

UNION PACIFIC RAILROAD COMPANY

ANDREA GANSEN
AVP LABOR RELATIONS



1400 DOUGLAS STREET
STOP 0710
OMAHA NE 68179-0710

November 30, 2015

233-General
230-S64-0265B

Mr. John Mansker
International Representative IBBB
7010 Detonti Road
Bauxite, AR 72011

Dear Sir:

This refers to our discussions on this date regarding the transfer of work and employees from Denver, Colorado to North Little Rock, Arkansas and South Morrill, Nebraska.

In connection with our discussions, the Company is agreeable to offer the following two separation options for employees at Denver:

Option 1: Accept a lump sum payment of Twenty Thousand Dollars (\$20,000.00) and released from assignment with Union Pacific Railroad by December 31, 2015 and the lump sum payment will be made by December 30, 2015. Employee will formally resign from employment with the Carrier on February 29, 2016 and be covered under their current Health & Welfare benefits ending February 29, 2016.

Option 2: For those employees eligible to retire from service in 2016:

- Remain working until released from assignment or January 31, 2016, whichever occurs first.
- Accept a lump sum separation payment of Thirty Thousand Dollars (\$30,000.00) with all payments to be made by December 30, 2016.
- At employee's option, divide lump sum amount by two times the number of months until retirement and accept payment twice a month, with all payments completed by the employee's retirement date in 2016, and receiving credit for days worked in those months and continuing union dues payments and employee health and welfare contributions until retirement date; however, the time will not be counted as time worked to qualify for 2017 vacation.

To be eligible for either option, the employee must be in active service. It is understood and agreed that the Company reserves the right to deny any application.

Employees will be required to make written application by close of business on Wednesday, December 16, 2015. Employees electing Option 1 must formally resign from employment on February 29, 2016, and be released from service no later than December 21, 2015. Employees electing Option 2 must retire no later than December 31, 2016.

Employees who elect to participate in this program will not be allowed to rescind their application once submitted.

This agreement is being made to address a unique situation and therefore will not constitute precedent nor be cited in the future, either nationally or locally. Please sign in the space below to indicate your agreement and return one original to me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew Gray", with a long horizontal flourish extending to the right.

AGREED:

A handwritten signature in black ink, appearing to read "John Mankle", with a horizontal line extending to the right.

INTERNATIONAL REP. IBBB