

UNION PACIFIC RAILROAD COMPANY

March 1, 2006

230-35

MR V JANECEK
GENERAL CHAIRMAN IBEW
620 NORTH CUSTER
NORTH PLATTE NE 69101

**Subject: Establishing One Step Appeal Process
for the handling of discipline matters.**

Dear Sir:

This has reference to our discussion concerning the parties' desire to expedite the appeal and handling of discipline claims and grievances. The parties' believe an expedited process will benefit all the affected parties concerned. Therefore, it is agreed that for the progression of discipline claims only, the provision of this Agreement shall apply to the handling instead of the current two (2) step appeal as stipulated in the following rules of the individual Collective Bargaining Agreement below.

UPRR:	Rule 35 of the Agreement effective November 1, 1976
Communications:	Rule 21 of the Agreement effective July 1, 1977
SPRR-WL:	Rule 38 of the Agreement effective April 19, 1957
SPRR-WL, M/W:	Rule 39 of the Agreement effective February 16, 1937
SPRR-EL:	Rule 32 of the Agreement effective April 15, 1967
DRGW:	Rule 31 of the Agreement effective July 31, 1980
CNW:	Rule 26 of the Agreement effective December 1, 1985

IT IS AGREED:

(1) If the Carrier's decision to discipline an employee is to be appealed by the duly authorized representative or the employee involved, the duly authorized representative or the employee shall submit a written claim directly to the Carrier's highest designated officer within sixty (60) days from the date the discipline is issued. The written appeal will contain a full statement of the Organization's or employee's objections to the discipline issued.

Should any such claim be disallowed, the Carrier shall, within sixty (60) days from the date same is filed, notify the General Chairman (or the employee in cases where the employee has filed the claim or grievance) in writing of the reasons for such disallowance. If not so notified, the claim shall be allowed as presented, but this shall not be considered as a precedent or waiver of the contentions of the Company as to other similar claims or grievances.

The parties shall meet in conference within sixty (60) days from the Carrier's disallowance of the claim at a mutually agreeable time and place. It is understood, however, that the parties may, by agreement, extend the sixty (60) day periods established herein at any stage of the handling of the claim or grievance.

(2) All discipline claims or grievances shall be barred unless within nine (9) months from the date of the Carrier's highest officer's decision proceedings are instituted by the employee or the duly authorized representative before the appropriate division of the National Railroad Adjustment Board or a system, group, or regional board of adjustment that has been agreed by the parties hereto as provided in Section 3, Second, of the Railway Labor Act. It is understood, however, that

the parties may agree in any particular case to extend the nine (9) month period herein referred to.

(4) This provision shall not apply to requests for leniency and acceptance of discipline.

(5) This agreement shall become effective on March 1, 2006, and shall remain in effect until such time that either party serves a thirty (30) day notice to the other party indicating their desire to cancel the agreement and revert to the two step process.

Yours truly,
/s/ Dan Moresette

AGREED:

/s/ Vic Janecek
GENERAL CHAIRMAN, IBEW