

Dan Moresette
General Director

November 6, 2006

230-35

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Gentlemen:

During the October 12, 2006 meeting in Omaha to discuss the Mechanical Department Vacation Scheduling System currently being piloted in Fort Worth and Roseville, a question was raised regarding possible extension of time frames permitted for employees to take single day vacations. Current agreements require employees to take single day vacations by November 15 of each year, and if they desire to take two weeks of vacation as single days, to take the first five (5) days by May 31st.

The Carrier has given consideration to the Organization's request, and on an experimental basis is willing to adjust the single day vacation scheduling time frames as follows:

If an employee desires to take two weeks vacation as single days, they must take the first five (5) days by June 30. The November 15 cut off for other single days of vacation will be extended to December 15. Such vacation days must be scheduled by November 15, and scheduling of such vacation days must not result in the number of employees permitted to be off on any one day be exceeded.

No other aspects of the agreements will be changed.

The Carrier recognizes that such an extension of time to schedule and take single day vacations is not in strict compliance with current agreements, and if you advise that you object to the adjustment described above, the Carrier will of course strictly comply with the scheduling requirements of the agreements. Furthermore; because such adjustment is not required by current agreements, the Carrier reserves the right in future years to return to the schedule set forth in the agreements.

/s/ Dan Moresette