees will protect the UP assignment which is more than 30 miles from the OMC in accordance with applicable UP agreement rules.

Q11. Will the territory OMC to Worthington be governed by the CNW or the UP collective bargaining agreement?

A11. On Implementation Day, the UP collective bargaining agreement and the Implementing Agreement Award will govern operations on the territory OMC - Sioux City. Operations on the territory OMC - Worthington will be governed by Article I D2 (b) NOTE 1.

Q12. Will former CNW Central #5 engineers transferring to UPBLE Merged Roster #1 protect yard and road switcher assignments at Worthington?

A12. No. This work will remain part of CNW Central #5.

Q13. Can CNW Des Moines extra board crews be used to dog catch MP Kansas City-Des Moines crews heading towards Des Moines?

A13. Yes, however if MP away from home pool crews are used the payment provisions of the current ID agreement apply.

Chicago Terminal Complex (BLE)

Q1. How many freight extra boards will there be for the CTC?

A1. There will three freight extra boards and they will protect the following: Proviso - Elk Grove, Proviso, West Chicago, Global II; Global I - Waukegan, North Avenue, Pilot Sub., California Ave., Irondale, Global 1; Yard Center - Chicago Heights, Yard Center. Proviso and Global I will be CNW and Yard Center will be C&EI. Yard Center as C&EI is subject to Q and A #2.

Q2. What process will be used to eliminate the C&EI presence in the CTC?

A2. The C&EI presence in the CTC will be eliminated by attrition.

Q3. How is attrition defined?

A3. Attrition is defined as follows: Extra board - when 51 % or more of the assignments are manned by CNW employees. Regular assignments -As long as no current C&EI employee holds a regular assignment it shall be attrited. If a C&EI employee later holds that assignment it shall be under the C&EI provisions.

Q4. What agreements will apply for operations in the CTC?

A4. Current C&EI and all CNW employees working assignments at Yard Center or CHTT will work under the C&EI agreement, subject to the attrition process set forth in Question and Answer Nos. 2 and 3. Current C&EI employees and CNW employees, when working all other assignments in the CTC, will work under the CNW agreement.

Q5. May employees from one CTC extra board be used on another extra board(s) that is / are exhausted?

A5. Yes. He may either report to his regular reporting point and be transported to the assignment or he may elect to drive his own automobile and be paid at the current auto mileage rate. FRA regulations/interpretations will govern reporting points.

Q6. Will the new CTC seniority roster set forth in Article I C3 (b) be established?

A6. Yes.

Q7. With the establishment of three extra boards in the CTC, will the transportation requirement of Article III F2 be eliminated?

A7. Yes.

Q8. Will engineers in the current South Pekin pool be allowed to operate trains from South Pekin (home terminal) to Chicago?

A8. No. Section A5 (d) and (e) of Article II provides for the following new operations involving South Pekin: South Pekin (home terminal) to Clinton and Chicago (CTC) (home terminal) to Clinton/South Pekin.

QUESTIONS AND ANSWERS
CONCERNING THE
JANUARY 10, 1996 ARBITRATION AWARD
VOL. II

Q1. What is to be done with Clinton - Boone regular assigned crews if implementation occurs prior to implementation of the Clinton - OMC Pool?

A1. They will be allowed to exercise their seniority to the new service.

Q2. Will Worthington, MN remain a CNW terminal?

A2. Yes. See Article I(DX2)(b) Note 1.

Q3. Will equalization with UP ED # I be required for road- switchers operating both ways out of Worthington, MN?

A3. Yes, after OMC - Worthington is placed under UP ED.

Q4. Chicago - clarify understanding on one-time opportunity for former Northeastern 2 Seniority District and Eastern 1 Seniority District engineers who chose to go to CTC, to return to their former seniority district if the prior rights assignments in CTC were abolished in Waukegan, Elk Grove, and West Chicago.

A4. If a former NE2 or E1 assignment, which has become a part of the new CTC, is abolished, the incumbent, if a prior right NE2 or E1 employee, will have the option of either exercising his seniority within the CTC (not including a prior right employee from the other district), or returning to his/her home district. If the right to return to the home district is not exercised, it shall be considered waived permanently. If the employee, as a result of the abolishment, bumps another prior right employee from his own district, that employee will have the one-time opportunity to return to the home district.

Q5. Where do former CNW Engineers go if they are unable to hold any assignments at Kansas City?

A5. They must protect any former CNW assignment (example: Trenton) and then exhaust their seniority in all other crafts.

Q6. Will the Carrier furnish monthly mileage figures to General Chairmen and involved Local Chairmen of miles operated by former Southern Seniority District engineers on the form Central Seniority District and Central Seniority District engineers on former Southern Seniority District Trackage?

A6. The Local Chairman will have that responsibility as described in I(EX3Xd). The parties agree to meet six months after the implementation of the Interpreted Award to review the operation within this newly established Seniority district during that period of time, A procedure for gathering data will be agreed upon which will allow the Local Chairmen involved sufficient information without requiring an inordinate amount of time or difficulty on the part of the Carrier.

Q7. Have the parties reviewed the factors used to develop the 75/25 percentage allocation of manpower in Article I.B.2 (a) covering Kansas City and as a result, made any changes?

A7. Yes. The parties reviewed the various mileage factors, crew size differences between trainmen and enginemen, the retention of Indianola to the CNW, and the use of the CNW Des Moines extra board crews to dogcatch MP crews within the road/yard zone. As a result, the parties have agreed to use a 70/30 percentage allocation.

QUESTIONS AND ANSWERS
CONCERNING THE
JANUARY 10, 1996 ARBITRATION AWARD
VOL. III

DUAL DESTINATION AWAY FROM HOME TERMINALS

Q1. What conditions, if any, apply to repositioning crews from one away from home terminal to another in the double destination pools of Kansas City-OMC/Des Moines, St. Louis-CTC/South Pekin and Chicago-Clinton/South Pekin?

A1. The following conditions apply:

(a) Crews may only be deadheaded prior to tie-up after the initial trip.

Example: A crew runs from Kansas City to the OMC. If the crew is tied up at the OMC it cannot later be deadheaded to Des Moines except in emergency situations such as a flood or major derailment. It can be deadheaded from the OMC to Des Moines for tie-up at Des Moines from its original trip from Kansas City.

(b) Crews will not be deadheaded by train between one away from home terminal to another away from home terminal. Other forms of transportation will be used.

(c) Employees hired prior to the implementation of the Award will be paid highway miles for the deadhead portion of the trip and employees hired subsequent to the implementation will be paid actual time for the deadhead portion of the trip.

(d) Once deadheaded between two away from home terminals an employee will not be deadheaded back except in an emergency situation such as a flood or major derailment.

(e) It is not the intent of the Award to "double deadhead" employees. If double deadheaded then the employee will be paid district miles for the second deadhead. A "double deadhead" in this instance is when an employee is deadheaded at the end of his service trip to the other away from home terminal and then deadheaded back to the home terminal. The current MP Falls City ID agreement will be referred to for the provisions that govern the calling of the first out MP engineer if he/she has already been deadheaded separate and apart (terminal to terminal) twice in the pay half.

(f) The deadhead from one away from home terminal to the other away from home terminal is not one of the separate and apart deadheads that trigger additional payments (MP only) because it is after a service trip and not back to the home terminal.

(g) Crews arriving at the first away from home terminal by train will remain on terminal time (if applicable) until they are in the van to transport them to the other terminal.

(h) An MP extra board employee who works pool vacancies in the Kansas City-OMC/Des Moines pool will be covered under the ID provisions for deadheads in the pool the same as a regularly assigned pool employee. Only pool deadheads apply towards the three or more deadheads not other extra board deadheads.

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA NEBRASKA 68179

June 6, 1996

B D MACARTHUR
GENERAL CHAIRMAN BLE/CNW
217 FIFTH AVENUE SOUTH, STE. 502
CLINTON, IA 52732

RE: UP/CNW Merger Award Modification

Dear Sir.

This is in reference to our recent discussions regarding the backlog of outstanding claims on the former C&NW and our mutual desire to resolve this situation to facilitate the merger of the CNW into the UP.

We have agreed to resolve this issue (the claim backlog) with a one-time lump-sum payment of 1.5 million dollars in full settlement of all time claims and grievances of record, (a claim or grievance of record is a claim or grievance that has been denied by the Carrier at any level, including timekeeping) submitted by either the employee or the Brotherhood of Locomotive Engineers through the second half of April 1996 payroll period. This is with the further understanding that the above settlement does not cover outstanding discipline cases, but all other claims and grievances. This settlement is without prejudice or precedent to either party's position with regard to the subject matter of the claims and will not be cited by either party.

The method of allocation of these funds will be further discussed and agreed to and is based on our basic wage that this settlement is for all outstanding time claims. In conjunction with this settlement and a result of the Carrier's agreement to leave the territory from Clinton to the OMC under the CNW contract, the parties further agree to revise the March 5, 1992 Memorandum Agreement as follows;

For employees establishing an engineers date (excluding those train service employees who are or will enter engine service and are already entitled to the Crew Consist differential provided for in the December 13, 1991, UTU Crew Consist Agreement) subsequent to the date of this letter, the differential provided for in Article I A and B of the March 5, 1992, Memorandum of Agreement will be eliminated and the rates for engineers in road freight or yard service as of 12/13/91 (without the differential) will be established. Those rates will have subsequent increases applied to establish current road freight or yard service engineer rates. Engineers as described above will be subject to this newly established rate (subject to appropriate entry rate adjustments)

and for each trip worked as either a road freight or yard engineer with a ground crew consist of a conductor/foreman only will receive a single frozen differential payment of \$10.75 per trip.

Please confirm your understanding and agreement to this settlement by signing in the appropriate space below and returning the original to the undersigned.

Yours truly,

/s/ J.M. Raaz
JM Raaz
AVP – LABOR RELATIONS

I CONCUR:

/s/ B.D. MacArthur
B.D. MacArthur – General Chairman/BLE

Date: June 6, 1996

cc: J. J. Marchant
C. R. Wise