

**MERGER IMPLEMENTING AGREEMENT
(Denver Hub)**

between the

**UNION PACIFIC/MISSOURI PACIFIC RAILROAD COMPANY
SOUTHERN PACIFIC TRANSPORTATION COMPANY**

and the

UNITED TRANSPORTATION UNION

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 employees 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. Denver Hub

A new seniority district shall be created that encompasses the following area: UP milepost 429.7 at Sharon Springs, Kansas; UP milepost 511.0 at Cheyenne, Wyoming ; DRGW milepost 451.7 at Grand Junction, Colorado and milepost 251.7 at Alamosa, Colorado; SSW milepost 545.4 at Dalhart, Texas and UP milepost 732.1 at Horace, Kansas and all stations, branch lines, industrial leads and main line between the points identified.

II. Seniority and Work Consolidation.

The following seniority consolidations will be made:

A. A new seniority district will be formed and master Seniority Rosters, UP/UTU Denver Hub, will be created for the employees working as Conductors, Brakemen, yardmen (the term yardman shall, in this agreement, refer to all yard positions including foreman, helper, utility man, herder and switch tender) and Firemen in the Denver Hub on November

1, 1996. (The term "trainmen" is used hereafter as a generic term to include all UTU-C, T&Y represented employees and where applicable all UTU-E represented employees). The four new rosters will be created as follows:

1. Switchmen/brakemen placed on these rosters will be dovetailed based upon the employee's current seniority date. If this process results in employees having identical seniority dates, seniority will be determined by the employee's current hire date with the Carrier.
2. Conductors placed on these rosters will be dovetailed based upon the employee's actual promotion date into the craft. If this process results in employees having identical seniority dates, seniority will be determined by the employee's current hire date with the Carrier.

Prior Rights to Zones, Example (assumes only has 5 people on roster):

Name	Roster Ranking	Zone 1 (Denver Terminal, Denver-Axial/Bond/ to Sharon Springs/Cheyenne <i>excluding Sharon Springs & Cheyenne yard/local/road switchers</i> ; Pueblo-Horace) [UPED, MPUL Pueblo roster, DRGW]	Zone 2 (Grand Junction/Denver/Bond/Montrose/Oliver/Mintum) [DRGW]	Zone 3 (Pueblo-Denver/S. Fork/Mintum/ to Dalhart, <i>excluding Dalhart</i>) [DRGW]
JONES, A.	#1	X		
SMITH, B.	#2	X		
ADAMS, C.	#3			X
BAILEY, D.	#4		X	
GREEN, E.	#5			X

3. All employees placed on the roster may work all assignments protected by the roster in accordance with their seniority and the provisions set forth in this Agreement.

4. New employees hired and placed on the new rosters on or after November 1, 1996, will have no prior rights but will have roster seniority rights in accordance with the zone and extra board provisions set forth in this Agreement.

B. The new UP/UTU seniority districts will be divided into the following three (3)

Zones:

1. **Zone 1** will include Denver east to but not including Sharon Springs and the Oakley extra board, Denver north to but not including Cheyenne, Denver west to and including Bond and Axial, Pueblo east to Horace, and all road and yard

operations within the Denver Terminal including any road switchers at Colorado Springs.

Note: The Oakley extra board is part of the Denver Hub and assignments at Oakley will be filled by the Denver Hub. The reference to Sharon Springs is for pool freight service and the work normally protected by the oakley extra board shall continue as part of the Denver Hub.

2. **Zone 2** will include Grand Junction to Denver (long pool only), Grand Junction to Montrose, Oliver, Minturn (not including Minturn helper service) and Bond and yard assignments.

3. **Zone 3** will include Pueblo to Denver, South Fork, Minturn and to Dalhart not including Dalhart, but including Minturn helper service and yard assignments.

4. Road, road/yard or yard extra boards will not be part of any zone if they cover assignments in more than one zone. Extra boards that cover assignments in only one zone will be governed by zone rules and the current rules of the collective bargaining agreement for this Hub.

C. Trainmen initially assigned to the new rosters will be accorded prior rights to one of the three zones based on the following:

1. **Zone 1** -Trainmen assigned to rosters on the former Union Pacific Eastern District 12th District, MPUL Pueblo trainmen and DRGW employees working positions within the points specified for this Zone on November 1, 1996.

2. **Zone 2** -Trainmen assigned to rosters on the former DRGW, working positions within the points specified for this Zone on November 1, 1996.

3. **Zone 3** -Trainmen assigned to rosters on the former DRGW, working positions within the points specified for this Zone on November 1, 1996.

D. Trainmen hired and assigned to the merged roster after implementation shall be assigned to a zone, but without prior rights, based on the Carrier's determination of the demands of service at that time in the Denver Hub.

E. The purpose of creating zones is twofold: First it is to provide seniority in an area that an employee had some seniority prior to the merger, or contributed some work after the merger, unless that trackage is abandoned, and thus preference to some of their prior work over employees in other zones; Second to provide a defined area of trackage and train operations that an employee can become familiar so as not to be daily covering a multitude of different sections of track. As such the following will govern:

1. Trainmen will be allowed to make application for an assignment in a different zone as vacancies arise. If reduced from the working list in their zone, trainmen may exercise their common seniority in the remaining two zones.

2. Trainmen may not hold a reserve board outside their zone. The current collective bargaining agreement is amended to provide for a reserve board for each zone.

3. Trainmen with a seniority date prior to February 1, 1992 shall be permitted to hold a reserve board in their zone. Trainmen holding a seniority date subsequent to February 1, 1992 must be displaced prior to employees being permitted to hold a reserve board position.

F. It is understood that certain runs home terminated in the Denver Hub will have away from home terminals outside the Hub and that certain runs home terminated outside the Hub will have away from home terminals inside the Hub. Examples are Denver to Cheyenne and Pueblo to Dalhart. It is not the intent of this agreement to create seniority rights that interfere with these operations or to create double headed pools. For example, Denver will continue to be the home terminal for Denver-Cheyenne runs and Cheyenne will not have equity in these runs. The Denver-Rawlins run currently has no employees assigned to it. If this operation is reestablished at a later date the current Denver-Rawlins pool agreement will continue to apply with Denver as the home terminal.

G. All vacancies within the zones must be filled prior to any trainmen being reduced from the working list or prior to trainmen being permitted to exercise to any reserve board.

H. With the creation of the new seniority district all previous seniority outside the Denver Hub held by trainmen on the new rosters shall be eliminated and all seniority inside the Hub held by trainmen outside the Hub shall be eliminated.

I. Trainmen will be treated for vacation and payment of arbitraries as though all their service on their original railroad had been performed on the merged railroad.

J. Trainmen who have been promoted to Engine service and hold engine service seniority inside the Denver Hub and working therein on November 1, 1996, shall be placed on the appropriate roster(s) using their various trainmen seniority dates. Those Engine service employees, if any, who do not have a train service date in the Denver Hub shall be given one in accordance with the October 31, 1985 UTU National Agreement.

III. Terminal Consolidations

The following terminal consolidations will be implemented in accordance with the following provisions:

A. Denver Terminal

1. The existing switching limits at Denver will now include Denver Union Terminal north to and including M.P. 6.24 and M.P. 6.43 on the Dent Branch, south to and including M.P. 5.5, east to and including M.P. 635.10, and west to and including M.P. 7.5. Yard crews currently perform service on the Boulder Branch and they may continue to do so after implementation of this agreement in accordance with existing agreements.

Note: The intent of this section is to combine the two Carrier's facilities into a common terminal and not to extend the switching limits beyond the current established points.

2. All UP and SP operations within the greater Denver area shall be consolidated into a unified terminal operation.

3. All road crews may receive/leave their trains at any location within the boundaries of the new Denver terminal and may perform work anywhere within those boundaries pursuant to the applicable collective bargaining agreements. The Carrier will designate the on/off duty points for road crews with the on/off duty points having appropriate facilities for inclement weather and other facilities as currently required in the collective bargaining agreement.

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

B. 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 1985 and 1991 National Awards and implementing agreements.

2. Employees will be transported to/from air trains to/from their designated on/off duty point in accordance with Article VIII, Section 1 of the October 31, 1996 National Agreement.

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 crews at Denver, Grand Junction and Pueblo may perform such service in all directions out of the terminal.

Note: Items 1 through 3 are not intended to expand or restrict existing rules

IV. Pool Operations.

A. The following pool consolidations may be implemented to achieve efficient operations in the Denver Hub:

1. All Grand Junction-Denver/Bond and Grand Junction-Minturn pool operations shall be combined into one pool with Grand Junction as the home terminal. Denver may have one, two or three pools, Denver-Phippsburg/Bond, Denver-Cheyenne, and Denver-Sharon Springs with the Carrier determining whether to combine the pools. Short pool operations when run shall be between Grand Junction-Bond and Denver-Bond.

2. All Pueblo-Denver and Pueblo-Dalhart pool operations shall be combined into one pool with Pueblo as the home terminal. The Pueblo-Alamosa local shall remain separate but Pueblo-Alamosa traffic may be combined with the Pueblo-Dalhart and Pueblo-Denver pool if future traffic increases result in pool operations. The Pueblo-Minturn pool shall remain separate until the number of pool turns drops below ten (10) due to the cessation of service on portions of that line, at that time, the Carrier may combine it with the remaining Pueblo pool. The Pueblo-Horace pool shall remain separate until terminated with the abandonment of portions of that line. The tri-weekly local provisions shall apply until abandonment of any portion of the line east of Pueblo where Pueblo crews now operate.

3. Pool, local, road switcher and yard operations not covered in the above originating at Grand Junction shall continue as traffic volumes warrant.

4. Helper service at Minturn shall remain separate until terminated with the cessation of service on portions of the line where the helpers operate.

5. Any pool freight, local, work train or road switcher service may be established to operate from any point to any other point within the new Seniority District with the on duty point within one of the zones.

6. The operations listed in A 1-4 above, may be implemented separately, in groups or collectively upon ten (10) days written notice from the Carrier to the General Chairman. Implementation notices covering item (5) above, shall be governed by applicable collective bargaining agreements.

7. Power plants between Denver and Pueblo may be serviced by either Pueblo-Denver pool or the Denver Extra board or a combination thereof. The Denver extra board shall be used first and if exhausted, the pool crew will be used and deadheaded home after completion of service.

B. The terms and conditions of the pool operations set forth in Section A shall be the same for all pool freight runs whether run as combined pools or separate pools. The terms and conditions are those of the designated collective bargaining agreement as modified by subsequent national agreements, awards and implementing documents and those set forth below. The basic Interdivisional Service conditions shall apply to all pool freight service. Each pool shall be paid the actual miles run for service and combination service/deadhead with a minimum of a basic day.

~~1. **Twenty-Five mile Zone** - At Grand Junction, Pueblo, Sharon Springs, Denver, Cheyenne and Dalhart, pool crews may receive their train up to twenty-five miles on the far side of the terminal and run on through to the scheduled terminal. Crews shall be paid an additional one-half (½) 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.~~

~~**Example:** A Pueblo-Denver crew receives their north bound train ten miles south of the Pueblo terminal but within the 25 mile terminal zone limits and runs to Denver. They shall be paid the actual miles established for the Pueblo-Denver run and an additional one-half basic day for handling the train from the point ten (10) miles south of the Pueblo terminal.~~

2. **Turnaround Service/Hours of Service Relief** - Except as provided in (1) above, turnaround service and Hours of Service Relief at both home and away from home terminals shall be handled by extra boards, if available, prior to setting up other employees. Trainmen 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 perform this service in all directions out of their home terminal within the Hub.

Note: Due to qualification issues at Minturn the pool crews will continue to perform Hours of Service relief at this location.

3. Nothing in this Section B (1) and (2) prevents the use of other trainmen to perform work currently permitted by prevailing agreements.,

C. Agreement Coverage - Employees working in the Denver Hub shall be governed, in addition to the provisions of this Agreement, by the Agreement between the Union Pacific Railroad Company and the UTU Union Pacific Eastern District, both road and yard, including all addenda and side letter agreements pertaining to that agreement, the 1996 National Agreement applicable to Union Pacific 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. Since most of the employees have not worked under a daily preference system in the yard the employees shall be governed by the regular application system for yard assignments and the daily preference system shall not apply in the Denver Hub.

D. After implementation, the application process will be used to fill all vacancies in the Hub as follows:

1. Prior right vacancies must first be filled by an employee with prior rights to the vacancy who is on a reserve board prior to considering applications from employees who do not have prior rights to the assignment including those in other zones within the Denver Hub. A reserve board employee will be recalled prior to considering applications from employees who do not have prior rights to the assignment.

2. If there are no prior right employees on the reserve board covering the vacant prior right assignment then the senior applicant without prior rights to the vacancy will be assigned. If no applications are received then the most junior employee on any of the other reserve boards will be recalled and will take the assignment or displace a junior employee. If there are no trainmen on any reserve board, then the senior furloughed trainman in the Denver Hub shall be recalled to the vacancy. When forcing or recalling, prior rights trainmen shall be forced or recalled to prior right assignments prior to trainmen who do not have prior rights.

3. Non prior right vacancies will be filled by the senior applicant from the dovetail roster. If no applicant then the junior employee on any reserve board in the Hub shall be recalled to the vacancy in accordance with the provisions of the UPED reserve board agreement.

V. EXTRA BOARDS

A. The following road/yard extra boards may be established to protect trainmen assignments as follows:

1. **Denver** - One conductor and one brakeman/switchman (total of 2) extra boards to protect the Denver-Cheyenne, Denver-Sharon Springs and Denver-Phippsburg and Denver-Bond pools, the Denver yard assignments and all road switchers, locals and work trains originating within these territories and extra service to any power plant and other extra board work.
2. **Pueblo** - One conductor and one brakeman/switchman (total of 2) extra boards to protect the Pueblo-Denver, Pueblo- Alamosa, Pueblo-Minturn and Pueblo-Dalhart pool operations, Pueblo Yard assignments and all road switchers, locals and work trains and other extra board work originating within the these territories. The MPUL extra board shall remain separate and shall be phased out with the Pueblo-Horace pool operations.
3. **Grand Junction** - One conductor and one brakeman/switchman (total of 2) extra boards to protect Grand Junction-Denver, Grand Junction-Bond and Grand Junction-Minturn pool(s), Grand Junction yard, road switcher, local and work train assignments and other extra board work originating within these territories. Since the extra board at Grand Junction is at a point joining two hubs, it may protect work up to but not including Helper, Utah.

Note: At each of the above locations the Carrier may operate more than these extra boards. When more than these extra board is operated the Carrier shall notify the General Chairman what area each extra board shall cover. When combining extra boards the Carrier shall give ten (10) days written notice.

B. The Carrier may establish extra boards at outside points to meet the needs of service pursuant to the designated collective bargaining agreement provisions. Extra boards at outside points such as Phippsburg may continue.

C. At any location where both UP and DRGW extra boards exist the Carrier may combine these boards into one board. If at any location there are less than three yard assignments then the extra boards referred to in A, B or C above shall be combined into a single Conductor/brakemen/switchmen extra board.

VI. PROTECTION

The Surface Transportation Board has stated that adversely affected employees shall be covered by New York Dock protection.

VII. HEALTH AND WELFARE

Employees not previously covered by the UPED agreement shall have 60 days to join the Union Pacific Hospital Association in accordance with that agreement.

VIII. IMPLEMENTATION

A. The Parties have entered into this agreement to implement the merger of the Union Pacific Railroad and Southern Pacific Railroad operations in the area covered by Notice 18W and any amended notices thereto.

In addition, the Parties understand that the overall operational implementation is being phased in to accommodate the cut over of computer operations, dispatching, track improvements and clerical support.

B. The Carrier shall give thirty (30) days written notice for implementation of this agreement and the number of initial positions that will be changed in the Hub. Employees whose assignments are changed shall be permitted to exercise their new seniority. After the initial implementation the 10 day provisions of Article IV(A)(6) and Article V(A) (note) shall govern.

C. Prior to movement to reserve boards or transfers outside the Hub, it will be necessary to fill all positions in the Denver Hub..

D. In an effort to provide for employees to follow their work to areas outside the Denver Hub, the Carrier shall advertise vacancies at locations outside the Hub for a period of one year from the implementation date, as long as a surplus of trainmen exist in the Hub, for employees to make application. The dovetail roster shall be used for determining the senior applicant. Should an insufficient number of applications be received then the junior surplus employee shall be forced to the vacancy. Employees who move by application or force shall establish new seniority and relinquish seniority in the Hub.

IX. (CREW CONSIST.)

A. Upon implementation of this agreement (award) all crew consist productivity funds that cover employees in the Hub shall be frozen pending payment of the shares to the employees both inside the Hub and outside the Hub. A new productivity fund shall be created on implementation day that will cover those employees in the Denver Hub and the funds that cover employees outside the Hub shall continue for the employees who remain outside the Hub. The Denver Hub employees shall have no interest or share in payments made to those funds after implementation date.

B. Payments into the new productivity fund shall be made in compliance with the UPED crew consist agreement. Those employees who would have participated in the shares of the productivity funds had they originally been hired on the UP Eastern District shall be eligible to participate in the distribution of the new fund except as stated in (D) below.

C. Employees who would have been covered under the UPED special allowance provisions had they been hired originally on the UP Eastern District shall be entitled to a special allowance under those provisions except as stated in (D) below.

D. Those employees who sold their special allowances/productivity funds previously are not entitled to those payments under this agreement (award).

E. While the UPED crew consist agreement will govern this Hub the Carrier is not required to place yardmen/brakemen on any local, road switcher, yard or other assignment anywhere in the Hub that is was not required to use under the least restrictive crew consist agreement that previously existed in either the Salt Lake or Denver Hub.

X. Familiarization

A. Employees will not be required to lose time or "ride the road" on their own time in order to qualify for the new operations. Employees will be provided with a sufficient number of familiarization trips in order to become familiar with the new territory. Issues concerning individual qualifications shall be handled with local operating officers. The parties recognize that different terrain and train tonnage impact the number of trips necessary and the operating officer assigned to the merger will work with the local Managers of operating practices and local chairmen in implementing this section.

XI. Firemen.

A. This agreement also covers firemen. Pre-October 31, 1985 firemen will only have seniority in the Denver Hub and if unable to work an engineer's assignment or a mandatory firemen's/hostler position they shall be permitted to hold a fireman's position first in their prior rights zone and second, using their dovetail seniority.

B. Post October 31, 1985 firemen shall continue to be restricted to mandatory assignments and if unable to hold an engine service position will be required to exercise their train service seniority in the Hub.

QUESTIONS & ANSWERS -UTU DENVER HUB

Article I - DENVER HUB

- Q1. Does the new seniority district change terminal limits at the mile posts indicated?
- A1. No. It is the intent of this agreement to identify the new seniority territory and not to change the existing terminal limits except as specifically provided elsewhere in this agreement.
- Q2. Which Hub is Grand Junction in?
- A2. For seniority purposes trainmen are in the Denver Hub, however due to the unique nature of Grand Junction being a home terminal for one Hub and away from home for another Hub, the extra board may perform service on both sides of Grand Junction.

Article II - SENIORITY AND WORK CONSOLIDATION

- Q3. What is the status of an employee who placed in the Hub after November 1, 1996 but prior to the implementation of this Award?
- A3. They shall be placed on the roster using their dovetail date but they shall not have any prior rights.
- Q4. What happens if employees still have the same seniority date based on the current hire date?
- A4. The UPED agreement has a provision for determining the seniority date under these conditions and that agreement will govern.
- Q5. Why do the zones appear to overlap?
- A5. Zones indicate a given area depending on the on duty point of an assignment. For example, for long pool service, Grand Junction is the proper zone for Grand Junction- Denver service. For short pool service Grand Junction is the zone for going to Bond and Denver is the proper zone for going Denver-Bond.
- Q6. In Article II(G), what does it mean when it refers to protecting all vacancies within a zone?
- A6. If a vacancy exists in a zone, it must be filled by a prior rights employee prior to placing employees on reserve boards. If a non prior rights employee is working in a zone then a prior rights employee must displace that person prior to going to a reserve board. If a vacancy exists in one zone and an employee in another zone is on a reserve board that person will be recalled prior to the Carrier hiring additional trainmen.

Q7. Will existing pool freight terms and conditions apply on all pool freight runs?
A7. No. The terms and conditions set forth in the controlling collective bargaining agreement and this document will govern.

Q8. Will an employee gain or lose vacation benefits as a result of the merger?
A8. No.

Q9. When the agreement is implemented, which vacation agreement will apply?
A9. The vacation agreements used to schedule vacations for 1997 will be used for the remainder of 1997. Thereafter the UPED agreement will govern.

Q10. What is the status of firemen's seniority?
A10. Firemen seniority will be dovetailed in a similar manner as trainmen.

Article III - TERMINAL CONSOLIDATIONS

Q11. If a yard job goes on duty in the previous UP yard what are the switching limits for performing work in the road/yard zone west of Denver?
A11. DRGW M.P. 7.5 will be used for all yard crews on duty in Denver.

Article IV - POOL OPERATIONS

Q12. If the on duty point for the Denver-Cheyenne pool is moved from Denver Union Terminal to the DRGW Yard, will the mileage paid be increased?
A12. Yes. The mileage will be from the center of DRGW Yard to Cheyenne.

Q13. In Article IV A 6 how would other operations be established?
A13. The controlling collective bargaining agreements would govern. For example ID service would be covered under Article IX of the 1985 National Agreement, road switchers can be established at any location under the local road switcher agreement.

Q14. In Article IV(B) Section 3 provides that the Carrier has the right to perform work currently permitted by other agreements, can you give some examples?
A14. Yes, yard crews are currently permitted to perform hours of service relief in the road/yard zone established in the National Agreement, ID crews may perform combination deadhead/service and road switchers may handle trains that are laid down in their zone.

Q15. If a crew 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 crew?
A15. Except in cases of emergency, the crew will be deadheaded on to the far terminal.

Q16. Is it the intent of this agreement to use crews beyond the 25 mile zone?

A16. No.

Q17. In Article IV(B), is the ½ basic day for operating in the 25 mile zone frozen and/or is it a duplicate payment/special allowance?

A17. No, it is subject to future wage adjustments and it is not duplicate pay/special allowance.

Q18. How is a crew paid if they operate in the 25 mile zone?

A18. If a pre-October 31, 1985 trainman is transported to its train 10 miles east of Sharon Springs and he takes the train to Denver and the time spent is one hour east of Sharon Springs and 9 hours 24 minutes between Sharon Springs and Denver with no initial or final delay earned, the employee shall be paid as follows:

- A. One-half basic day for the service east of Sharon Springs because it is less than four hours spent in that service.
- B. The road miles between Sharon Springs and Denver.
- C. One hour overtime because the agreement provides for overtime after 8 hours 24 minutes on the road trip between Sharon Springs and Denver. (210 miles divided by 25 = 8'24"

Q19. Would a post October 31, 1985 trainman be paid the same?

A19. No. The National Disputes Committee has determined that post October 31, 1985 trainmen come under the overtime rules established under the National Agreements/Awards/Implementing Agreements that were effective after that date for both pre-existing runs and subsequently established runs. As such, the post October 31, 1985 trainman would not receive the one hour overtime in C above but receive the payments in A & B.

Q20. How will initial terminal delay be determined when operating in the Zone?

A20. Initial terminal delay for crews entitled to such payments will be governed by the applicable collective bargaining agreement and will not commence when the crew operates back through the on duty point. Operation back through the on duty point shall be considered as operating through an intermediate point.

Q21. When the UPED agreement becomes effective what happens to existing DRGW/MPUL claims?

A21. The existing claims shall continue to be handled in accordance with the DRGW/MPUL Agreements and the Railway Labor Act. No new claims shall be filed under that agreement once the time limit for filing claims has expired.

Q22. Is the identification of the UPED collective bargaining agreement in Article IV© a result of collective bargaining or selection by the Carrier?

A22. Since UP purchased the SP system the Carrier selected the collective bargaining agreement to cover this Hub.

- Q23. In Article IV (D), if no applications are received for a vacancy on a prior rights assignment, does the prior right trainman called to fill the vacancy have the right to displace a junior trainman from another assignment?
- A23. Yes. That trainman has the option of exercising his/her seniority to another position held by a junior employee, within the time frame specified in the controlling collective bargaining agreement, or accepting the force to the vacancy.

Article V - EXTRA BOARDS

- Q24. How many extra boards will be combined at implementation?
- A24. It is unknown at this time. The Carrier will give written notice of any consolidations whether at implementation or thereafter.
- Q25. Are these guaranteed extra boards?
- A25. Yes. The pay provisions and guarantee offsets and reductions will be in accordance with the existing UPED guaranteed extra board agreement.

ARTICLE VI - PROTECTION

- Q26. What is loss on sale of home for less than fair value?
- A26. 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.
- Q27. If the parties cannot agree on the loss of fair value what happens?
- A27. 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.
- Q28. What happens if an employee sells a \$50,000 home for \$20,000 to a family member?
- A28. That is not a bona fide sale and the employee would not be entitled to a New York Dock payment for the difference below the fair value.
- Q29. What is the most difficult part of New York Dock in the sale transaction?
- A29. 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.
- Q30. Who is required to relocate and is thus eligible for the New York Dock benefit?
- A30. An employee 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 employees who are borrow outs or forced to a location and released.

- Q31. Are there mileage components that govern the eligibility for an allowance?
A31. Yes, the employee must have a reporting point farther than his/her old reporting point and at least 30 miles between the current home and the new reporting point and at least 30 miles between reporting points.

- Q32. Can you give some examples?
A32. The following examples would be applicable.

Example 1: Employee A lives 80 miles north of Denver and works a yard assignment at Denver. As a result of the merger he/she is assigned to a road switcher with an on duty point 20 miles north of Denver. Because his new reporting point is closer to his place of residence no relocation benefits are allowable.

Example 2: Employee B lives 35 miles north of Denver and goes on duty at the UP yard office in Denver. As a result of the merger he/she goes on duty at the DRGW yard office which is four miles away. No relocation benefits are allowable.

Example 3: Employee C lives in Pueblo and is unable to hold an assignment at that location and is placed in Zone 1, where a shortage exists, and places on an assignment at Denver. The employee meets the requirement for relocations benefits.

Example 4: Employee D lives in Denver and can hold an assignment in Denver but elects to place on a Road Switcher 45 miles north of Denver. Because the employee can hold in Denver, no relocation benefits are allowable.

Article VII-HEALTH AND WELFARE

- Q33. Must employees not covered under the UP Hospital Association join after the merger?
A33. Yes because it is part of the UPED UTU collective bargaining agreement.

Article VIII - IMPLEMENTATION

- Q34. Are there any restrictions on routing of traffic or combining assignments after implementation?
A34. There are no restrictions on the routing of traffic in the Denver 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 is covered in this agreement.

Q35. On implementation will all trainmen be contacted concerning job placement?
A35. No, the implementation process will be phased in and employees will remain on their assignments unless abolished or combined and then they may place on another assignment or on the protection board depending on surplus. see Article VIII(B). The new seniority rosters will be available for use by employees who have a displacement.

Q36. How will the new extra boards be created?

A36. When the Carrier gives notice that the current extra boards are being abolished and new ones created in accordance with the merger agreement, the Carrier will advise the number of assignments for each extra board and the effective date for the new extra board. The employees will have at least ten days to make application to the new extra board and the dovetail roster will be used for assignment to the Board. It is anticipated that the extra boards will have additional engineers added at first to help with the familiarization process.

Q37. Will the Carrier transfer all surplus employees out of the Hub?

A37. No. The Carrier will retain some surplus to meet anticipated attrition and growth, however, the number will be determined by the Carrier.

Q38. When will reserve boards be established and under what conditions will they be governed?

A38. They will be established in each zone at implementation. When reserve boards are established, they will be governed by the current agreement covering the UPED trainman at Denver.

Article IX- CREW CONSIST

Q39. When this award is implemented will the productivity funds be paid out at that time?

A39. No, the number of credits that each employee, who will be in the Hub, has earned will be determined and frozen for the pre-existing fund. They will then start earning credits in the new fund. Those employees not in the Hub will continue to earn credits in their old fund.

GENERAL

Q40. Do the listing of mileposts in Article I mean that those are the limits that employees may work?

A40. No, the mile posts reflect a seniority district and in some cases assignments that go on duty in the new seniority district will have away from home terminals outside the seniority district which is common in many interdivisional runs.

- Q41. If the milepost is on the west end of Sharon Springs can the crew perform any work in the station of Sharon Springs east of the mile post?
- A41. Yes, Sharon Springs is the away from home terminal and the crew may perform any work that is permissible under the Eastern District collective bargaining agreement. If a yard assignment is established it will not be filled by employees from the Denver Hub
- Q42. Will all pool freight be governed by the same rules?
- A42. Yes, all pool freight will be governed by the UPED interdivisional rules, such as but not limited to, initial terminal delay, overtime, \$1.50 in lieu of eating en route.
- Q43. Will all employees be paid the same?
- A43. No, the current rules differ between pre and post October 31, 1985 employees with regards to such items as duplicate payments and overtime. Since those are part of the National Agreements that supersede local rules they will continue to apply as they have applied on the UPED prior to the merger.
- Q44. What will the miles paid be for the runs?
- A44. Actual miles between terminals with a minimum of a basic day as determined by the National Agreement.