

EXHIBIT 3



December 28, 2023

Via email only

Ms. Maquiling Parkerson
VP Labor Relations & Sustainability
Union Pacific Railroad Company
1400 Douglas Street, Room 710
Omaha, NE 68179

RE: SMART TD Notice of Intent_Public Law No. 117-216_Article V – Scheduled Days Off

Dear Ms. Parkerson:

This letter shall serve as the Organizations notice, as required in Article V – Scheduled Days Off of Public Law No. 117-216, to establish voluntary assigned days off agreement rules. The proposed rules and conditions that would govern voluntary assigned days off are attached and labeled as “SMART TD Attachment A”.

If agreeable, the parties meeting in Las Vegas, Nevada, on January 17-18, 2024, may serve as the initial meeting to negotiate the terms and conditions of the proposed assigned days off agreement rules. We appreciate your prompt attention to this matter and look forward to your response.

Sincerely,

Roy Davis
Roy Davis
General Chairperson
GO-577

Luke Edington
Luke Edington
General Chairperson
GO-953

Todd Campbell
Todd Campbell
General Chairperson
GO-887

Scott Chelette
Scott Chelette
General Chairperson
GO-927

Joe Cornelius Jr.
Joe Cornelius Jr.
General Chairperson
GO-569

MEMORANDUM OF AGREEMENT

Between

UNION PACIFIC RAILROAD COMPANY

And the

SHEET METAL, AIRLINE, RAIL & TRANSPORTATION

TRANSPORTATION DIVISION (SMART-TD)

SYSTEM AGREEMENT

Public Law No. 117-216 – Application of Articles V

This Agreement will set forth the terms, conditions, and applications of Article V – Scheduled Days Off, as contained in Public Law No. 117-216 and satisfy the requirements therein.

Article I: Work/Rest Implementation

- A. The Parties recognize that the current process for manning and scheduling pools and extra boards may be modified to provide trainpersons with more predictable work/rest schedules. The parties agree that work/rest schedules will be designed with the following principles in mind:
1. Ensure availability of a sufficient number of trainpersons.
 2. Provide trainmen predictable scheduled time off.
 3. Minimize fluctuation in earnings for trainpersons.
 4. Minimize cost increases to the Carrier.
 5. Adapt to account for differences in pool/extra board size, types of assignments, and operational factors at individual locations.
- B. Within thirty (30) days from the effective date of this agreement, the General Chairperson, or their designee, will determine the work/rest schedule for each pool and extra board under their jurisdiction. Following the implementation of this agreement, if the General Chairperson desires to change the work/rest schedule for a pool or extra board, they must file a thirty (30) day written notice to Carrier.
1. Six (6) workdays or available for workdays followed by three (3) voluntary rest days (6/3).
 2. Six (6) workdays or available for workdays followed by two (2) voluntary rest days (6/2).
 3. Five (5) workdays or available for workdays followed by (2) voluntary rest days (5/2).
 4. Four (4) workdays or available for workdays followed by (2) voluntary rest days (4/2).
 5. Four (4) workdays or available for workdays followed by (1) voluntary rest days (4/1).

6. Combination of six (6) workdays or available for workdays followed by two (2) voluntary rest days, then four (4) workdays or available for workdays followed by (2) voluntary rest days (6/2) (4/2).
 7. For assigned service, alternative work weeks such as (4/3 3/4) or (3/2 2/3).
 8. Other work/rest schedules as may be mutually agreed upon.
- C. Consistent with the above provisions, unless the parties mutually agree that a pool or extra board can work under one of the alternate work/rest schedules above, the parties agree that the preferred/primary work/rest schedule for unassigned service will be as follows:
1. For unassigned pool freight service and road extra boards, the preferred/primary work/rest schedule will be six (6) calendar days followed by three (3) voluntary rest days (6/3), wherein the rest days rotate. Trainmen will be required to give the Carrier at least forty-eight (48) hours' notice of their intent to observe or not observe their voluntary rest days.
 2. For unassigned yard extra boards, the preferred/primary work/rest schedule will be five (5) calendar days followed by two (2) voluntary rest days.
 3. Existing pool service that naturally provides predictable time off may remain in place unless changed by the General Chairperson or their designee.
- D. Any pools or extra boards that have existing fatigue mitigation programs in place before the signing of this Agreement will have the ability to maintain their current fatigue mitigation system.

Article II: Paid Leave Handling "PRE"

- A. It is agreed that all pre-scheduled/pre-approved personal leave days and vacation (both weekly and single day) will begin at 9:00 a.m. and end at 8:59 a.m.
1. Trainpersons whose assignments are called to protect or assigned to protect service between 12:01 a.m. and 9:00 a.m. on the day before any pre-scheduled/preapproved vacation or personal leave day will not be called for that service. Instead, they will be laid off "PRE" at the time of that call for their assignment and their assignment will be filled in accordance with the current and applicable CBA's.

Article III: Earned Day Off

- A. For any quarter in which a trainperson achieves perfect attendance (as outlined below), that trainperson will receive one unpaid Earned Day Off (EDO) for use within the next qualifying quarter of eligibility determination.
- B. Perfect attendance is defined as marked up on their assignment, working regularly, observing Rest Days, Booked Rest, or other absences that are sanctioned by Agreement (e.g., vacation, PL, PS,

LY, LU). Employees will be disqualified from Perfect Attendance status by taking non-compensated time (i.e., laying off unpaid sick, missing a call for service, etc.).

1. Trainpersons must be in active service to qualify for the EDO.
 2. Trainpersons who are out of active service (i.e., furloughed, leave of absence, etc.) for less than thirty (30) days will retain credit for previous months worked. Any trainperson who is absent from active service more than thirty (30) days would not retain credit for prior months worked.
- C. Trainpersons will notify the Carrier at least five (5) days in advance of the day that they intend to take an EDO.
- D. EDC's will start at 9:00 a.m. and end at 8:59 a.m. on the scheduled day. Trainpersons whose assignments are called to protect or assigned to protect service between 12:01 a.m. and 9:00 a.m. will be laid off "PRE" at the time of that call for their assignment and their assignment will be filled in accordance with existing pool agreements.
- E. Trainpersons who are working or away from their home terminal at the beginning of an authorized EDO may request to be tied up for 24 hours immediately upon return to their home terminal or rescind their EDO request.
- F. An EDO will not disqualify a trainperson from perfect attendance eligibility.
- G. Any EDO that is requested more than five (5) days in advance of desired day off may only be denied in exigent circumstances by the Carrier. Any EDO request that is denied by the Carrier will result in payment of a basic day at the rate of the last service performed above and beyond all earnings without deduction therefrom and the employee will retain the EDO to be used at a later date in the next qualifying quarter.
- H. EDOs confer the trainperson the right to be off, not the right to compensation. The EDO may be used in conjunction with a Personal Leave Day or a Vacation Day to provide the employee compensation, but the primary use of the EDO is for the trainperson to secure desired time off. Use of an EDO, whether the employee chooses to use compensation or not, cannot be held against an employee for discipline, absenteeism, or attendance in any manner.

Article IV: Turn Swap

- A. To increase employee work schedule flexibility, the parties agree to allow FRA rested trainpersons on the same board to elect to swap positions utilizing the following process:
1. Trainpersons who are interested in potential turn swap opportunities must "opt-in" utilizing the applicable system.
 2. Utilizing the "Turn Swap" tool in the applicable system, a rested trainperson may select the trainperson with whom they want to swap board position:

- a. Only one swap request is permitted at any time.
 - b. The trainperson must select the trainperson they wish to swap turns with and a time period of 10, 20, or 30 minutes for the request to be responded to.
 - c. Once the request is submitted, the Carrier will present the swap offer to the selected trainperson. The offer will be available for the time period selected. If no action is taken, the request will automatically be denied, and the trainperson may submit a new request.
 - d. If the receiving trainperson declines, the Carrier will notify the requestor that the swap was rejected. At this point, the trainperson may submit a new request.
 - e. If the request is accepted, the Carrier will swap board positions, and notify both trainpersons of the swap (this move will permanently switch board positions, and there will be no restoration of turn at a later time).
3. Moving up on the board via turn swap will not be available for trainpersons who have a pre-approved layoff or rest day scheduled within 24 hours.
 4. Trainpersons may only utilize the swap turn function once between working trips.
 5. Trainpersons who utilize turn swap and subsequently layoff, excluding bona-fide/provable emergencies or medical reason, will be shown as "laid off on call," and handled in accordance with the Carrier's attendance policy.
 6. Trainpersons who swap turns will be paid for the service protected (i.e. no make whole payments).

Article V: Held-Away-From-Home Terminal

- A. All trainpersons who are held at the away-from-home terminal will begin pay after twelve (12) hours at the away-from-home terminal measured from the trainperson's tie up time. Held-away time will be paid continuously until the trainperson departs the away from home terminal.
- B. The Carrier will make every effort to get trainpersons into the away-from-home terminal before or upon the expiration of their hours of service (See NOTE below). The 12-hour threshold will continue to apply even when a trainperson must observe additional rest under the Federal Hours of Service law.
 1. A trainperson called and released at the away-from-home terminal will continue to be on held-away from the trainperson's prior tie-up time until the trainperson departs the away from home terminal.

NOTE: In the event SMART-TD finds that this commitment is not being fulfilled at a particular location, the appropriate SMART-TD General Chairperson shall promptly contact the appropriate Labor Relations Officer, in writing, stating the reasons or circumstances involved. The Director of Labor Relations will

promptly schedule a conference between the parties to discuss the matter and seek a resolution. The conference will include the appropriate representatives of SMART-TD and UPRR.

Article VI: Vacations

- A. Effective January 1, 2024, the National Vacation Agreement of 1949 (with revisions) will be modified as to provide employees four (4) weeks of vacation after twelve (12) years of service, five (5) weeks of vacation after seventeen (17) years of service, and six (6) weeks of vacation after twenty-five (25) years of service. The National Vacation Agreement provisions (with revisions) for one (1) week, two (2) weeks, and three (3) weeks of vacation remain unchanged.
1. Effective January 1, 2024, each employee, subject to the scope of schedule agreements held by the organizations signatory to the April 29, 1949 Vacation Agreement (with revisions), having twelve or more years of continuous service with employing carrier will be qualified for an annual vacation of four (4) weeks with pay, or pay in lieu thereof, if during the preceding calendar year the employee renders service under schedule agreements held by the organizations signatory to the April 29, 1949 Vacation Agreement (with revisions) amounting to two hundred forty (240) basic days in miles or hours paid for as provided in individual schedules and during the said eight (8) or more years of continuous service renders service of not less than one thousand nine hundred and twenty (1920) basic days in miles or hours paid for as provided in individual schedules.
 2. Effective January 1, 2024, each employee, subject to the scope of schedule agreements held by the organizations signatory to the April 29, 1949 Vacation Agreement (with revisions), having seventeen or more years of continuous service with employing carrier will be qualified for an annual vacation of five (5) weeks with pay, or pay in lieu thereof, if during the preceding calendar year the employee renders service under schedule agreements held by the organizations signatory to the April 29, 1949 Vacation Agreement (with revisions) amounting to two hundred forty (240) basic days in miles or hours paid for as provided in individual schedules and during the said seventeen (17) or more years of continuous service renders service of not less than two thousand seven hundred and twenty (2720) basic days in miles or hours paid for as provided in individual schedules
 3. Effective January 1, 2024, each employee, subject to the scope of schedule agreements held by the organizations signatory to the April 29, 1949 Vacation Agreement (with revisions), having twenty five or more years of continuous service with employing carrier will be qualified for an annual vacation of six (6) weeks with pay, or pay in lieu thereof, if during the preceding calendar year the employee renders service under schedule agreements held by the organizations signatory to the April 29, 1949 Vacation Agreement (with revisions) amounting to two hundred forty (240) basic days in miles or hours paid for as provided in individual schedules and during the said twenty five (25) or more years of continuous service renders service of not less than four thousand (4,000) basic days in miles or hours paid for as provided in individual schedules
- B. Effective January 1, 2024, those employees assigned vacation under the jurisdiction of SMART-TD will be allowed to select one additional week to "float" as single days (total of up to two weeks)

and they are to be approved in the same manner as the present one (1) week of single day vacation. Nothing in this paragraph (B) increases any employee's total vacation entitlement.

Article VII: Bereavement Leave

- A. Bereavement leave will be allowed in the case of death of a trainperson's brother, sister, parents, child, grand parent, grandchild, spouse, spouse's parents, half-brother, half-sister, stepbrother, stepsister, stepparent, stepchild, or legally adopted child and domestic partner relationships which includes the parents, spouses, sons, daughters, step-sons, step-daughters, brothers, step-brothers, sisters, step-sisters, grandchildren, grandparents of an employee's domestic partner.
- B. The bereavement leave will not exceed three (3) calendar days to be observed within thirty (30) days following the date of the death. The days do not need to be used consecutively, but all days must be used within the thirty (30) day period. During bereavement leave, the trainperson will be allowed a minimum basic day's pay at the rate of the last service rendered. Trainpersons taking leave will make arrangements with their supervising officials in the usual manner.
- C. If there is a need to extend use beyond the thirty (30) day period, additional supervisor approval is required.

Article VIII: Away-From-Home Terminal Meals

Effective with this Agreement, all away-from-home terminal meals as established by National Agreement or Local Agreement, will be increased to \$25.00 and be subject to any future general wage increase and/or COLAs.

Article IX: Differential Pay

Section 1: Weekend Differential Pay

- A. Employees operating in road service bulletined to layover at an away-from-home terminal, or any other assignment that actually lays over at an away-from-home terminal, will earn a trip allowance fixed at \$50.00 for starts originating at the home terminal between 12:01 a.m. Friday and 11:59 p.m. Sunday.
- B. In all other road service not advertised to layover at an away-from-home terminal, the weekend differential is fixed at \$25.00.
- C. Employees in other than road service who go on duty between 12:01 a.m. Friday and 11:59 p.m. Sunday will earn a per start allowance fixed at \$25.00.

Section 2: Night Differential Pay

Employees called between 11:59 p.m. Sunday through 12:01 a.m. Friday will receive a nightly differential of \$15.00 per start if called between the hours of 6:00 p.m. through 6:00 a.m.

Section 3: Holiday Differential Pay in Road Service

Employees in road service who work holidays, as defined in the National Agreements and in Carrier's attendance policy, will receive an additional basic day.

Note: All differential payments listed in this Article V are subject to future GWI's and COLA's.

Article X: Rate Progression Applicable to New Employees

- A. Such revised rules shall be applicable to all employees who enter train or engine service in any class of service or job classification after the date of this agreement:
1. Rates of pay, additives, and other applicable elements of the compensation for new hire employees, after completion of training, will be 100% of the applicable full rate.
 2. Rules in effect regarding rate progression adjustment upon promotion to conductor/foreman or engineer are no longer applicable.

Article XI: Overtime

Overtime in all classes of time and service will commence after eight (8) hours on duty.

Article XII: Federal Rest (RSIA)

Employees who observe federal rest while working a guaranteed assignment will have no deduction to guarantee for any day/time spent in federal rest.

Article XIII: Personal Leave Days

All employees, regardless of craft or class of service and seniority, will be provided eleven (11) personal leave days per calendar year.

Article XIV: Extra Board Staffing

Carrier must maintain a sufficient number of employees on extra boards to permit reasonable absence privileges. The minimum number of extra board employees will equal forty (40%) percent of the must fill assignments protected by an extra board.

AGREED, this _____ day of _____ 2024.

FOR THE ORGANIZATION:

FOR THE CARRIER:

Roy Davis, General Chairperson

Jennifer Powell, Labor Relations
General Director

Luke Edington, General Chairperson

Maqui Parkerson, Labor Relations
Vice President

Scott Chelette, General Chairperson

Todd Campbell, General Chairperson

Joe Cornelius, Jr., General Chairperson