

# Letter of Understanding

Between

**UNION PACIFIC RAILROAD COMPANY**

And

**SHEET METAL AND RAIL TRANSPORTATION –  
TRANSPORTATION DIVISION (SMART-TD)**

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## 2020 Employee Bonus

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With the public health crisis related to Covid-19 (“the novel Coronavirus”), Union Pacific employees have been dedicated to work through these unprecedented times and ensure that our service to our customers has not been impacted. In appreciation, Union Pacific will pay a one-time 2020 bonus to all eligible agreement employees. Accordingly, it is agreed the following will apply:

- (1) Consistent with all applicable laws, the Carrier will pay all active and eligible employees covered by this Letter of Understanding, a one-time bonus of \$1000 gross (tax obligation will be deducted).
  - a. An eligible employee is defined as an employee that has performed 30 or more days of compensated service or mileage/starts equivalent (not including LV, PL, jury duty etc) for Union Pacific Railroad under their respective collective bargaining agreement starting March 1, 2020 through November 30, 2020. If an employee has performed service in multiple crafts, duplicate payments will not be allowed.
  - b. This includes active, on leave or suspension, and furloughed employees. This does not include any other statuses such as promoted to non-agreement after March 1, 2020 or retired or in terminated status as of November 30, 2020.
- (2) The bonus is considered a one-time, lump sum payment as a “Thank You” for diligently working due to the novel Coronavirus and is not intended to offset any other payments due to eligible employees now or in the future under any other agreement. Without limiting the foregoing, the payment described herein is not intended as compensation paid in full or partial settlement of the parties’ pending section 6 notices, and any agreement on compensation reached in settlement of those notices will be separate from this Letter of Understanding.
- (3) The payment will be made to eligible employees no later than December 20, 2020.
- (4) This Letter of Understanding will not be referred to by any party in any ongoing or future section 6 negotiations or in any arbitral, judicial, or administrative forum.

- (5) This Letter of Understanding may be changed only by the mutual consent of the parties. The Carrier's determinations with respect to the bonus payments described herein, including without limitation eligibility for such bonus payments, shall be considered final and binding and shall in all respects be conclusive on the parties hereto.
- (6) This Letter of Understanding must be signed and returned to the Highest Designated Officer no later than November 20, 2020 to be considered valid and allow time for the Carrier to process the payments. This agreement expires on January 31, 2021.

Signed this 16<sup>th</sup> day of NOVEMBER, 2020.

**FOR THE ORGANIZATION:**

  
General Chairman

**FOR THE CARRIER:**

  
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Director