UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET OMAHA, NEBRASKA 68179



MR D L SMITH GENERAL CHAIRMAN UTU C&T 165 SOUTH WEST TEMPLE ARROWPRESS SQUARE STE 110-6 SALT LAKE CITY UT 84101 L. L. NELSON
GENERAL CHAIRMAN UTU C&T
936 SE ANKENY STREET
SUITE F
PORTLAND OR 97214

MR R E CARTER
GENERAL CHAIRMAN UTU-T
P O BOX 1333
POCATELLO ID 83204

Gentlemen:

This refers to General Chairman Carter's letter of January 12, 1993 (file 1180-General), my letter of March 4 and General Chairmen Smith's and Nelson's letter of April 22, 1993 (file 328.19), all concerning which Productivity Fund should be used to pay an Idaho Trainman used with an Oregon crew and/or an Oregon Trainman used with an Idaho crew in the Interdivisional Territory between Nampa and LaGrande.

General Chairman Carter's letter stated:

"Whenever a reduced crew is run, the Productivity Fund receives a credit or fund plug of \$48.25. In this case, the Oregon Fund would receive the Funds; therefore, the trip credits generated should be paid by the fund in which they were earned. Obviously if an Oregon Trainman worked with an Idaho crew then the reverse would be true. By paying the trip credits out of the fund they were earned, neither fund can lose."

Likewise, General Chairman Smith and Nelson stated:

"The undersigned General Chairmen believe trip credits should be paid by the fund in which they were earned. In other words, when

a man from the Idaho district works with Oregon crews, the share credit belongs to the fund district in which it was earned, namely Oregon. The reverse would be true if an Oregon trainman worked with an Idaho crew.

The controlling factor is where the trip credit was earned. The trip credit should be paid out of the fund where service was performed. That is the most equitable method of handling."

I have discussed this with the Director of Timekeeping Tony Zabawa, and he advises that with some programming changes, he will be able to make payments in accordance with your requests. Therefore, if it is still your position that this is the proper method of payment, please so indicate by signing in the spaces provided below and payments will be made in this manner in the future. Also, in order to have the time to make these arrangements, I ask that you respond within thirty (30) days. Four (4) copies of this letter agreement will be sent to General Chairman Smith for his signature. He should then mail them to General Chairman Carter who will in turn mail to General Chairman Nelson for signature. General Chairman Nelson will then keep one copy and mail the remaining original signed copies to Messrs. Smith, Carter and myself.

Yours truly,

L. A. Lambert Director Labor Relations

AGREED:

D. L. Smith

General Chairman UTU C&T

General Chairman UTU T

/>//////

General Chairman UTU C&T

7-19-93