CONSOLIDATED MECHANIC-IN-CHARGE AGREEMENT Between UNION PACIFIC RAILROAD And FIVE SIGNATORY SHOPCRAFT ORGANIZATIONS

This Agreement is in reference to our on-going discussions regarding the application of the Mechanic-in-Charge positions on the territory of the former Chicago and North Western Railway Company. In order for there to be consistent application of the MIC provisions between the various crafts, it is agreed as follows:

- The MIC monthly rate will be converted to an hourly rate of \$30.34 as of November 1, 2014.
- 2. MICs will receive a general wage increase of 3.0% on January 1, 2015.
- 3. General wage increases after 2015 will be calculated based on the weighted average of the increase for each craft, to be applied to all MICs in order to maintain consistency of rates. Such general wage increases will be made to MICs after the five crafts have completed agreements, including negotiated retroactive pay and/or any lump sum bonuses.
- 4. It is recognized and understood that MIC positions are for response to unplanned train events which must be promptly addressed to minimize customer impact. In addition to being available for overtime calls, MIC positions may have one of the following schedules:
 - a. Working four (4) consecutive days; three (3) days for twelve (12) hours and one (1) day for eight (8) hours.
 - b. Working five (5) consecutive days; four (4) days for nine (9) hours and one
 (1) day for eight (8) hours.
 - c. Working five (5) consecutive days for eight (8) hours per day; having two (2) scheduled rest days and then working six (6) consecutive days for eight (8) hours per day and having one (1) scheduled rest day.

The schedule will be posted on the job bulletin and advertised in the method used by the company for filling right-of-selection positions. Currently, that system is RecruitWeb. Management may change the schedule based on business need with seven (7) day advance notice to the affected employees with a copy to the appropriate union representative(s). Such schedule change may be implemented pending any arbitration pursuant to paragraph 5 below.

- 5. In the event the parties do not concur on how the language of section 3 applies subsequent to the Section Six agreements being completed, or agree to the operational need to an adjustment of the work schedule under section 4: the General Chairmen, National Representatives of the signatory organizations and the Labor Relations General Director will meet to reach agreement applicable to all MICs. If agreement cannot be reached, the matter will be progressed to an arbitration board for final decision.
- MICs will be paid at time and one-half for hours worked in addition to their hours as scheduled above, unless covered by another provision of this agreement.

7. Vacation eligibility for employees in MIC positions is depicted in the chart below:

National Vacation Agreement	MIC Vacation Eligibility	Equivalent Hours
1 week	6 days	
2 weeks	11 days	48 hours
3 weeks		88 hours
4 weeks	17 days	136 hours
5 weeks	22 days	176 hours
o weeks	28 days	224 hours

- At points with more than one MIC, vacations will be scheduled based on the date they commenced work as an MIC at that location, regardless of craft.
- 9. The MIC rate includes all differentials.
- 10. Holiday pay is not calculated in the hourly rate and MiCs required to work their regularly assigned work day that is also a holiday will be paid at the rate of time and one-half for their hours worked in addition to their eight (8) hours of holiday pay. When the holiday does not fall on a regularly scheduled work day, the eight (8) hours of holiday pay will be paid in accordance with the provisions of the National Holiday Agreement for the Shopcraft employees.
- 11. Hours for bereavement leave, personal leave and jury duty are applied incrementally to correspond with the amount of leave allowed by agreement and the work schedule of the employee. As an example, an employee eligible for bereavement leave will be eligible for two 12-hour paid days if working a 12-hour day schedule; or three 8-hour paid days if working an 8-hour or 9-hour day schedule.
- 12. It is understood that MIC positions are to be filled by qualified journeymen. In the event there are no qualified journeymen applicants, the best qualified non-journeyman will be offered the position with the concurrence of the appropriate union representative. The best qualified non-journeyman will be assigned and placed on the appropriate roster at the location where they commence employment and training, prior to reporting to their MIC work location, as follows:

Organization	Initial Roster Placement	Journeyman Status
BRC	Apprentice Roster (must successfully complete Apprentice test)	After 732 days worked as MIC removed from Apprentice Roster and given new date on
AMAW	Apprentice Roster (must successfully complete Apprentice test) Note: Helpers are covered by the Helper MIC Agreement dated 9/17/2014	Journeyman Roster After 732 days worked as MIC removed from Apprentice Roster and given new date on Journeyman Roster (not retroactive)

Organization	Initial Roster Placement	Journeyman Status
IBBB	Apprentice Roster	After 732 days worked as MIC removed from Apprentice Roster and given new date on Journeyman Roster (not retroactive)
IBEW	Apprentice Roster (must successfully complete Apprentice test)	After 732 days worked as MIC removed from Apprentice Roster and given new date on Journeyman Roster (not retroactive)
SMART-MD	Apprentice Roster	After 732 days worked as MIC removed from Apprentice Roster and given new date on Journeyman Roster (not retroactive)

13. Seniority for current MICs will be handled as follows:

a. Incumbent MiCs as of the date of this Agreement, who have seniority on the rosters listed on Attachment A may elect to remove their name from a former roster and establish an November 1, 2014 seniority date at Proviso.

b. Incumbent MICs who have no seniority on any roster will automatically be added to the applicable roster (Apprentice or Journeyman) at Proviso, with an November 1, 2014 date, except for those MICs who promoted to Journeymen from the Machinist Helper roster at South Morrill, Nebraska. Those MICs will be given the options of the Helper MIC Agreement dated September 17, 2014.

Additions to the Proviso rosters under this provision will be done in order of service date and, in the case of a tie, by the last four digits of the employees' social security numbers (lower numbers being placed ahead of higher numbers). Such elections will be completed by January 15, 2015.

- 14. While there is no limit to the number of MIC positions at a location, the representation of those employees supervised by an MIC remains as agreed in the Memorandum Agreement effective May 23, 1939.
- 15. MICs do not establish new or additional seniority at their assigned point.
- 16. It is agreed that, as of the date of this agreement where it had not previously applied, an MIC is considered to be a promoted position under the terms of each craft's respective collective bargaining agreement and employees assigned to MIC positions will maintain their seniority on their former roster as if they remained working at that roster location.

This Agreement may be canceled by the signatory Organizations by them providing written sixty (60) day notice to the Carrier after December 31, 2015. This Agreement may be canceled by the Carrier by it providing written sixty (60) day notice to the signatory Organizations after December 31, 2015. Should this Agreement not be canceled by January 1, 2020, it will remain in effect, subject to change only through negotiation and agreement pursuant to the Railway Labor Act. Please indicate your agreement by signing below.

Dated this 17th day of September 2014.

AGREED: AGREED: Dalyl Burnett Sharon F. Boone National Representative, TCU/IAM-BRCD General Director Labor Relations UP Jim Wisniski Toby M. Rees Director Labor Relations UP General Chairman IBEW Derrick Battle Andrea Gansan General Chairman IAMAW AVP Labor Relations UP James Davis General Chairman IAMAW Phil Boronda General Chairman SMART-MD

John/Mansker

International Representative IBBB

ATTACHMENT A - Rosters Eligible for Election to Proviso

Barrington (Commuter)

4302 BRC Journeymen

Boone, IA

4231 IAM journeymen

Cedar Rapids, IA

4321 BRC journeymen

Chadron, NE

4323 BRC journeymen

4234 IAM journeyman

4223 IBEW journeymen.

4236 SMWIA journeymen

Clinton, IA

4329 BRC journeymen

4337 IAM journeymen

4336 IBBB journeymen

4332 IBEW journeymen

4340 SMWIA journeymen

Crystal Lake, IL

4587 IAM helpers

Des Moines, IA

4242 IAM journeymen

4240 IBEW journeymen

Eagle Grove, IA

4346 BRC Journeymen

4246 IAM journeymen

Janesville, WI

4362 BRC journeymen

Mankato, MN

4369 BRC journeymen

4272 IAM journeymen

Marshalltown, IA

4371 BRC journeymen

4276 IAM journeymen

4274 IBEW journeymen

4278 IBBB journeymen

4277 SMWIA Journeymen

Mason City, IA

4343 BRC journeymen

4280 IAM journeymen

4574 IBEW journeymen

Minneapolis, MN

BRC 4376 journeymen

Oelwein, IA

4379 BRC rip track journeymen

4381 BRC train yard journeymen

4287 IBBB journeymen

4284 IBEW journeymen

4288 SMWIA journeymen

Peoria, IL

4392 BRC journeymen

South Morrill, NE

4420 IAM journeymen

Sterling, IL

4394 BRC journeymen

Twin Cities, MN

4299 IAM journeymen

4297 IBEW journeymen

Waukegan, IL

4411 IAM journeymen

October 15, 2014

230-15 MIC

Mr. Kevin Loftin National Representative TCU/IAM-BRCD P.O. Box 654 North Little Rock, AR 72115

Mr. Derrick Battle General Chairman IAMAW 13134 Sweetgum Shores Drive

Mr. Phil Boronda General Chairman SMWIA 1251 W. 183rd Street Homewood, IL 60430

Houston, TX 77044

Mr. Jim Wisniski General Chairman IBEW 8000 Main Street, Suite A North Richland Hills, TX 76810

Mr. Jim Davis General Chairman IAMAW 25 Lucy Lane Sherwood, AR 72120

Gentlemen:

This letter is in reference to the Consolidated Mechanic-In-Charge Agreement to be effective on November 1, 2014.

As you know, this agreement was written to create equality in the rates of pay between the various crafts working MIC positions and to simplify pay — so that employees could understand how they received pay for holidays. Additionally, we changed other provisions to mirror how non-MICs are paid when they work on a holiday and gave undated MICs the opportunity to have a seniority date. The Consolidated Agreement was not intended to lower any rates of pay.

In order to address concerns regarding loss of pay due to the Consolidated Agreement, the Carrier agrees to the following process for incumbent MICs assigned to an MIC position on October 31, 2014:

- Annually, in November of 2015, 2016 and 2017, the MIC's straight time pay, any paid leave, holiday pay and pay for holiday worked will be compared to the amount they would have been paid under their former monthly rate, for the twelve months of November through October.
- Any general wage increases will be applied to the monthly rate, as negotiated, for purposes of this review.
- If the MIC would have been paid a greater amount under the monthly rate, he or she will be made whole for that amount.
- 4. This review does not apply to any MICs assigned on or after November 1, 2014, regardless of whether or not that MIC had previously held an MIC position. For example, an MIC returns to his or her craft and then bids back into an MIC position will not be covered by the provisions of this letter agreement.

After November 2017, the same comparison will be made if requested, in writing, by the eligible employee by December of the same year. If the calculation shows that the MiC would have been paid a greater amount under the monthly rate, he or she will be made whole for that amount.

This Agreement will be canceled should the Consolidated Agreement be canceled prior to January 1, 2020.

Please indicate your agreement by signing below.

Sincerely,

AGREED:

National Representative, TCU/IAM-BRCD

General Chairman IBEW

General Chairmen IAMAW

General Chairman IAMAW

General Chairman SMADT NO

CC: Greg Garrison, RVP Northern Region
Barry Kanuch, Chief Mechanical Officer
Arnold Robinson, Superintendent Commuter Operations
Garland Lucas, Director Commuter Operations
Andrea Gansen, Labor Relations
Toby Rees, Labor Relations
Kali Landmark, Labor Relations
Jason Brink, Finance