

+UNION PACIFIC RAILROAD COMPANY

Western Region - Transportation

Al Hallberg, Dir. Labor Relations
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April 18, 2008

Warm Springs Extra Board

J. Kevin Klein, General Chairperson
United Transportation Union
UP-Western Lines
501 Mission Street, Suite A
Santa Cruz, CA 95060

Dear Mr. Klein:

This will confirm our March 19, 2008, conference, during which creation of a new guaranteed road extra board at Warm Springs was discussed.

It was agreed that a new road extra board will be established at Warm Springs, dedicated to protection of the following four jobs: 1) LRB60R, 2) LRB61R, 3) LRB62R and 4) LRM50. The extra board will be established with a minimum of three positions, which is subject to a proportionate increase if the number of jobs protected is increased or to a decrease if the number of jobs protected is decreased.

It was agreed that a number of special conditions will attach to this extra board. The conditions are outlined below:

- 1) RCO qualification will be a requirement for holding a position on this extra board. Employees who are not RCO qualified, when they bid or displace on this extra board, will be placed on the extra board and must become RCO qualified to remain on the extra board. The Company will make any necessary training arrangements as promptly as possible.
- 2) To remain on this extra board, employees must be qualified on the protocol for spotting railcars at the Toyota plant.
- 3) The standard road extra board provisions will apply to this extra board, except that for a two-year transitional period, beginning with the effective date of this agreement, guarantee will be 1925 miles per pay period at the conductor's basic local freight rate of pay for the 1-80 car bracket with remote control special allowance for 19.25 tours of duty (presently \$3,424.57), subject to future general wage increases and colas. At the end of the two-year transition period, the guarantee will scale back to the standard.
- 4) In application of vacancies procedures, this Warm Springs Extra Board will be the primary back-up for the Oakland Road Extra Board and vice versa.

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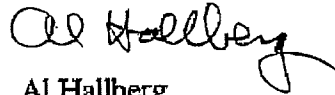
J. Kevin Klein, General Chairperson

UTU

This Agreement will be effective May 16, 2008.

If the foregoing accurately represents our conference understandings, please sign in the space provided below and the extra board will be established as soon as possible.

Sincerely,



Al Hallberg
Director, Labor Relations

Accepted

J. Kevin Klein, General Chairman
United Transportation Union

AH-Klein - Warm Springs Extra Board

cc: John G. Valdez, DTS, Roseville - Emailed
Ray J. Perry, General Superintendent, Roseville - Emailed
Brian J. Simpson, MTO, Milpitas - Emailed
Dave Martinez, CMS, Omaha - Emailed