MEMORANDUM OF AGREEMENT #2211099772

between the

UNION PACIFIC RAILROAD COMPANY For The Territory Eastern District

and the

UNITED TRANSPORTATION UNION

POOL FREIGHT CONDITIONS -- ZONE 400 (DENVER HUB)

At the request of the Organization, Carrier is agreeable in amending Article IV(B) of the Denver Hub Merger Award/Supplemental Agreement as well as Rule 41, Item (x) of the basic Schedule of Agreement to the extent the following freight service pools will operate on a first-in, first-out basis both at the home and away-from-home terminals:

Phippsburg - Craig Pool CMS ID #RT-31

Denver - Phippsburg/Bond Pool CMS ID #RT-33

The first-in first-out provisions are governed under Rule 41(e)(1) of the basic Schedule of Agreement which holds:

"Train crews in pool freight or unassigned service will run first-in, firstout. Crews arriving at arrival point first, as shown by train register, will stand first-out, if available under Schedule Rules."

This Memorandum of Agreement will become effective on January 1, 1998 and will remain in place unless cancelled by either party in the future with the serving of a thirty (30) day advance notice. In the event of cancellation, the above listed pools will again be governed under the aforementioned article of the Merger Award/Agreement and Rule 41 (Item X).

Signed this 4th day of December, 1997.

FOR THE UNITED TRANSPORTATION UNION:

FOR THE UNION PACIFIC RAILROAD COMPANY:

G. A. EICKMANN GENERAL CHAIRMAN

L. A. LAMBERT
GENERAL DIRECTOR LABOR RELATIONS