

IMPLEMENTING AGREEMENT between The Atchison, Topeka and Santa Fe Railway Company and its employees represented by the United Transportation Union (CT&Y) & (E) concerning certain line sales to the Kansas City Southern Railway Company as approved by the Interstate Commerce Commission in Finance Docket No. 32324.

1. The Interstate Commerce Commission (ICC) in Finance Docket No. 32324 approved the line sales between Tennison (MP 56.1) and Farmersville (MP 91.1); between Dolton Jct. (MP 111.2) and Zacha Jct. (MP 62.6) and the West Dallas Spur (Hale Cement Spur) by Santa Fe to Kansas City Southern. The ICC also imposed the employee protective conditions in New York Dock Ry. --Control-- Brooklyn Eastern Dist., 360 I.C.C. 60 (1979), as clarified in Wilmington Term. RR, Inc.--Pur. & Lease--CSX Transp., Inc., 6 I.C.C. 2d 799 (1990). As a result of the line sales the following assignments may be abolished: five yard assignments at Dallas, one local at Dallas, five Road Switchers at Zacha Jct., three turns in the Dallas/Gainesville pool, six turns in the Saginaw/Dallas pool, the Dallas yardmen's extra board and the Dallas engineers' extra board and positions from the engineers' extra board at Saginaw and the combination extra board at Saginaw. It is intended these abolishments will be made on or before April 1, 1994.

2. An employee who is affected by this transaction must exercise seniority in accordance with normal agreement rules. New positions being established at the new manifest yard at Alliance will be advertised in accordance with normal agreement bulletin rules.

3. An employee who is affected by this transaction who is required to and does change his place of residence will be subject to the provisions of Section 9 and 11 of New York Dock conditions. "Change in place of Residence" means transfer to a work location which is located either (A) outside a radius of 30 miles of the employee's former work location and farther from his residence than was his former work location or (B) is located more than 30 normal highway route miles from his residence and also farther from his residence than was his former work location.

4. In lieu of Sections 9 and 12 of the New York Dock conditions, an employee who is affected by this transaction who is "required" to change his place of residence as provided by the New York Dock conditions, and does change his place of residence may elect one or both of the following:

- (a) In lieu of moving expenses as provided by Section 9 of the New York Dock, an employee may elect to receive a lump sum payment of \$3,000 and be responsible for all his moving expenses.

- (b) If the employee is a home owner and in lieu of the protection on loss of sale of home as provided by Section 11 of the New York Dock, an employee may elect to receive a lump sum payment of \$10,000 and be responsible for all his expenses in the sale of his home.

5. An employee determined to be affected as a result of this transaction, who is otherwise eligible for protective benefits and conditions under some other job security agreement, conditions or arrangements shall elect in writing within ten (10) days of being affected between the protective benefits and conditions of this Agreement and the protective benefits and conditions under such other arrangements. Should any employee fail to make an election of benefits during the period set forth in this Item 5, such employee shall be considered as electing the protective benefits and conditions of this Agreement. Written notification must be given to the employee's supervisor, with copy to the General Chairman.

6. An employee who believes that he has been affected must file a special claim within sixty (60) days of the date of the alleged adverse affect.

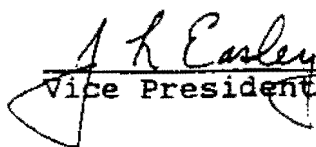
7. This Agreement is without prejudice to the positions of either party herein as to any practice, principle or rule which may be involved.

SIGNED at Schaumburg, Illinois, this 1st day of February, 1994.

ACCEPTED FOR:
United Transportation
Union (CT&Y) & (E)


General Chairman-UTU

Approved:


Vice President - UTU

ACCEPTED FOR:
The Atchison, Topeka and
Santa Fe Railway Company


Vice President - Labor Relations


Director - Labor Relations

MEMORANDUM OF AGREEMENT between The Atchison, Topeka and Santa Fe Railway Company and its employees represented by the United Transportation Union:

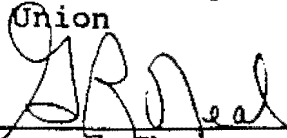
Santa Fe can extend switching limits from Saginaw (MP 355.2) to and including Alliance (MP 370) at any time. Alliance will be the on and off duty point for interdivisional crews working between Sweetwater and Alliance. Santa Fe crews who work between Sweetwater and Alliance will be allowed trip mileage of 220 miles.

Each employee listed on Attachment A to this Memorandum of Agreement will be entitled to receive a gross lump sum allowance of \$1,000, less the usual deductions. This allowance will be paid prior to April 1, 1994, and it is solely and exclusively related to the relocation of the terminal from Saginaw to Alliance.

Each employee listed on Attachment B to this Memorandum of Agreement will have the option of receiving a gross lump sum allowance of \$1,000, less the usual deductions, to be paid prior to April 1, 1994, or will receive a driving allowance of \$3 per day when they work on an position headquartered at Alliance. The \$3 allowance is not subject to any future wage increases. To elect to receive the \$3 allowance in lieu of the lump sum an employee must notify the Carrier in writing prior to March 1, 1994. Failing to notify the Carrier, the \$1,000 lump sum, less usual deductions, will automatically be paid prior to April 1, 1994.


SIGNED at Schaumburg, Illinois, this 15th day of February, 1994.

ACCEPTED FOR:
United Transportation
Union



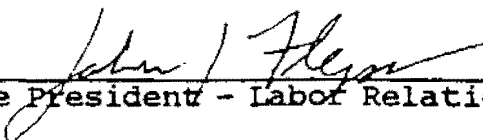
General Chairman-UTU

Approved:




Vice President - UTU

ACCEPTED FOR:
The Atchison, Topeka and
Santa Fe Railway Company



Vice President - Labor Relations



Director - Labor Relations

QUESTIONS AND ANSWERS

NEW YORK DOCK

IMPLEMENTING AGREEMENT UNDER FINANCE DOCKET 32324

Q1) On the effective date of the Kansas City Southern line sale, will any employee be automatically certified as adversely affected?

A1) No.

Q2) Will any employee be required to exercise seniority to the highest ranked position he or she can hold?

A2) No. However, if the employee is qualified to receive a protection allowance, it will be calculated based on the highest ranked position.

Q3) When an employee affected by the Kansas City Southern line sale exercises seniority to another location and displaces a junior employee, will the displaced employee be considered adversely affected and be afforded New York Dock protection?

A3) Only if the employee is required to go to a lower ranked position or required to change his residence.

Q4) Article 1, Section 1 of New York Dock (Definitions) reads - -
- "in worse position with respect to his compensation and rules governing his working conditions." Does this mean a conductor in road service will not be required to exercise seniority to a lower ranked position such as brakeman or a yard assignment?

A4) The Organization and the Carrier have ranked all positions and have provided each general chairman with the rankings to allow employees to identify the agreed upon ranking of positions.

Q5) Article I, Section 1 of New York Dock (Definitions) reads - -
- - "change in place of residence." An employee working in the Dallas yard and living near by the facility and, subsequent to the transaction, can no longer hold any position within thirty (30) miles of Dallas or at the new Alliance facility; must this employee exercise seniority?

- A5) Yes. And, the employee must exercise his seniority on his seniority district. NOTE: "Exercise seniority" could include going to a reserve board. Placement on a reserve board does not trigger Section 9 and 12 of New York Dock conditions.
- Q6) Based on Article I, Section 5 of the New York Dock, how is the displacement allowance calculated?
- A6) By taking all earnings, payments, etc., subject to IRS withholding for the twelve (12) month period prior to an individual being adversely affected by a transaction less any extraordinary payment such as signing bonuses, lump sums, productivity fund payments, profit sharing, moving/real estate lump sums and incentive bonuses for such things as temporary or permanent transfer, and dividing by twelve (12) to calculate the employee's test period average.
- Q7) Will the displacement allowance be paid on a monthly basis without regard to the hours worked?
- A7) No. In addition to compensation, the Carrier must calculate the number of hours paid for in arriving at the displacement allowance. Should an adversely affected employee work the average number of hours in the displacement allowance in less than the full month, the difference between his or her earnings and the displacement allowance will be triggered at that time.
- Q8) In the example cited in question No. 7, if the number of hours in the calculation is reached in three (3) weeks, are additional earnings used as an off-set to the guarantee payment?
- A8) No. The additional earnings may not be used as an off-set.
- Q9) Will those employees who are unable to exercise seniority in accordance with normal agreement rules subsequent to the transaction be considered as displaced or dismissed employees?
- A9) Dismissed employees.
- Q10) The employee in question No. 9 is able to hold the reserve board; does that make a difference?

- A10) Yes. The employee is considered displaced and his or her reserve board pay will be used as an off-set against New York Dock.
- Q11) Will the Carrier maintain Health and Welfare benefits for dismissed employees?
- A11) Health and welfare benefits for such employees will be handled under the terms of Section 8 of New York Dock Article I.
- Q12) If an affected employee displaces to a lower ranking position, will the employee he displaces be considered as an adversely affected employee under New York Dock?
- A12) No. And, neither will employees subsequently displaced by this displaced employee.
- Q13) Will any separation allowance paid be used in any way to off-set AT&SF - Union Trust payments due qualified employees?
- A13) No.
- Q14) What system is used to resolve a dispute subsequent to the transaction, if an employee, who does not come under the automatic certification as adversely affected, believes that he or she is, in fact, adversely affected?
- A14) In the event of any dispute as to whether or not a particular employee was affected by a transaction, it shall be his obligation to identify the transaction and specify the pertinent facts of that transaction relied upon. It shall then be the railroad's burden to prove that factors other than a transaction affected the employee. The claimant employee shall prevail on this issue if it is established that the transaction had an effect upon the employee even if other factors also may have affected the employee.
- Q15) In Question 14, should the matter not be resolved to the satisfaction of the General Chairman or Carrier, what is the next step?
- A15) First, the employee must file his or her request for certification within sixty (60) days of his or her adverse affect. Next, the Organization and/or Carrier have one-hundred eighty (180) days to resolve the dispute. If not

successfully resolved, than either party may request expedited parties pay arbitration.

Q16) How does an employee who believes himself or herself to be adversely affected by being affected by the Kansas City Southern line sale notify the Carrier?

A16) The employee must file a Special Claim Form No. 827-E Std. with a New York Dock Displacement Form attached within 60 days from the date of occurrence. To be acceptable the claim must state the employee who displaced the claimant and if possible the chain of events leading to the alleged adverse impact on the employee and if possible demonstrate that the adverse impact stemmed from the displacement of an employee who was adversely affected by the Kansas City Southern line sale.

Q17) Can an employee file more than one claim for the same alleged adverse impact as described in question No. 16?

A17) No, subsequent claims will be denied by the Carrier and will not be appealed by the Organization. NOTE: In order to file another claim, the employee must be impacted by another chain of events originating as a result of the Kansas City Southern line sale.

Q18) How will employees be advised concerning the claims filing process and time limits in which to file claims?

A18) Employees will be notified by posted bulletin or circular.

Q19) Once certified as adversely affected, does a displaced employee have to file a request for displacement allowance on a monthly basis?

A19) No, unless the employee is on a reserve board. It is the Carrier's responsibility to track employees who are certified as displaced who are not on reserve boards and if payment is due, to make payment on a monthly basis.

Q20) Once certified as adversely affected, does a dismissed (furloughed) employee have to file a request for displacement allowance on a monthly basis?

A20) Yes.

- Q21) If an affected employee displaces to a lower ranking position, can he still be considered to be an adversely impacted employee under New York Dock?
- A21) Yes. However, the employee's displacement allowance will be calculated based on the highest ranking position the employee could have held at that location.
- Q22) An employee works at Dallas on the date of the transaction of the Kansas City Southern line sale and lives within 30 miles of Dallas. This employee chooses to exercise his seniority at Gainesville. If he displaces on an equivalent or higher ranking position and the employee displaced cannot hold a position at Gainesville, will the displaced employee be entitled to Section 9 and 11 of New York Dock (moving provisions)?
- A22) Yes.
- Q23) On the date of the transaction five employees who worked at Dallas exercised their seniority at Gainesville. At that time the extra board is increased by five positions. Thirty days later, the extra board is cut by six positions. During this time business levels have remained constant. Are the six junior people considered to be adversely affected?
- A23) No. However, the five senior employees of the six reduced from the extra board will be considered to be adversely affected in these narrow circumstances and could be subject to Section 9 and 12 of New York Dock.
- Q24) If an employee was working at Dallas or on a Saginaw road job on September 28, 1993 (the date of notice of the KCS sale), and that employee is displaced between September 28, 1993 and the date of the transaction, will this employee be considered to be adversely affected?
- A24) No. However, if this employee feels that he has been adversely affected he can file a claim, and it will be reviewed by the Organization and the Carrier. Failing to satisfactorily adjust the claim in this manner, the claim will be handled expeditiously under Section 12 of New York Dock conditions.

Q25) If a yard employee who worked at Saginaw on the date of this transaction cannot hold a yard position at the new manifest yard at Alliance due to the fact an employee whose position is abolished as described in paragraph No. 1 of this implementing document is holding a position at Alliance, will the former Saginaw yard employee be eligible for benefits under New York Dock conditions?

A25) Yes. The Carrier is extending these benefits which would not otherwise be provided under the New York Dock conditions to the Saginaw yard employee only under the circumstances described in Question No. 25.


Q26) Can an employee who would have been working at Saginaw or Dallas on the date of the transaction had it not for the employee being on vacation, suspended, injured, or on an authorized leave of absence on the date of the transaction be considered as adversely affected upon return to service?

A26) Yes, so long as the employee marks up, performs service files a claim.

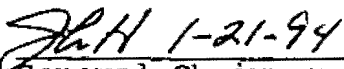
In connection with our efforts to reach a New York Dock Implementing Agreement under Finance Docket 32324, we have agreed to the preceding questions and answers, numbered 1 through 25, provided the agreement is ratified and signed into effect without arbitration. Should arbitration of the implementing agreement be necessary, the following questions and answers are voided and ineffectual.

Yours truly,


John J. Fleps
Vice President - Labor Relations

AGREED:



General Chairman - UTU (Texas)



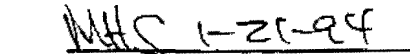
General Chairman - BLE

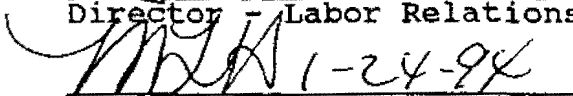


Vice President - UTU



Vice President - BLE



Director - Labor Relations


Director - Labor Relations

MEMORANDUM OF AGREEMENT between the Atchison, Topeka and Santa Fe Railway Company (Santa Fe) and the United Transportation Union (UTU) - former Northern and Southern Division.

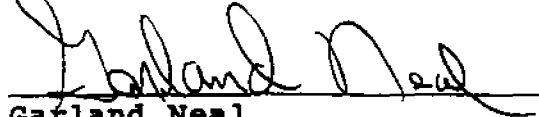
IT IS AGREED:

- 1) In connection with the opening of the Alliance facility, we have agreed to establish a maximum of three temporary positions at Alliance to assist Assistant Trainmasters in the tower while we get the Alliance facility up and running. These positions will be titled "Implementation Team Members." The basis for establishing these positions is that the current need for Assistant Trainmasters (ATMs) at Alliance is one Road ATM and one Yard ATM, but during the implementation of the new Alliance facility, some additional help is needed.
- 2) Implementation Team Member positions will be advertised by bulletin between April 11 and April 14, 1994. Any UTU represented employee on this seniority district can submit an application for one of these positions. Selection of the employees for these positions and determination of ability to hold these positions will be at the discretion of Santa Fe.
- 3) If fewer employees apply for these positions than the number of positions available and/or enough suitable employees do not make application for these positions, the number of positions available will be reduced. If no employees make application or if no suitable employees make application, no positions will be established.
- 4) Employees selected to occupy these positions will be paid a basic day at the engine foreman's rate of pay for each eight-hour period they work.
- 5) Employees occupying these positions will be required to perform any and all duties in the tower that are assigned by the Superintendent or his representative.
- 6) Implementation Team Member positions will exist until the Superintendent determines that additional help in the Alliance tower is no longer necessary. When the Superintendent, determines that additional help is no longer necessary, he will provide UTU represented employees who occupy Implementation Team Member positions and the General Chairman with written advice that the positions will be eliminated. Minimum notice will be two days.

- 7) This agreement completely settles any issue related to the propriety of ATMs activating switches at Alliance, and after the date of this agreement, no claims or issues will be progressed related to ATMs activating switches at Alliance.
- 8) This agreement is entered into on a without prejudice basis and does not imply that UTU represented employees have any right to activate switches activated by ATMs at Alliance.

Signed at Haslet, Texas, this 8th day of April, 1994.

ACCEPTED FOR THE
UNITED TRANSPORTATION UNION



Garland Neal
General Chairman
United Transportation Union

ACCEPTED FOR THE
ATCHISON, TOPEKA AND SANTA FE
RAILWAY COMPANY



Milton H. Siegel, Jr.
Director - Labor Relations



Lou Rees, Superintendent

Eules, January 21, 1994

Mr. D. E. Powers
Local Chairman
U.T.U.
Fort Worth, Texas

Dear David:

When we met on January 20 and 21, you raised the question about paying both the \$3.00 driving allowance and the \$1000 lump sum to Saginaw Yardmen. We wanted to give you a written explanation of our thinking.

As we have discussed this matter, we continually heard about the Saginaw yardmen, and we wanted to be sensitive to their situation. To do that, we agreed that Saginaw yardmen who cannot hold positions at Alliance can be eligible for benefits under New York Dock conditions. We did that by writing Question and Answer No. 25 which reads:

Q25) If a yard employee who worked at Saginaw prior to the date of this transaction cannot hold a yard position at the new manifest yard at Alliance due to the fact an employee whose position is abolished as described in paragraph No. 1 of this implementing document is holding a position at Alliance, will the former Saginaw yard employee be eligible for benefits under New York Dock conditions?

A25) Yes. The Carrier is extending these benefits which would not otherwise be provided under the New York Dock conditions to the Saginaw yard employee only under the circumstances described in Question No. 25.

By agreeing to this question and answer, we are giving something very valuable to the Saginaw yardmen. We are giving them the ability to receive benefits that could be expensive to us, and if the agreement is not ratified, the Saginaw yardmen will not have the opportunity to receive protective benefits.

At the request of your representatives, we did give the Saginaw yardmen the option of a \$3.00 allowance or a \$1000 lump sum. We think that is fair.

Again, we wanted to spell out how we have stretched to help the Saginaw Yardmen.

Milt Siegele
Marka Hughes





The Atchison, Topeka and Santa Fe Railway Company



1700 East Golf Road
Schaumburg, Illinois 60173-5860

January 28, 1994

Mr. J. L. Hogan, General Chairman
Brotherhood of Locomotive Engineers
4223 W. Pipeline
Euless, TX 76040

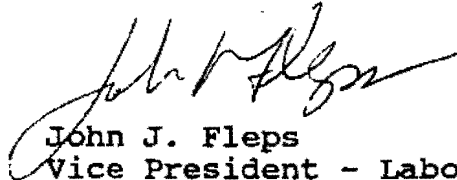
Mr. G. R. Neal, General Chairman
United Transportation Union
807-B Center Avenue
Brownwood, TX 76801

Dear Sirs:

This is to confirm our conversation in connection with the opening of the Alliance Yard and the applicable mileage allowances:

| <u>Route</u> | <u>Mileage</u> |
|--|----------------|
| Between Sweetwater and Alliance via the Dublin District | 276 |
| Over the UP between Sweetwater and Alliance | 220 |

Very truly yours,



John J. Fleps
Vice President - Labor Relations



General Chairman - BLE



General Chairman - UTU

cc: Ron Jackson
Bill Henry
Bill Smith
Chuck Gunn



The Atchison, Topeka and Santa Fe Railway Company

7412 Jefferson Street, N. E.
Albuquerque, New Mexico 87109

March 18, 1994

Mr. J. L. Hogan, General Chairman
Brotherhood of Locomotive Engineers
4223 W. Pipeline
Euless, TX 76040

Mr. G. R. Neal, General Chairman
United Transportation Union
807-B Center Avenue
Brownwood, TX 76801

Dear Sirs:

This is to confirm our conversation in connection with the opening of the Alliance Yard and the applicable mileage allowances:

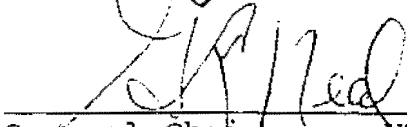
| <u>Route</u> | <u>Mileage</u> |
|--------------------------------|----------------|
| Between Gainesville and Temple | 195 |

Very truly yours,

John J. Fleps
Vice President - Labor Relations



General Chairman - BLE



General Chairman - UTU

cc: Lew Rees
Bill Henry
Bill Smith
Chuck Gunn

cc: H. GREENE
B. HAWK
D. ADAMS
P. TIBBET



The Atchison, Topeka and Santa Fe Railway Company



April 1, 1994

Mr. G. R. Neal, General Chairman
United Transportation Union (CT&Y)
807-B Center Avenue
Brownwood, Texas 76801

Dear Sir:

I am writing in connection with service out of Alliance and to document our discussions on this matter.

Upon the opening of the Alliance facility, through freight turnaround service will be operated between Alliance and Gainesville, Texas. This service will be protected from the current Dallas short pool. When a crew originating at Alliance arrives at Gainesville, the crew will be deadheaded back to Alliance in combined service. When service needs to be protected out of Gainesville, a crew will be deadheaded from Alliance to Gainesville (in combined service) and work back to Alliance.

This service will be for a 45-day trial period effective on or about the date the Alliance facility opens. When we meet on May 2, 1994, at Eules, we will evaluate these operations and decide what revisions need to be made, if any.

If this accurately documents our understanding, please sign in the space provided below, and return a copy of this letter to me.

Yours truly,

J. G. Hartenbower
Regional Manager - Labor Relations

G. R. Neal
General Chairman, UTU

cc: Messrs. L. E. Rees
M. H. Siegele, Jr.
Bill Henry
Chuck Gunn



The Atchison, Topeka and Santa Fe Railway Company



1700 East Golf Road
Schaumburg, Illinois 60173-5860

April 5, 1994

Mr. G. R. Neal, General Chairman
United Transportation Union (CT&Y)
807-B Center Avenue
Brownwood, Texas 76801

Dear Sir:

Regarding Carmen Assignments on the former Northern and Southern Divisions.

As of April 1, 1994, carmen assignments were established at the following location:

Alliance - 24 hours 7 days a week

Yours truly,

J. G. Hartenbower
Regional Manager - Labor Relations

cc: Messrs. Fleps
 Siegele
 Gunn

\03

cc: All Local Chairmen involved

T POWERS
D POWERS
H SEENE
K HARK
P TIGHE



The Atchison, Topeka and Santa Fe Railway Company



1700 East Golf Road
Schaumburg, Illinois 60173-5860

April 5, 1994

Mr. G. R. Neal, General Chairman
United Transportation Union (CT&Y)
807-B Center Avenue
Brownwood, Texas 76801

Dear Sir:

Regarding the agreement made for road and yard crews removing or handling ETM's and/or ETD's.

Alliance will be added to Attachment "A" as a payable location.

Yours truly,

J. G. Hartenbower
Regional Manager - Labor Relations

cc: Messrs. Fleps
Siegele
Gunn

cc: *All Local Chairmen involved*



The Atchison, Topeka and Santa Fe Railway Company



1700 East Golf Road
Schaumburg, Illinois 60173-5860

May 6, 1994

Mr. G. R. Neal
General Chairman
United Transportation Union
807-B Center Avenue
Brownwood, TX 76801

Dear Sir:

I write to confirm our conversations concerning the Memorandum of Agreement between the Atchison, Topeka and Santa Fe Railway and its employees represented by the United Transportation Union dated February 1, 1994. As we discussed, we have determined that the statement "position headquartered at Alliance" contained in the third paragraph of this agreement means road assignments with home terminal at the Alliance facility and yard assignments with on duty point at the Alliance facility. Therefore, employees listed on Attachment B who selected the \$3 daily allowance in lieu of the \$1,000 lump sum are eligible for the \$3 daily allowance when they go on duty on a position headquartered at the Alliance facility.

If you are in agreement with the above, please signify by signing in the space provided.

Respectfully,

Marka L. Hughes
Director - Labor Relations

AGREED:

General Chairman - UTU

cc: M. H. Siegele
C. E. Gunn
J. G. Hartenbower

Mr. Gunn:

Please begin paying the \$3 daily allowance as described above and make payments where applicable to eligible employees retroactive to the establishment of train operations at Alliance on April 1, 1994.

MLH

The Atchison, Topeka and Santa Fe Railway Company



7412 Jefferson Street, N. E.
Albuquerque, New Mexico 87109

May 9, 1994
Albuquerque, NM

Mr. G. R. Neal, General Chairman
United Transportation Union
807-B Center Avenue
Brownwood, TX 76801

Dear Mr. Neal:

This has reference to our discussion concerning the establishment of an independent herder position at Alliance, Texas, to perform all the duties of a regular herder as well as assist inbound and outbound freight crews.

The Independent Herder may be required to:

1. Herd power, including making air hose coupling between the engine and train and MUing the assembled consist.
2. Assist in making pick ups including set and release of hand brakes, making couplings, and relaying and/or giving instructions via hand and/or radio signals.
3. Assist in making set outs; spotting and securing cars, relaying and/or giving instructions via hand and/or radio signals/ including assisting in setting out bad order cars.
4. Line main track and yard switches within switching limits.
5. Make air hose couplings between cars and assist in or perform initial terminal inspection and air tests.
6. Air hose coupling (Code 13) will be allowed for each tour of duty.
7. When assisting a road crew, the independent herder will become a member of that crew.

It is understood that when an independent herder assists a conductor in performing service defined by Article II (2) of the 1992 Memorandum of Agreement as a work event, the service performed will still be a work event for the Conductor.

Questions and Answers

Q1. May an independent herder be required to bleed cuts of cars at times when he/she is not assisting a road crew?

A1. Yes.

Q2. If the independent herder is required to handle an ETD when assisting a road ground crew, will the road ground crew, also, be allowed payment for handling the ETD (Code 34)?

A2. Yes.

Independent herders will be paid the footboard yardmaster rate of pay, and will be handled in accordance with the schedule provisions for herders.

This agreement will become effective immediately and will continue in effect subject to ten (10) days written notice by either party of a desire to change to terminate same.

If the foregoing correctly describes our understanding, please sign below.

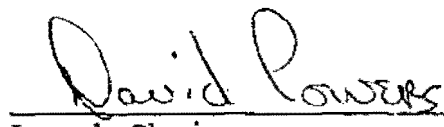
Yours truly,



J. G. Hartenbower
Regional Manager-Labor Relations

Agreed:



General Chairman
United Transportation Union

Local Chairman
United Transportation Union