

**MERGER IMPLEMENTING AGREEMENT
Southwest Hub**

between the

**UNION PACIFIC
SOUTHERN PACIFIC TRANSPORTATION COMPANY
and
BROTHERHOOD OF LOCOMOTIVE ENGINEERS**

In Finance Docket No. 32760, the U.S. Department of Transportation, Surface Transportation Board (“STB”) approved the merger of the Union Pacific Corporation (“UPC”), Union Pacific Railroad Company/Missouri Pacific Railroad Company (collectively referred to as “UP”) and Southern Pacific Rail Corporation, Southern Pacific Transportation Company (“SP”), St. Louis Southwestern Railway Company (“SSW”), SPCSL Corp., and The Denver & Rio Grande Western Railroad Company (“DRGW”) (collectively referred to as “SP”). In approving this transaction, the STB imposed New York Dock labor protective conditions.

In order to achieve the benefits of operational changes made possible by the transaction, to consolidate the seniority of all engineers working in the territory covered by this Agreement into one common seniority district covered under a single, common collective bargaining agreement.

IT IS AGREED:

I. Southwest Hub

New seniority districts shall be created that encompasses the following area: the territory from milepost 292.33 East of Pratt Kansas westward to milepost 731.5 West of Yuma, Arizona: BNSF trackage rights to Childress (not including) and Lubbock (including) that connect to this line; and the lines from El Paso to Alpine (not including) and Toyah (not including) and shall include all main and branch lines, industrial leads and stations between the points identified.

NOTE 1: Engineers with home terminals within the hub may work to points outside the Hub without infringing on the rights of other engineers in other Hubs and engineers outside the Hub may work to points inside the Hub without infringing on the rights of engineers inside the Southwest Hub. The Hub identifies the on duty points for assignments and not the boundaries of assignments. (This note is further explained in side letter No. 2)

II. Seniority and Work Consolidation.

The following seniority consolidations will be made:

- A. The territory shall be divided into three zones as follows:
1. Zone 1 - The territory between Yuma (including) and Lordsburg (not including).
 2. Zone 2 - The territory between Lordsburg (including) and Alpine (not including), Toyah (not including) and Vaughn (not including).
 3. Zone 3 - The territory between Vaughn (including) and Pratt (including), Childress (not including) and Lubbock (including).
- B. A new seniority district will be formed and a master engineer Hub roster shall be created. In addition, engineer roster(s) shall be created for each Zone for those engineers on the current SPWL, EP&SW, UP, SSW and SPEL seniority rosters. It does not include borrow outs or SPWL auxiliary board engineers working in the Hub, if any. The new rosters will be created as follows:

HUB ROSTERS

1. Engineer's shall be dovetailed on the Hub roster based on their current engineer's date in the Hub. If engineers from different rosters have the same engineers seniority date they shall be placed on the rosters as follows:

Pre October 31, 1985 engineers

- a. Engineers date and ranking as an engineer.
- b. Firemans date and ranking as a fireman.
- c. Hire date and ranking as an employee.
- d. Age

Post October 31, 1985 engineers

- e. Engineers date and ranking as an engineer.
- f. Switchman date and ranking as a switchman.
- g. Hire date and ranking as an employee.
- h. Age.

NOTE : This will keep all engineers on the Hub roster in the same relative standing with respect to other engineers from the same pre merger roster that had the same seniority date.

2. Engineers placed on the Southwest Hub Rosters shall relinquish all seniority outside the new hub upon implementation of this Agreement and all seniority inside the Southwest Hub held by engineers outside the Hub shall be

eliminated.

NOTE: Because engineer seniority dates are based on the initial training date some employees now in training could be given a pre March 24, 1999 engineer seniority date after roster formulation. It is the intent of this agreement to include all those engineers based on the seniority date given them, and not when they finished training.

ZONE ROSTERS

The new zone rosters will be created in three parts as follows:

3. The first part will include SPWL, EP&SW, UP, SSW and SPEL Engineers, if any, with an engineer's seniority date prior to March 24, 1999 that will initially work in each zone. They will be dovetailed based upon the current engineer seniority date within the Hub. This shall include any engineer working in trainman/fireman service with an engineers seniority date.
4. Following next on the roster (second part) will include all SPWL, EP&SW, UP, SSW and SPEL Engineers with engineer seniority dates prior to August 6, 1996 working in the other zones. They will be dovetailed based upon the current engineer seniority date within the Hub. This shall include any engineer working in trainman/fireman service with an engineers seniority date.
5. Following them (third part) will include all SPWL, EP&SW, UP, SSW and SPEL Engineers with engineer seniority dates subsequent to March 23, 1999 working in the zone. It does not include SPWL, EP&SW, UP, SSW and SPEL Engineers with engineer seniority dates subsequent to August 6, 1996 working in other zones.
6. All engineers with engineer seniority dates subsequent to August 6, 1996 and those promoted after the implementation date will only have seniority in one zone except as provided in the consolidated seniority provisions of the surviving CBA. They require, among other provisions, the Carrier to post a notice of intent to promote additional engineers so that post August 6, 1996 engineers may request transfer to the zone with the need for additional engineers. Engineers may be held up to 9 months, in lieu of 7 months provided for in the consolidation seniority provisions, prior to being released to another zone. When an engineer moves under the consolidated seniority provisions, they shall come off the zone roster they left and shall be placed on the zone roster they move to. They shall use the same seniority date but placing in the non prior rights portion of the roster and below those with prior rights. Surplus engineers may be used in another zone in accordance with auxiliary board provisions.

7. All engineers placed on the zone rosters may work all assignments protected by the zone roster in accordance with their seniority and the provisions set forth in this Agreement. For an engineer to hold a baseline pool or yard percentage position using prior rights identified in this Section B., they must be zone prior righted and have a seniority date prior to August 6, 1996 except as defined in NOTE to 7(a) of Section D.

C. Zone prior rights shall be governed by the following:

1. Those engineers who make up the first part of the roster (pre March 24, 1999 working or originally transferred to the zone) shall have prior rights to assignments with home terminals in the zone over those engineers that make up parts two and three of the roster.
2. Those engineers who make up the second part of the roster (pre August 6, 1996 from other zones) may bid into the zone on assignments not filled by zone prior right engineers using their current seniority date without losing any of their original zone prior rights. This move shall not establish prior rights in the new zone.
3. Those engineers who are post August 6, 1996 will establish use of seniority when they move to another zone using the consolidated seniority provisions. This move shall not establish prior rights in the new zone nor relinquish existing prior rights, if any, in other zones.

D. Prior rights within a zone shall be governed as follows:

ZONE 1

1. The Tucson - El Paso pool (home terminal at Tucson) shall be prior righted with the odd numbered slots being filled by those with zone prior rights and the even numbered slots to those engineers who relocate to Zone 1 as part of this implementing agreement. Each relocating engineer, with seniority prior to August 6, 1996, shall be placed on a specific turn by name and shall have prior rights only to that turn. These prior rights shall no longer be effective at the end of the sixth year after implementation, and at that time all positions in the pool shall be available to engineers based on the zone prior right provisions. If an engineer relocating to zone 1 voluntarily moves off their prior right spot during the six year period then he/she shall no longer be prior righted to that pool position. Once voluntarily vacated, the turn will be treated as an odd numbered slot.
2. With respect to all other assignments, the engineers who relocate to zone 1 as part of the single ending of the pool shall have the same zone prior rights as all other engineers currently working in the zone.
3. Assignments at Yuma, both regular and extra board, protected by the West

Colton source of supply shall be governed as follows:

- a. The assignments shall be prior righted to SP engineers holding seniority in the Los Angeles Hub on the day this agreement is implemented.
- b. If an assignment goes no bid/application then it shall be filled by an engineer from the Zone 1 Southwest Hub roster.
- c. LA Hub SP prior right engineers shall have bid/application rights to vacancies on these assignments and shall not have displacement rights to them if they are held by an engineer from the adjoining Hub for a period of time not to exceed 6 months from the date the engineer from the other Hub holding the assignment is assigned, unless the 6 month period of time is waived by the engineer holding the assignment.
- d. Yuma positions protected by the West Colton source of supply shall be prior righted until attrited. All other Yuma positions shall be protected by zone 1 Southwest Hub engineers.

ZONE 2

4. Except for El Paso yard assignments, Clifton locals and pool assignments all Zone 2 positions shall be filled from the common dovetail zone roster. Zone 2 pools shall be prior righted as follows:
 - a. El Paso - Lordsburg, 100% SPWL up to a base line of 26 and then to the dovetail roster.
 - b. El Paso - Vaughn, 100 % EP&SW up to a base line of 47 and then to the dovetail roster. When Alpine and Toyah are combined then the odd numbered slots, beginning with 35, shall be prior righted to SPNL engineers.
 - c. El Paso – Alpine, 100% SPEL up to a base line of 31 and then to the dovetail roster.
 - d. El Paso – Toyah, 100% UP up to a base line of 8 and then to the dovetail roster.
 - e. El Paso - Alpine/Toyah (when combined) 79% SPEL and 21% UP up to a baseline of 39 and then to the dovetail roster. (see attached chart)
5. El Paso yard assignments shall be prior righted as follows: 60% UP/SPEL, 40% EP&SW . (see chart)

6. The Clifton locals shall be prior righted, one to J.E. Andress, a current occupant and the other to the initial successful bidder from the current El Paso /Tucson seniority district. Should either of the incumbents voluntarily vacate assignments at this location they shall lose their prior rights to these assignments and the assignments shall become common positions to the zone. This only applies when moving from this location not when moving from one assignment to another at the same on duty point.

ZONE 3

7. Except for pools all Zone 3 positions shall be filled from the common dovetail zone roster. Zone 3 pools shall be prior righted as follows:

- a. Pratt – Dalhart/Dalhart – Pratt, 100% SSW up to a baseline of 38 then to the dovetail roster.

NOTE: SSW engineers working in Pratt from March 24, 1999 until implementation date will continue to hold prior rights pursuant to Article III, L, of this agreement until attrited.

- b. Dalhart – Vaughn, 50%SSW(even) and 50%EP&SW(odd) up to a baseline of 38 then to the dovetail roster.
- c. Dalhart - Childress/Lubbock, 100% SSW up to a baseline of 5 then to the dovetail roster.

- E. Yard and pool prior rights shall be eliminated as follows:

1. El Paso yard prior rights shall be 100% for the first three years. Starting with the fourth year (from start of implementation) all third shift assignments shall lose their yard prior rights, and starting with the fifth year all second shift assignments shall lose their yard prior rights and starting with the sixth year all first shift assignments shall lose their yard prior rights.
2. Pool baseline prior rights shall phase out 25% per year beginning with the start of year four (from start of implementation) and ending with the start of year seven when the pools shall lose their pool prior rights. This does not apply to Pratt-Dalhart pool engineers who remain at Pratt nor to the Tucson-El Paso pool which has its own phase out schedule.

- F. Engineers who are on an authorized leave of absence or who are dismissed and later reinstated will have the right to displace to the appropriate roster(s), provided his/her seniority at time of displacement would have permitted him/her to hold that selection. The parties will create an inactive roster for all such engineers until they return to service in a Hub or other location at which time they will be placed on the appropriate seniority roster(s) and removed from the inactive roster.

- G.** The movement of engineers from Zone 2 to zone 1 shall be as follows:
1. Engineers currently holding seniority on the Tucson Seniority District and working in zone 2 shall be given the first opportunity to elect to transfer to Tucson up to a baseline number of 35.
 2. Should an insufficient number of engineers from this seniority district elect to transfer and prior to forcing engineers an opportunity for exchanges of seniority between former Tucson seniority district engineers and other engineers in Zone 2 and 3 shall be offered. The process shall be as follows:
 - a. All requests must go through the local chairmen and be on file by August 15, 1999. The local chairmen will match up engineers with the closest seniority dates. The provisions of the surviving CBA requiring that engineers be within five years of age and five years of service are waived for this process.
 - b. Each engineer shall take the younger of the two dates and shall be treated as holding seniority on the roster of the engineer they exchanged with.
 - c. Other engineers in Zone 2 who go to Tucson will be treated the same as if they were initial voluntary transfer Tucson seniority district engineers. (relocation, zone prior rights and pool even numbered prior rights.)
 - d. Rights to seniority exchanges will go first to former EP&SW engineers(at El Paso and Tucumcari) and then to other engineers in Zone 2 and finally to engineers in Zone 3.
 3. Should an insufficient number of engineers elect to transfer or exchange seniority, then the remaining number (up to the demand number of 27) shall be forced from former Tucson seniority district engineers in junior order.
- H.** The structure of the zone seniority rosters is to provide a supply of engineers in each zone. Movement to other zones has some restrictions (depending on seniority) so as to provide a more stable Hub and Spoke system for engineers. This also provides a supply of available engineers in each zone for Carrier operations without the need to force engineers from one zone to another after the initial movement involving Tucumcari engineers and engineers involved in the El Paso – Tucson pool. Engineers forced to a new zone due to implementation will be permitted to make application back to their original prior rights zone. The application must be on file within sixty days of being forced and will be honored when vacancies of a minimum of thirty days exist in the original zone and there are no engineers their senior on reserve boards or demoted in that zone. If an engineer is recalled

and declines the recall, then his/her application will be pulled and not reentered. (see relocation section on restrictions if relocation allowances are requested Engineers who receive a relocation allowance shall not be recalled for the two (2) year period.)

NOTE: The minimum of thirty days shall be met when all engineers senior to the forced engineer have been assigned to a working position for a minimum of thirty days or on a leave of absence for a minimum of thirty days and an additional regular assignment becomes vacant. If the engineer returning to the original zone works for ninety days without being demoted then the forced zone rights will be relinquished and the original zone rights reinstated.

III. POOL OPERATIONS/ASSIGNED SERVICE

The following operations may be instituted:

- A.** Dalhart - Childress/Lubbock via Dalhart or Stratford as one pool with Dalhart as the home terminal.
- B.** Dalhart – Vaughn with Dalhart as the home terminal. However, Tucumcari – Vaughn and Dalhart - Tucumcari shall continue to operate as separate pools during the transition to the long pool.
- C.** Dalhart – Springfield with Dalhart as the home terminal.
- D.** El Paso - Vaughn with El Paso as the home terminal.
- E.** El Paso - Toyah/Alpine as one pool with El Paso as the home terminal. The Carrier will not give notice to combine the pools until either the new lodging facility is built at Toyah or the pools away from home lodging is at Pecos.
- F.** El Paso - Lordsburg with El Paso as the home terminal.
- G.** Tucson - El Paso with Tucson as the home terminal.
- H.** Tucson - Lordsburg with Tucson as the home terminal.
- I.** Tucson - Nogales/Phoenix as one pool with Tucson as the home terminal. Through freight pool service to Nogales shall be run in turnaround service with no away from home lodging. Tucson pool engineers working to Nogales and return shall be paid in combination service if they perform deadhead and service in the same tour of duty. Through freight service to Phoenix may be run as either turnaround or straight away service on a trip by trip basis.
- J.** Tucson - Yuma with Tucson as the home terminal.

- K.** Phoenix - Yuma with Phoenix as the home terminal.
- L.** Pratt- Dalhart – This pool shall continue to operate (regulation and balancing) as it currently operates (double-ended) pending agreement on final provisions. In the next six months the parties will meet and agree on the operation of the pool and the transition process that will take place as the pool attrites to Dalhart. The basic principles are as follows:
1. The Pratt engineers who qualify for this treatment shall be identified by name. The list will only include those engineers with a home terminal at or between Pratt and Liberal, Kansas and continually working at these locations from the date of notice March 24, 1999 to the date of implementation.
 2. The listed engineers shall have prior rights to all SSW pool turns with a home terminal at Pratt subject to their obligations to cover other assignments set forth below. No non listed engineer may hold a pool turn at Pratt. They may hold non-pool assignments if there are no listed engineers available.
 3. Listed Pratt engineers will be required to protect all other assignments (including extra board at Pratt) between Pratt and Liberal, Kansas prior to protecting pool assignments between Pratt and Dalhart. Absent bids or requests from senior engineers at Pratt, the junior engineer(s) in pool freight service may be removed from pool freight service and placed on the vacancies. When removed these engineers will be considered as holding the highest paying assignment for New York Dock purposes.
 4. Lodging will be furnished at Dalhart for those Pratt engineers working into Dalhart and at Pratt for Dalhart based engineers.
 5. Pool will operate so as to minimize time engineers are held at the away from home terminal.
 6. There is no reverse held away from home terminal time or reverse lodging for either end of the pool.
 7. Pratt engineers shall lay off at Pratt and Dalhart engineers shall lay off at Dalhart.
 8. The carrier may offer relocation allowances to Pratt engineers to transfer to Dalhart.
- M.** Any pool freight, local, work train, or road switcher service may be established in accordance with the controlling CBA.
- N.** Crews may use and/or operate over any route or combination of UP and SP trackage between their initial and final terminal. Side trips shall continue to be paid

under side trip provisions of the CBA.

- O.** New pool operations not covered in this implementing Agreement between Hubs or within a Hub will be handled per Article IX of the 1986 National Implementation Award.
- P.** The different pools identified in this agreement may be established individually or in groups. Other than Dalhart-Vaughn and Tucson – El Paso changes, pools not established at time of implementation shall be established upon ten days written notice to the General Chairman. Existing pools will remain in place until replaced by new pools. The Dalhart-Vaughn and Tucson-El Paso pools have their own implementation provisions. Tucson-Phoenix-Nogales and Phoenix-Yuma shall be implemented concurrently. When requested these pools may be pre advertised.
- Q.** The Tucumcari transition shall provide for the creation of a long pool at Dalhart. This pool shall initially have 12 pool turns (six from Dalhart and six from Tucumcari). If not already qualified they may run with two engineers, one from each roster, and familiarize each other over the route in addition to other methods of qualification. Every two months an additional 12 turns shall be bulletined until the entire pool is a long pool. With each bulletin of 12 turns another Tucumcari engineer shall be added to the extra board at Dalhart. At the same time as each group of engineers move to Dalhart four engineers shall be transferred to El Paso.
- R.** There are some current locals and road switchers operating under other than SPWL agreements. The transition to the SPWL Agreement shall not eliminate these assignments if the SPWL agreements do not have similar provisions that permit these operations. It is the desire of all parties to continue to provide service to customers after the Hub implementation so these assignments may continue to operate and be paid pending review of their operations and agreements by the General Chairmen and the Director Labor Relations with regard to the SPWL Agreement. If the SPWL agreement does not provide for continued coverage then the current agreements will be adopted on a limited basis, (current operations only).
- S.** Current blue print provisions for EP&SW, SSW, UP and SPEL pools shall be retained at implementation pending a review by the parties to see if changes need to be made. In addition, If the pools to Alpine and Toyah are combined, engineers shall be placed at the home terminal in the order in which called from the away from home terminals.

IV. EXTRA BOARDS

- A.** The Carrier may establish extra boards at any location in accordance with the governing CBA. The Carrier will give a thirty day notice of the consolidation of pre-merger extra boards and the notice provisions of the governing CBA shall be used in the establishment of new extra boards. Existing extra boards not covered by a notice shall continue to operate until a notice is served abolishing or combining

them. Beginning with implementation, day these existing extra boards shall be governed by the provisions of the selected CBA.

B. The following information is given in order to assist engineers in any merger implementation decisions they must make. It is the Carriers intention to initially establish or retain extra boards at the following locations:

1. Dalhart
2. El Paso (2)
 - a. One to cover the yard assignments and the territory between El Paso and Lordsburg.
 - b. One to cover the territory between El Paso and Vaughn, Toyah and Alpine.
3. Tucson
4. Phoenix
5. Yuma
6. Pratt

C. The extra boards at Yuma will be consolidated on a 50/50 basis with the LA Hub entitled to prior rights to the even numbered assignments 2, 4 and 6. The Southwest Hub zone 1 shall have prior rights to all other extra board assignments. There will then be one extra board at Yuma and the extra board at Yuma will be used to fill short term vacancies on all assignments that have Yuma as a home terminal (whether LA Hub or Southwest Hub vacancies) and EL Centro as a home terminal. This extra board shall protect hours of service relief/turnaround service as far West as Niland (MP 667) in the LA Hub and as far East as is provided elsewhere in this agreement.

D. At Alpine, there may be a joint extra board that may cover hours of service relief for trains heading to Alpine that are within 65 miles of Alpine, all other non pool assignments in this area and other usual extra board work. If only one assignment then the senior bidder from the two Hubs (San Antonio and zone 2 of the Southwest Hub) shall be assigned and if two assignments then the other Hub shall be assigned. If forced then it shall be forced even years from Southwest Hub seniority and odd years from San Antonio Hub seniority. Southwest Hub forcing shall be limited to previous SPEL engineers and engineers hired/promoted after March 24, 1999.

E. Exhausted extra boards.

1. At El Paso, if one of the above extra boards is exhausted, then another (secondary) extra board may be used prior to using other sources of supply within the zone. Secondary extra boards shall be identified by bulletin.
2. An engineer called from his/her extra board for an assignment in another area not primarily covered by their extra board shall be handled as follows:
 - a. Pay received for this assignment shall not be used as an offset for extra board guarantee but shall be in addition to, however, it shall be used in computing whether the engineer is entitled to protection pay at the end of the month.
 - b. An engineer unavailable at time of call for secondary assignments shall have a deduction made in their extra board guarantee in accordance with the extra board agreement and shall have an offset to their protection in accordance with the protection offset provisions. If miss called for secondary calls, the engineer shall not be placed on the bottom of the board but will hold his/her place.
 - c. An engineer unavailable at time of call for secondary assignments shall not be disciplined.

V. TERMINAL AND OTHER CONSOLIDATIONS

- A.** The several yards at El Paso shall be combined into a single terminal. Yard engineers shall not be restricted as to where in the terminal they can operate. The new terminal limits shall be as follows:

SUBDIVISION/LINE		MILEPOST
Valentine		820.0
Lordsburg		1291.54
Carrizozo		1300.54

- B.** The provisions of **A** above will not be used to enlarge or contract the current limits except to the extent necessary to combine into a unified operation.
- C.** With the implementation of this Agreement all areas, trackage, stations and facilities in the Hub shall be common to all engineers as a single unified system. Engineers shall not be restricted in the Hub where they can operate except on the basis of CBA

provisions that set forth limits of an assignment such as the radius of a road switcher.

- D.** Road crews may receive/leave their trains at any location within the consolidated terminals and may perform work within the terminals pursuant to the controlling collective bargaining agreement, including National Agreement provisions.
- E.** Within terminals, the carrier will designate the on/off duty points for all road and yard crews. Such on/off duty points will have appropriate facilities as currently required by the controlling collective bargaining agreement and/or by governmental statute or regulation.
- F.** The following payment applies to Alfalfa yard:
 - 1. The 20 minute payment currently paid to pre October 31, 1985 employees shall continue to be paid to regularly assigned engineers who report to this location.
 - 2. A 20 minute payment shall be paid to those extra board engineers (both pre and post October 31, 1985) who fill vacancies at this location and report directly to this location at the call time.

VI. AGREEMENT COVERAGE

- A.** General Conditions for Terminal Operations.
 - 1. Initial delay and final delay will be governed by the controlling collective bargaining agreement, including the Duplicate Pay and Final Terminal Delay provisions of the 1986 and 1991 National and Implementing Agreements and awards.
 - 2. Engineers will be transported to/from their trains to/from their designated on/off duty point in accordance with Article VIII, Section 1 of the May 1986 National Agreement. The Carrier shall designate the on/off duty points for engineers within a terminal. Suitable transportation includes Carrier owned or provided passenger carrier motor vehicles or taxi, but excludes other forms of public transportation.
 - 3. The current application of National Agreement provisions regarding road work and Hours of Service relief under the combined road/yard service Zone, shall continue to apply. Yard engineers at any location within the Hub may perform such service in all directions out of their terminal.
 - 4. SPEL and SSW engineers who have earned their vacation for the year 2000 in 1999 shall be allowed to take the number of weeks provided in their current vacation agreement for the year 2000.

B. General Conditions for Pool/Assigned Operations in Article III.

1. The terms and conditions of the pool operations set forth in Article III (A-L), shall be the same except where specifically provided otherwise in those Sections. The terms and conditions are those of the surviving collective bargaining agreement as modified by subsequent national agreements, awards and implementing documents and those set forth in this Agreement.
2. **Twenty-Five Mile Zone** - Pool engineers may receive their train up to twenty-five miles on the far side of the terminal and run on through to the scheduled terminal. Engineers shall be paid an additional one-half (2) basic day for this service in addition to the miles run between the two terminals. If the time spent in this zone is greater than four (4) hours, then they shall be paid on a minute basis. This payment shall be at the pro rata through freight rate.

EXAMPLE: An El Paso-Vaughn crew receives their westbound train fifteen (15) miles east of Vaughn and runs to El Paso. They shall be paid the actual miles established for the El Paso - Vaughn run and a minimum of an additional one-half basic day for handling the train from the point fifteen (15) miles east of Vaughn back through that terminal. (See Q&As for additional information.)
3. **Turnaround Service/Hours of Service Relief**. Except as provided in (2) above, turnaround hours of service relief at both home and away from home terminals shall be handled by extra boards, if available, prior to using pool engineers in turn around service. Engineers used for this service may be used for multiple trips in one tour of duty in accordance with the designated collective bargaining agreement rules. Extra boards may handle this in all directions out of a terminal. At El Paso each extra board will protect its primary area of coverage unless the other is exhausted.
4. Nothing in this Section B (2) and (3) prevents the use of other engineers to perform work currently permitted by prevailing agreements, including, but not limited to yard engineers performing Hours of Service relief within the road/yard zone, ID engineers performing service and deadheads between terminals, road switchers handling trains within their zones and using a engineer from a following train to work a preceding train and payments required by the controlling CBA shall continue to be paid when this work is performed.
5. Engineers, both pool and extra board, when called in turnaround hours of service relief shall be considered called as in combination deadhead/service and shall be paid as such.

- C. **Agreement Coverage** – Engineers working in the Southwest Hub shall be governed, in addition to the provisions of this Agreement, by the Collective Bargaining Agreement selected by the Carrier, including all addenda and side letter agreements pertaining to that agreement and previous National Agreement/Award/Implementing Document provisions still applicable. Except as specifically provided herein the system and national collective bargaining agreements, awards and interpretations shall prevail. None of the provisions of these agreements are retroactive. The Carrier has selected the SP WEST modified BLE Agreements.

VII. PROTECTION.

- A. Due to the parties voluntarily entering into this agreement the Carrier agrees to provide New York Dock wage protection (automatic certification) to all prior right engineers who are listed on the Southwest Hub Merged Rosters and working an assignment (including a Reserve Board) on March 24, 1999. (The term working shall also include those engineers disciplined and later returned to work and those full time Union Officers should they later return to service with the Carrier.) This protection will start with the effective (implementation) date of this agreement. The engineers must comply with the requirements associated with New York Dock conditions or their protection will be reduced for such items as layoffs, bidding/displacing to lower paying assignments when they could hold higher paying assignments, etc. Protection offsets due to unavailability are set forth in the Questions and Answers and side letter #1.
- B. This protection is wage only and hours will not be taken into account.
- C. Engineers required to relocate under this agreement will be governed by the relocation provisions of New York Dock. In lieu of New York Dock provisions, engineers required to relocate may elect one of the following options:
1. Non-homeowners may elect to receive an “in lieu of” allowance in the amount of \$10,000 upon providing proof of actual relocation.
 2. Homeowners may elect to receive an “in lieu of” allowance in the amount of \$20,000 upon providing proof of actual relocation.
 3. Homeowners in Item 2 above, who provide proof of a bona fide sale of their home at fair value at the location from which relocated, shall be eligible to receive an additional allowance of \$10,000.
 - (a) This option shall expire five (5) years from date of application for the allowance under Item 2 above.
 - (b) Proof of sale must be in the form of sale documents, deeds, and filings of these documents with the appropriate agency.

4. With the exception of Item 3 above, no claim for an "in lieu of" relocation allowance will be accepted after two (2) years from date of implementation of this agreement.
 5. Engineers receiving an "in lieu of" relocation allowance pursuant to this implementing agreement will be required to remain at the new location, seniority permitting, for a period of two (2) years.
 6. Under no circumstances shall an engineer be permitted to receive more than one (1) "in lieu of" relocation allowance under this implementing agreement.
 7. In addition to those engineers required to relocate, engineers at the location where assignments are relocated from shall be treated as required to relocate under this Agreement, seniority governing on a one for one basis equal to the number of assignments transferred. Once the number of "in lieu of" allowances are granted equal to the number of assignments transferred all other moves associated with the specific number of assignments transferred will not be eligible for any moving allowance.
- D.** There will be no pyramiding of benefits.
- E.** Engineers who do not have an interim protection shall select either the calendar year 1995 or 1996 to have their TPA calculated. Local Chairmen will provide the protection bureau a list of the names and SSN's and the year that the engineer selects to have his/her TPA developed. If an engineer is currently covered by an interim protection TPA due to the merger, then the engineer may elect to retain that TPA or select the period January 1, 1995 through December 31, 1995. When TPA's are mailed to the engineers the engineer must respond within thirty days from the date of the letter if they elect to retain the interim TPA. Engineers who were employed after the year 1995 shall use the twelve month period prior to implementation.
- F.** Those who elect to retain the interim (SPEL&SSW) TPA's shall have them adjusted the equivalent of the General Wage increase of July 1, 1997. All TPA's shall be eligible for the July 1, 1999 General Wage increase and SPEL and SSW engineers who worked a yard assignment a minimum of 150 yard shifts during their test period shall have a further adjustment of 2.3%. These are subject to this proposal being initialed by July 1, 1999.
- G.** The TPA for union officers will be based on the two engineers above and two engineers below the officer with regular work records on the pre-merger roster or their regular TPA, whichever is larger. Engineers with a current ID protection or a temporary SP West modification protection must either elect to retain that protection

in accordance with those agreements or this New York Dock protection. Failure to so elect will result in retention of the ID or modification protection TPA.

- H. Engineers will be treated for vacation, payment of arbitraries and personal leave days as though all their service on their original railroad had been performed on the merged railroad. Engineers assigned to the Southwest Hub seniority roster with a seniority date prior to March 24, 1999 shall have entry rate provisions waived and engineers hired after that date shall be subject to the rate progression provisions of the controlling CBA. Those engineers leaving the Southwest Hub will be governed by the CBA where they then work.
- I. National Termination of Seniority provisions shall not be applicable to engineers hired prior to the effective date of this agreement.

VIII. FAMILIARIZATION

- A. Engineers involved in the consolidation of the Southwest Hub covered by this Agreement whose assignments require performance of duties of a new geographic territory not familiar to them will be given familiarization opportunities as quickly as possible. Engineers will not be required to lose time or ride the road on their own time in order to qualify for these new operations.
- B. Engineers will be provided with a sufficient number of familiarization trips in order to become familiar with the new territory. Issues concerning individual qualification shall be handled with local operating officers. The parties recognize that different terrain and train tonnage impact the number of trips necessary and an operating officer will be assigned to the merger that will work with the local managers of Operating Practices in implementing this Section. If disputes occur under this Agreement they may be addressed directly with the appropriate Director of Labor Relations and the General Chairman for expeditious resolution.
- C. It is understood that familiarization required to implement the merger consolidation herein will be accomplished by calling a qualified engineer (or qualified Manager of Operating Practices) to work with an engineer called for service on a geographical territory not familiar to the engineer.
- D. Engineers who work their assignment (road or yard) accompanied by an engineer taking a familiarization trip shall be paid one (1) hour at the pro rata rate, in addition to all other earnings for each tour of duty. This payment shall not be used to offset any extra board payments. The provision of 3 (a) and (b) Training Conditions of the System Instructor Engineer Agreement shall apply to the regular engineer when the engineer taking the familiarization trip operates the locomotive.
- E. Locomotive engineers will not be required to make the decision on whether or not an engineer being familiarized is sufficiently familiarized for the territory.

IX. IMPLEMENTATION

- A.** The Carrier shall give 30 days notice for implementation of this agreement , if ratified prior to August 15, 1999. If ratified after August 15, 1999 the Carrier shall give 10 days notice for implementation.
- B.** After notice of acceptance of this agreement, the appropriate Labor Relations Personnel, CMS Personnel, General Chairmen and Local Chairmen will convene a workshop to implement assembly of the merged seniority rosters. At this workshop, the representatives of the Organization will participate with the Carrier in constructing consolidated seniority rosters as set forth in **Article II** of this Implementing Agreement.
- C.** Engineers who are on assignments on the day of implementation shall remain on those assignments unless abolished or unless they make application to another vacancy or are displaced by engineers with displacement rights under the controlling CBA. This agreement does not create displacement rights due to its implementation. See the Article on implementation which covers the bulletining of extra board and other common positions. At a minimum the carrier shall bulletin UP/SPEL yard assignments at El Paso, the two extra boards at El Paso, all zone 2 non pool assignments and all non baseline pool assignments.
- D.** Dependent upon the Carriers manpower needs, the Carrier will develop (for zones 2 and 3) a pool of representatives of the Organization, with the concurrence of the General Chairmen, which, in addition to assisting in the preparation of the rosters, will assist in answering engineer's questions. In addition to questions, explanations of the seniority consolidation and implementing agreement issues, discussing merger integration issues with local Carrier officers and coordinating with respect to CMS issues relating to the transfer of engineers from one zone to another or the assignment of engineers to positions. Due to minor qualification issues and seniority changes in Zone 1 this pool may be developed if needed, however it is not mandatory to do so.

X. HEALTH AND WELFARE

A. Engineers currently are under either the National Plan or the Union Pacific Hospital Association. Engineers coming under a new CBA will have six months from the implementation of this agreement to make an election as to keeping their old coverage or coming under the coverage of their new CBA. Engineers who do not make an election will have been deemed to elect to retain their current coverage. Engineers hired after the date of implementation will be covered under the plan provided for in the surviving CBA.

B. If an engineer is covered under a group life and/or disability insurance policy provided for in his/her collective bargaining agreement, and that collective bargaining agreement is not the surviving collective bargaining agreement, the Carrier shall continue

the premium payments required at the time of implementation of this agreement for those engineers presently covered under those provisions for a period of six years, beginning January 1, 1998.

This Agreement is entered into this ____ day of _____ 1999.

For the Organization:

For the Carrier:

General Chairman BLE UP

General Director Labor Relations

General Chairman BLE SPWest

General Director Labor Relations

General Chairman BLE SSW

Assistant Vice President Southern Region

General Chairman BLE SP East

Vice-President BLE

Vice-President BLE

BLE QUESTIONS AND ANSWERS SOUTHWEST HUB

Article I –SOUTHWEST HUB

- Q1. How far west of Yuma may a Southwest Hub engineer work?
A1. As far as Niland for hours of service work and the area of assignments that go on duty at Yuma and El Centro when they hold those assignments or fill them on a short term vacancy basis.
- Q2. When the language says “not including” a point may engineers work into that point and if so what work may they do.
A2. Yes, engineers may work into those points. For example, LA Hub pool engineers may work into Yuma and perform any work permitted by applicable agreements for that class of service with Yuma as their final terminal.

Article II – SENIORITY AND WORK CONSOLIDATION

- Q3. How long will pool and yard prior rights be in effect?
A3. These will be phased out at differing times depending on the type of service.
- Q4. Are full time union officers including full time state legislative board representatives, Company officers, medical leaves and those on leave working for government agencies covered under Article II, F?
A4. Yes.
- Q5. How many engineers are covered by the inactive roster referenced in Article II.F?
A5. The “inactive roster” noted in Article II.F, refers to the status of engineers who are not in active service who pre-merger were on a UP/SSW/SPEL/EP&SW or SPWL roster with rights to work in the Southwest Hub. Such engineers include those on leave of absence for government, union and company service, medical leave including disability, etc. Because those engineers have rights to exercise seniority upon return to active service but may not do so from inactive status, such engineers will be required to select a Hub upon their return to active service. It is not possible to predict the number of people who may return from inactive status and, thereafter, the Hub that such people may select upon their return. Therefore, eligibility to mark up in a Hub must be determined for each individual upon that individuals return to active status.
- Q6. Does the “earliest retained hire date” in Article II B (1) refer only to an operating craft date?
A6. No, it refers to the earliest retained hire date regardless of position. However if an engineer took an allowance that required them to relinquish that seniority then that date would no longer apply.
- Q7. When the new rosters are created, will there be any distinctions between former UP, SSW, SPEL, EP&SW and SPWL engineers?

- A7. No, for assignments filled from the zone roster. Pool and yard prior right assignments will be from different pre merger rosters.

ARTICLE III – POOL/ASSIGNED SERVICE OPERATIONS

- Q8. Will existing pool freight terms and conditions apply on all pool freight runs?
A8. Blue print provisions will, however the terms and conditions set forth in the surviving collective bargaining agreements and this document will govern other provisions.
- Q9. How will the crews know the miles of the new assignments?
A9. The parties will meet and review the mileage and a chart will be given to timekeeping, Local Chairmen and posted at various locations.

ARTICLE IV – EXTRA BOARDS

- Q10. How many extra boards will be established at implementation?
A10. The number is not known at this time. There will be a phase in of the familiarization process and they will be consolidated and established as this process proceeds, however the two extra boards at El Paso will be established at implementation.
- Q11. Are these guaranteed extra boards?
A11. Yes. The pay provisions and guarantee offsets and reductions will be in accordance with the surviving CBA guaranteed extra board agreement.
- Q12. When will the Yuma extra board cover all the assignments provided for in this agreement?
A12. When this Agreement is implemented and notice is served to combine the extra boards.

ARTICLE V – TERMINAL CONSOLIDATIONS

- Q13. Are the national road/yard Zones covering yard engineers measured from the new terminal limits where the yard assignment goes on duty?
A13. The new terminal/station limits where the yard engineer goes on duty will govern.

ARTICLE VI – AGREEMENT COVERAGE

- Q14. When the surviving CBA becomes effective what happens to existing claims filed under the other collective bargaining agreements that formerly existed in the Southwest Hub?
A14. The existing claims shall continue to be handled in accordance with those agreements and the Railway Labor Act. No new claims shall be filed under those agreements once the time limit for filing claims has expired for events that took place prior to the implementation date.
- Q15. How will vacations for 2000 be handled?

A15. Vacations for 2000 will be scheduled at the end of 1999 under the provisions of the then prevailing agreements.

Q16. If an engineer in the 25 mile zone is delayed in bringing the train into the original terminal so that it does not have time to go on to the far terminal, what will happen to the engineer?

A16. Except in cases of emergency, the engineer will be deadheaded on to the far terminal.

Q17. Is it the intent of this agreement to use engineers beyond the 25 mile zone?

A17. No. These provisions only apply to outbound engineers at their initial terminal within 25 miles of the initial terminal.

Q18. In Article VI. B., is the 2 basic day for operating in the 25 mile zone frozen and/or is it a duplicate payment/ special allowance?

A18. No, it is subject to future wage and COLA adjustments and it is not a duplicate payment/special allowance and thus applies equally to pre and post 1985 engineers and engineers hired/promoted subsequent to the provisions of this agreement.

Q19. How is an engineer paid if they operate in the 25 mile zone?

A19. If an engineer is transported to his/her train 10 miles East of Vaughn and takes the train to El Paso and the time spent is one hour East of Vaughn and 11 hours between Vaughn and El Paso with no initial or final delay earned,(total time on duty 12 hours) the engineer shall be paid as follows:

- A. One-half basic day for the service East of Vaughn because it is less than four hours spent in that service.
- B. The road miles between Vaughn and El Paso.
- C. Overtime, if any, based on the governing CBA provisions, calculated on the miles between Vaughn and El Paso and the 11 hours travel time between those two points.

Q20. Are miles in the 25 mile zone added to the district miles of the run?

A20. No, and time spent in the zone does not factor into the computation of overtime; however, if the time spent within the zone, if factored into the computation of overtime, would produce road overtime earnings for the tour of duty in excess of the minimum four (4) hour payment, the higher overtime earnings would apply in lieu of the minimum four hour payment.

EXAMPLE: An engineer on a 130 mile run works 6 hours in the 25 mile zone and 7 hours completing their trip to the far terminal. The engineer shall compute his/her time in two ways:

- 1. 6 hours at straight time in the 25 mile zone and 130 miles for the 7 hours (straight time) on the 130 mile trip; or

2. 13 hours on duty for a 130 mile trip, eight hours at straight time and 5 hours overtime;

And shall be paid the greater amount.

Q21. How will initial terminal delay be determined when performing service in the 25 mile zone?

A21. Initial terminal delay for engineers entitled to such payments will be governed by the applicable collective bargaining agreement and will not recommence when the engineer operates back through the on duty point. Operation back through the on duty point shall be considered as operating through an intermediate point.

Q22. Is it the intent of this agreement to use engineers in the 25-mile zone if not qualified to operate on that territory?

A22. No, it is not the intent of this agreement to require engineers to operate against their will within the 25 mile zone if not qualified on such territory.

Q23. If the away from home terminal is outside this Hub will the 25 mile zone rule apply?

A23. If the away from home terminal is in a Hub that also has a 25 mile zone rule then this rule will apply for Southwest engineers while at the away from home terminal. If the away from home terminal is in a Hub or non merged area that does not have a similar rule then the rule will not apply while at that away from home terminal.

Q24. Where is the 25 mile zone measured from?

A24. The same terminal limits as used by yard crews in their road/yard zone.

Q25. Does the language of VI B 3 prohibit the use of pool freight engineers in straight away combination deadhead/service from picking up a train whose engineer had earlier expired under the Hours of Service Act?

A25. No, the language of Article VI B 4 clearly preserves that service. The language of VI B 3 provides that extra boards will be used before pool engineers in turnaround hours of service relief and does not require that they be used prior to pool engineers in straight away service.

Q26. May engineers run through their destination terminal up to 25 miles?

A26. No, the twenty-five mile provisions are only for obtaining a train on the far side of a terminal and not for running through their destination terminal.

Q27. How will an engineer be paid who is used in the twenty-five mile zone to obtain a train, brings the train into the original on-duty terminal (now an intermediate point) and then deadheaded on to the far terminal because of insufficient time to continue with the train?

A27. The engineer will be paid under the twenty-five mile provisions for the work in that Zone and deadheaded in combination deadhead/service. For example on a run of 190 miles, if an employee worked 8 hours in the 25 mile zone and then deadheaded

on to the far terminal they would be paid 8 hours plus 190 miles. Engineers will be deadheaded to the far terminal in these situations.

ARTICLE VII – PROTECTION

Q28. What rights does an engineer have if he/she is already covered under labor protection provisions resulting from another transaction?

A28. Section 3 of New York Dock permits engineers to elect which labor protection they wish to be protected under. By agreement between the parties, if an engineer has three years remaining due to the previous implementation of Interdivisional Service the engineers may elect to remain under that protection for three years and then switch to the number of years remaining under New York Dock. It is important to remember that an engineer may not receive duplicate benefits, extend their protection period or count protection payments under another protection provision toward their test period average for this transaction. Those receiving ID protection as a result of the implementation of the service to Vaughn may revert to any modification protection if they have any remaining when their ID protection ends.

Q29. How will reductions from protection be calculated?

A29. In an effort to minimize uncertainty concerning the amount of reductions and simplify this process, the parties have agreed to handle reductions from New York Dock protection as follows:

1. **Pool freight assignments** – 1/15 of the monthly test period average will be reduced for each unpaid absence of up to 48 hours or part thereof. Absences beyond 48 hours will result in another 1/15 reduction for each additional 48 hour period or part thereof.
2. **Five day assignments** - 1/22 of the monthly test period average will be reduced for each unpaid absence of up to 24 hours or part thereof. Absences beyond 24 hours will result in another 1/22 reduction for each additional 24 hour period or part thereof.
3. **Six & seven day assignments** – The same process as above except 1/26 for a six day assignment and 1/30 for a seven day assignment.

NOTE: There shall be no offset from protection for rest days on five day and six day assignments,.

4. **Extra board assignments** - 1/30 of the monthly test period average will be reduced for each unpaid absence of up to 24 hours or part thereof. Absences beyond 24 hours will result in another 1/30 reduction for each additional 24 hour period or part thereof.

NOTE: Absences on the extra board shall be calculated from the time of unavailability (layoff, missed call, etc) until the next time called for service. For

example: If a engineer lays off on Monday at noon, marks up the next day, Tuesday, and does not work until 2 AM on Wednesday, then they shall be off for protection purposes for thirty-eight (38) hours and shall be deducted 2/30 of their protection.

Q30. Why are there different dollar amounts for non-home owners and homeowners?

A30. New York Dock has two provisions covering relocating. One is Article I, Section 9, Moving Expenses and the other is Section 12, Losses from Home Removal. The \$10,000 is in lieu of New York Dock moving expenses and the remaining \$20,000 is in lieu of loss on sale of home.

Q31. Why is there one price on loss on sale of home

A31. It is an in lieu of amount. Engineers have an option of electing the in lieu of amount or claiming New York Dock benefits. Some people may not experience a loss on sale of home or want to go through the procedures to claim the loss under New York Dock.

Q32. What is loss on sale of home for less than fair value?

A32. This refers to the loss on the value of the home that results from the Carrier implementing this merger transaction. In many locations the impact of the merger may not affect the value of a home and in some locations the merger may affect the value of a home.

Q33. If the parties cannot agree on the loss of fair value what happens?

A33. New York Dock Article I, Section 12(d) provides for a panel of real estate appraisers to determine the value before the merger announcement and the value after the merger transaction.

Q34. What happens if a engineer sells the home for \$20,000 to a family member?

A34. That is not a bona fide sale and the engineer would not be entitled to either an in lieu of payment or a New York Dock payment for the difference below the fair value.

Q35. What is the most difficult part of New York Dock in the sale transaction?

A35. Determine the value of the home before the merger transaction. While this can be done through the use of professional appraisers, many people think their home is valued at a different amount.

Q36. Who is required to relocate and thus eligible for the allowance?

A36. A engineer who can no longer hold a position at his/her location and must relocate to hold a position as a result of the merger. This excludes engineers who are borrow outs or forced inside the Hub and released and engineers who have to exercise seniority due to a non merger event.

Q37. Are there any seniority moves that will be treated as required to relocate?

A37. Yes and the following is an example:

Example 1: The El Paso portion of the Tucson-El Paso pool is moved to Tucson. Senior engineers from El Paso who bid in the turns in Tucson are eligible for the allowance.

Example 2: The same turns are moved, however, a more senior engineer on a Lordsburg Local makes application for one of the turns. While this engineer may receive a relocation allowance, the filling of his/her assignment will be a seniority move and the Carrier is not required to pay an additional allowance.

Q38. Are there mileage components that govern the eligibility for an allowance?

A38. Yes, the engineer must have a reporting point farther than his/her old reporting point and at least 30 highway miles between the current home and the new reporting point and at least 30 highway miles between reporting points.

Example 1: If the on-duty point for road engineers is relocated from one part of El Paso to another location in the terminal, both within the same Terminal, this does not trigger a relocation allowance.

Example 2: An engineer's home is in Tucson but he/she has worked the pool with an on duty point at El Paso. When the pool turn is transferred to Tucson the engineer is now closer to their home and is not entitled to a homeowners relocation allowance.

Q39. At what time did an engineer need to be a homeowner to qualify as a home owner for relocation purposes?

A39. New York Dock protects homeowners due to loss on sale of home that are caused by the merger. While other Hubs had an earlier date, due to the time lapse between the first and this Hub the Carrier has agreed to cover as home owners those who owned a home on or before October 1, 1998.

Q40. Will engineers be allowed temporary lodging when relocating?

A40. Engineers entitled to a relocation allowance shall be given temporary lodging for thirty (30) consecutive days as long as they are marked up.

Q41. Are there any restrictions on routing of traffic or combining assignments?

A41. There are no restrictions on the routing of traffic in the Southwest Hub once the 30 day notice of implementation has lapsed. There will be a single collective bargaining agreement and limitations that currently exist in that agreement will govern (e.g. radius provisions for road switchers, road/yard moves etc.). However, none of these restrictions cover through freight routing. The combining of assignments between the Carriers is covered in this agreement and is permitted.

- Q42. Will the Carrier offer separation allowances?
A42. The Carrier will review its manpower needs at each location and may offer separation allowances if the Carrier determines that they will assist in the merger implementations..
- Q43. How will Union Officers TPA's be established?
A43. The Carrier will average the two above and two below (on the pre-merger rosters) in the same class of service. If greater than their regular TPA it shall be used. Engineers with unusually high or low TPA's will not be considered.
- Q44. How will an engineer be advised of their test period earnings?
A44. Test period averages will be furnished to each individual and the General Chairmen.
- Q45. Is vacation pay received during the test period considered as compensation?
A45. Yes, and used to determine if the TPA has been reached for the month when paid.
- Q46. Regarding the above question, if an engineer is on vacation the entire month and the vacation pay thereof is less than his TPA, would he be entitled to draw a displacement for the difference?
A46. Yes.
- Q47. How is length of service calculated?
A47. It is the length of continuous service an engineer has in the service of the Carrier with a month of credit for each month of compensated service.
- Q48. If an engineer has two years of engineer's service and three years of conductor service, and one year of clerical service how many years of NYD protection will they have?
A48. Six.
- Q49. How will the engineers know which jobs are higher rated?
A49. The Carrier will periodically post job groupings identifying the highest to lowest paid jobs.
- Q50. Will specific jobs be identified in each grouping?
A50. Pools, locals and extra boards may be identified separately but yard jobs and road switchers will not be.
- Q51. If an engineer has worked full time in yard service during the test period, will they have to place in road service if it is the highest paying assignment to keep from having offsets?
A51. Recognizing that some engineers have spent considerable time in the yard and have not been on the road in some time, the Carrier will allow these engineers to remain in yard service. It will be the responsibility of the Local Chairmen to identify

these individuals. This does not apply to other assignments nor to engineers who worked both in the yard and on the road even if the road service was emergency road service.

- Q52. If an engineer has started their NYD protection in another Hub and they elect to place in the Southwest Hub will they start their NYD protective period over?
A52. No, they will continue on with the same time period that started with the implementation of the other Hub.
- Q53. If an engineer is displaced does an offset to his/her TPA begin immediately upon being notified?
A53. By agreement between the parties, the Carrier will allow an engineer up to three hours after being notified to make a displacement without an offset being applied.
- Q54. If an engineer is displaced from his/her assignment and not immediately notified of the displacement, will their New York Dock protection be reduced?
A54. An engineer's reduction from New York Dock protection would not commence until notification or attempted notification by telephone or in person using normal calling procedures. The reduction would continue until the engineer placed himself/herself. Computer records will be referred to when needed.

Article IX –FAMILIARIZATION

- Q55. Are there a set number of trips that an engineer will take in learning new territory?
A55. No, since engineers have differing experiences the number of trips will vary and the local chairmen will work with local operating officers on the number and type of trips needed.
- Q56. An engineer who makes familiarization trips only on the portion of the geographic territory where he intends to work may later exercise seniority or be forced to another part of the territory with which he is not familiar. Does this Agreement apply to the necessary additional familiarization trips?
A56. Yes, no matter how much time has elapsed from date of implementation of this Agreement.
- Q57. Who will approve an engineer as being properly familiarized on a new territory?
A57. An engineer will not be considered qualified on a new territory until check ride is given by the designated Carrier officer as per the requirements of 49 CFR, parts 240.127 and 240.129.
- Q58. If an unqualified extra engineer stands first out for an assignment and the next extra engineer is qualified, may the first out extra engineer be run-around?
A58. No, however the Carrier will attempt to place engineers unfamiliar with extra board assignments on a familiarization board (paid the same as if on the extra board) to

learn the area prior to marking up on the extra board. If the above happens then the Carrier may call the next out engineer to be a pilot, use a qualified officer to ride with them or use one of the peer training engineers.

Q59. If the next out engineer is used as a pilot, how shall they be compensated?

A59. The same as if they had operated the train plus the one hour payment in Article VIII, D.

Article X – IMPLEMENTATION

Q60. On implementation will all engineers be contacted concerning job placement?

A60. No, the implementation process will be phased in and engineers will remain on their assignments unless abolished or combined and then they may place on another assignment. When the Carrier posts the notice on pool changes and increases and decreases in extra boards Local Chairman will assist in handling the bidding, application and placement process at that time and engineers may be contacted for placement if insufficient bids/applications are received. The new seniority rosters will be available for use by engineers who have a displacement.

Q61. Are the road switchers that go on duty in the Imperial Valley remaining in the LA Hub?

A61. Yes, however short term vacancies will be protected from the Yuma Extra Board.

Q62. During the execution of this Agreement, it is possible that the parties may discover errors or omissions relating to mile post designations, crew district mileages, etc. Is it the intent of either party to hold the other party to such items because there was simply not time to verify them for accuracy?

A62. No, these type of clerical errors may be corrected when discovered.

Q63. Can an engineer be forced outside the Hub?

A63. There are not provisions in this agreement that permits an engineer to be forced outside the Hub.

Q64. What date determines what zone an SPWL engineer was working for establishing zone rights at implementation?

A64. The location an engineer was working on March 24, 1999 establishes zone rights.

Q65. On implementation day will the SPWL mountain rate apply to the Alpine pool run.

A65. Yes, because the grade meets the requirements for the payment.

Q66. When Tucson-Phoenix turnaround service is implemented how shall an engineer know that he/she is operating in turnaround service as opposed to straight away service?

A66. Engineers will be notified at call time, however this does not prevent the changing of calls prior to leaving a terminal.

June 15, 1999
Side Letter No. 1

Dear Sirs:

During our discussions on New York Dock and extended Protection we discussed the issue of a pool engineer taking a single day paid absence such as a Personal Leave day or single day vacation and the impact it will have on his/her protection. In an effort to simplify the process and to provide the pool engineer with an alternative the parties agree that a pool engineer shall have one of the following options:

- (1) Elect a single paid personal leave or vacation day and hold their turn so that if it obtains a first out status they will be first out when they are marked up no less than 24 hours later, with no deduction from their protection; or
- (2) Elect a minimum of two consecutive days paid personal leave days on pools whose round trip district miles are 400 or less or a minimum of three consecutive days on pools whose round trip district miles are more than 400 miles and not hold their turns. If the minimum number of consecutive days are met for each round trip, then no deduction will be made in their protection.

Question #1: If the round trip district miles of a run are 390 miles and initial and or final terminal delay make a payment over 400 miles how many personal leave days must be used.

Answer #1: Only the district miles are used for determining the number of personal leave days to be used. In this case two personal leave days would qualify for no deduction.

Question #2: If the round trip district miles are over 400 miles how is a deadhead counted.

Answer#2: Deadheads are already taken into account by using a 1/15th offset for pools. Since most pools do not average 15 round trips per month a 1/15th offset is less than using the average for each pool. As a result the round trip district miles are used for determining the number of personal leave days that would substitute for no offset and in this case three personal leave days would qualify.

- (3) Elect a single paid personal leave or vacation day and not hold their turn resulting in payment of a single day with a corresponding 1/15th deduction from protection.

The option must be selected by the engineer at the time the personal leave or vacation day is granted. Engineers must file the protection form each time they take paid days in accordance with the above options.

Yours truly,

W.S. Hinckley

Agreed:

General Chairman BLE

General Chairman BLE

General Chairman BLE

General Chairman BLE

June 15, 1999
Side Letter No. 2

Gentlemen:

During negotiations the parties spent considerable discussion concerning the intent and meaning of NOTE 1 of Article I. It was agreed that further detail would be provided in a side letter explaining how different types of operations would be affected.

Therefore, the following is meant to give further definition to the NOTE.

Road Switchers: Road Switcher agreements in the controlling CBA provide for a 25 mile limit unless specifically provided otherwise. A road switcher that goes on duty inside the Hub or zone, would be limited by the 25 mile provisions even though the 25 miles would take the assignment into the adjoining Hub or zone. For example, a road switcher at Pratt (Southwest Hub assignment) would therefore be limited to 25 miles from the station limits in either direction. Similarly a road switcher that goes on duty in another Hub or zone may work to its limits even if those limits include part of the Southwest Hub.

Locals on duty inside the Hub: Current locals that go on duty inside the Hub or zone may continue to operate to points outside the Hub or Zone. New locals that operate in more than one Hub or zone shall be established in accordance with Article IX of the 1986 National Award.

Locals on duty outside the Hub: Current locals that go on duty outside the Hub may continue to operate to points inside the Hub. New locals that go on duty outside the Hub and operate into the Hub shall be established in accordance with Article IX of the 1986 National Award.

Current Pools and Pools established by Merger Agreements: These pools may operate between their designated terminals even if outside the Hub or Zone. They may operate up to 25 miles beyond the terminal when picking up a train in accordance with the 25 mile provisions of Article VI.

New Pools created after this Agreement: New pool operations not covered in this implementing Agreement whether between Hubs or zones or within the Hub or zone shall be handled per Article IX of the 1986 National Award.

NOTE: It is not the intent to supersede the provisions of 3,c of Article 6 of the controlling CBA. Hours or service relief required west of M.P. 667 (Niland) will continue to belong to the West Colton Pool.

Yours truly,

W.S. Hinckley

Side letter No. 2 Southwest Hub

Agreed:

General Chairman BLE

General Chairman BLE

General Chairman BLE

General Chairman BLE

June 15, 1999
Side Letter No.3

Dear Sirs:

This refers to our several discussions concerning Yuma and the Carriers plans for assignments at that location and the extra board plans for that area.

Currently Yuma is the away from home terminal for West Colton crews. In addition there are a couple of assignments (local/road switcher) that work east and a couple of assignments (local/ road switcher) that work west from Yuma. Sometimes the Carrier has run the Imperial Valley assignments from Yuma and sometimes from West Colton.

In addition to the provisions of this agreement, the following will apply:

1. The two extra boards will be consolidated on a 50/50 basis with the LA Hub entitled to prior rights to the even number assignments 2, 4, and 6. There will then be one extra board at Yuma and the extra board at Yuma will be used to fill short term vacancies on all assignments that have Yuma as a home terminal whether LA Hub vacancies or the Hub that includes Tucson, and EL Centro assignments.
2. The extra board will perform hours of service relief/turnaround service as far west as Niland (MP 667) in the LA Hub and as far east as is negotiated in the next Hub.
3. These prior rights are to be attrited and are not under the phase out provisions

Yours truly,
W.S. Hinckley

Agreed:

General Chairman BLE

General Chairman BLE

General Chairman BLE

General Chairman BLE

June 15, 1999
Side Letter No. 4

Gentlemen:

This has reference to the Merger Implementing Agreement for the Southwest Hub entered into this date.

During our negotiations there was considerable discussion surrounding the operational changes resulting from a merger of UP and SP operations. Specifically, it was your observation that the merged operation might possibly require an increased amount of transporting of engineers, and your Organization has concerns regarding the quality of the vehicles presently used for transporting engineers, as well as the drivers of said vehicles.

It was Carrier's position that there are existing procedures available to resolve any complaints regarding deficiencies in crew transportation and, as such, this was not a proper topic for inclusion in a Merger Implementing Agreement.

Without prejudice to the positions of the respective parties as set forth above, the Carrier believes it is in the best interests of all parties that routine, unannounced safety audits of crew transportation contractors be conducted, and that a process be established for prompt investigation and, if necessary, resolution of complaints of specific instances of deficiencies in this area. In this regard, this will confirm my advice given you during our negotiations that Carrier agreed it would direct its designated manager to contact a Local Chairman to be designated by your Organization for the purpose of scheduling and conducting field safety audits of transportation contractors in the hub. These safety audits will include, but not be limited to, inspection of vehicles, unannounced rides, interviewing crews, and meeting drivers. These safety audits will be performed no less frequently than quarterly.

If issues are raised by the safety audits which cannot be resolved to the satisfaction of your Organization, they may be referred to the appropriate Labor Relations Officer by the General Chairman for discussion in conference at the earliest possible date to seek a resolution. The conference will include the appropriate General Manager or his designate.

Yours truly

W. S. Hinckley
General Director-Labor Relations

Agreed:

General Chairman BLE

General Chairman BLE

General Chairman BLE

General Chairman BLE

June 15, 1999
Side Letter No. 5

Gentlemen:

This has reference to our negotiations covering the Merger Implementing Agreement entered into this date between the Union Pacific Railroad Company, Southern Pacific Lines and the Brotherhood of Locomotive Engineers. During these negotiations, the Organization expressed concern that engineers who expire on the Hours of Service Law would not be transported in a timely manner to the destination terminal.

This will confirm the advice given to you, i.e., that when an engineer ties up on the Hours of Service before reaching the objective terminal, the Carrier will make every reasonable effort to relieve subject engineer and transport him to the tie up point, expeditiously. The Carrier recognized the interests of the railroad and its engineers are best served when a train reaches the final terminal within the hours of service. In the event this does not occur, the Carrier is committed to relieving that engineer and providing transportation as soon as practical. It is understood that this commitment contemplates transportation in the form of passenger vehicle, and engineers shall not be transported to the tie-up point after Hours of Service tie-ups by means of train except in case of emergency or extraordinary circumstances which make providing a vehicle impossible.

In the event the Organization feels that this commitment is not being observed at a particular location, the General Chairman shall promptly contact the Director of Labor Relations in writing stating the reasons or circumstances thereof. Within ten (10) days after being contacted the Director of Labor Relations will schedule a conference between the parties to discuss the matter and seek a resolution. The conference will include the appropriate General Manager or his designate.

Yours truly,

W. S. Hinckley
General Director-Labor Relations

Agreed:

General Chairman BLE

General Chairman BLE

Side letter no. 5 Southwest Hub

General Chairman BLE

General Chairman BLE

June 15, 1999
Side Letter No. 6

Gentlemen:

In discussing various issues involved with the merger of the Southwest Hub, the parties hereto realize that the merger of the former properties into a unified system is a complex undertaking and with the changes in operations and seniority territories, employees covered by this Agreement will be required to perform service on unfamiliar territory.

Familiarization will be a large undertaking, and it is to the benefit of both parties that this process begin as soon as possible so that implementation can occur in a more orderly and rapid manner. Therefore, it is understood that Carrier may begin qualifying engineers on unfamiliar territory, to the extent feasible based upon operational and manpower constraints, between time of execution of this implementing Agreement and date of implementation thereof.

It is understood that familiarization will be accomplished in accordance with Article VIII Familiarization of this Agreement. Employees making familiarization trips which involve greater mileage than their existing (pre-merger) runs will be paid actual mileage to the new objective terminal. Local BLE officers will work with local Carrier officers to implement this Side Letter in the most effective manner.

If the foregoing adequately and accurately sets forth our agreement in this regard, please so indicate by signing in the space provided for that purpose below.

Yours truly,

W. S. Hinckley
General Director-Labor Relations

Agreed:

General Chairman BLE

General Chairman BLE

General Chairman BLE

General Chairman BLE

SOUTHWEST HUB MILEAGE CHART

<u>Pool</u>	<u>Mileage</u>
Pratt – Dalhart	242
Dalhart – Vaughn	195
El Paso – Vaughn	229
El Paso – Toyah	191
El Paso – Alpine	220
El Paso – Lordsburg	149
Tucson – El Paso	310
Tucson – Lordsburg	161
Tucson – Nogales (turnaround)	132
Tucson – Phoenix	121 (130 basic day)
Tucson – Phoenix (turnaround)	242
Tucson – Yuma	254
Phoenix - Yuma	278

These are base miles. In El Paso, if a location different from the one used for base miles, is used for receiving or leaving a train and engineers are currently paid additional miles they are retained.