

UNION PACIFIC RAILROAD COMPANY

1416 DODGE STREET
OMAHA NEBRASKA 68179

November 17, 2000

Carrier File #278-21

Gil Gore
General Chairman
Brotherhood of Locomotive Engineers
1448 McArthur Avenue
Harvey, Louisiana 70058

Dear Sir:

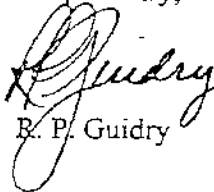
This letter serves to confirm our discussion of Agreement dated March 29, 1977 (copy attached) during the November 14 and 15, 2000 conference in Spring, Texas.

As discussed, this Memorandum was not included in the October 1 1991 reprint, however, we are in agreement that the "save harmless" commitment between the parties preserved this document and it remains in full force and effect. Therefore, employees covered by this agreement who operate into Mexico remain sheltered as previously agreed.


If this meets with your understanding of our discussion, please acknowledge by signing in the space provided and return an executed copy for my files.

I again wish to thank you and your constituents for a productive meeting.

Respectfully,


R. P. Guidry

Agreed:


Gil Gore
General Chairman

RECEIVED

NOV 20 2000

BLE U.P. SOUTHERN GCA

**CREW TRANSPORT SERVICES, INC.**

February 20, 2001

Mr. Jerry McCarty
Union Pacific Railroad
1416 Dodge Street
Woodman Tower 008
Omaha, NE 68179

Dear Mr. McCarty:

This letter shall serve as notice that CTS has investigated the insurance coverage for Raudin McCormick, Inc. (RMC) to ensure that RMC has the appropriate coverage for trips taken into Mexico. Our investigation reveals that RMC has coverage with an appropriate Mexico rider to the extent required by Union Pacific Railroad.

If you have any questions, please feel free to give me a call.

A handwritten signature in black ink, appearing to read 'Dean Claycamp', is written over a light blue horizontal line.

Dean Claycamp
President
Crew Transport Services, Inc.

cc: Bob Ferrell
Jim Gatlin
David Martinez

RECEIVED

FEB 21 2001

BLE U.P. SOUTHERN GOA

8110 E. 32nd St. No., Ste. 200 • Wichita, Kansas 67226-2614 • (316) 636-5055 • Fax (316) 636-9258

David G. Wedo
09/27/2000 03:35 PM

To: Gary R. Davidson@UP
Isabel Lopez@UP

Subject: FELA Applicability to Mexico Claims

I was asked by Mr. Washington and Ms. Lopez of your office to investigate whether the Federal Employer's Liability Act would apply to a UP Railroad employee injured while in the course and scope of his employment in Mexico.

The quick and simple answer is NO.

The United States Supreme Court ruled in the case of *New York Central Railroad Company vs. Chisholm*, 268 U.S. 29, 1925, that despite FELA's broad remedial nature, and its express coverage of both interstate and foreign commerce, the FELA does not provide a remedy for a railroad worker injured outside the United States.

Since this case was decided back in 1925, I wanted to check to see if the holding was still good. I found that in 1992, the case of *Priestman vs. Canadian Pacific, Ltd.*, 782 F.Supp 581 (D.Maine 1992) was decided by the U.S. District Court for the District of Maine and came to the exact same conclusion as the Supreme Court did in *Chisholm*. Thus, I feel confident the FELA would not apply in a case where one of our workers was injured in Mexico.

Further, I seriously doubt that we could even contractually agree to allow an FELA claim/lawsuit to be filed by an employee injured in Mexico as such an agreement would be impossible to enforce. The only suggestion I can possibly think of would be to amend the collective bargaining agreements with our employees in such a way as to provide some type of on-the-job injury insurance coverage for our men working across the border. This, however, should be discussed with people in the Labor Relations and Insurance Departments. I assure you I am NOT an expert on insurance or collective bargaining agreements.

I hope this information is useful to you. If you have any other questions or comments, please don't hesitate to call me at 8-220-3227.

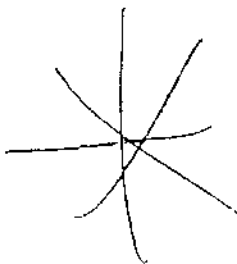
Thank you for allowing me to research this most interesting issue.

David

BOB - THIS IS ANOTHER PIECE OF

INFO I FOUND IN MY FILE
ON MEXICO.. BUT GIL AND
LABOR RELATIONS DID SIGN
THE AGREEMENT ALSO SENT
WITH THIS..

Gary



AGREEMENT

THIS AGREEMENT between the Brotherhood of Locomotive Engineers (BLE), for the benefit of certain employes of Missouri Pacific Railroad Company, and Missouri Pacific Railroad Company (MoPac), supplementing the Agreement made on April 16, 1976, concerning interchange of cars and/or trains between MoPac and National Railways of Mexico at Laredo-Nuevo Laredo, witnesseth:

IT IS HEREBY AGREED:

ARTICLE I:

(a) It is the intent and purpose of this Agreement that if any employe represented by BLE is injured, fatally or otherwise in Mexico, while engaged in his employment for MoPac, MoPac will assume liability and settle his claim on account of such injury or death under the provisions of the Federal Employers Liability Act (45 U.S.C. 51 et seq., as amended). To this end, in the event that the claim is not settled by agreement and such employe or any other person entitled to sue for his injury or death as provided in the Act files suit pursuant to the provisions thereof, and the court, whether on its own or by motion, determines therein that said Act is nonapplicable to the injuries sustained by said employe outside of the United States or that recovery is limited by the doctrine of lex loci, the employe or his representative may nevertheless file suit for breach of this Agreement in any state or federal court having jurisdiction, and liability and damages for such breach of this Agreement shall be determined in the same manner and on the same basis as if such suit were filed under the Federal Employers Liability Act.

(b) Liability based upon this independent cause of action is conditioned upon the filing of such suit within three years after the date of the accident causing such injury.

(c) MoPac agrees to waive and not assert in any suit based upon this independent cause of action for breach of this Agreement, any defense based upon nonapplicability of the Federal Employers Liability Act to injuries sustained by such employe outside the United States; failure to exhaust contractual and administrative remedies; and lack of subject matter jurisdiction on the ground that primary, exclusive jurisdiction to interpret and apply this Agreement rests in the National Railroad Adjustment Board or some other arbitration panel provided for in the Railway Labor Act (45 U.S.C. 151 et seq., as amended).

RECEIVED

FEB 17 2001

(d) Employees represented by the BLE will not have the benefit of this Agreement on account of injuries sustained in Mexico if they file any claim or institute any proceeding based on the Federal Labor Act or any other law or regulation of the Republic of Mexico or in any court or government agency in Mexico, and in such case, MoPac does not assume liability as provided herein, nor waive its defense based on the nonapplicability of the Federal Employers Liability Act to such injuries.

ARTICLE II:

It is further agreed that if any employe represented by BLE is arrested in Mexico for any alleged violation of law or regulation arising in the course of his employment, or is sued in any civil action on account of any injury or property damage resulting from or in the operation of the train or locomotive in which he is a member of the crew or from the performance of his duties as an employe of MoPac, MoPac shall make bond and take all other necessary steps for his prompt release, employ and pay legal counsel on his request to represent him in connection with any such arrest and charge or civil suit, pay any wages lost by reason of his arrest and detention, and hold him harmless and indemnify him against any fine assessed against him and any money judgment for civil liability, provided the arrest and/or civil suit is not due to the employe's willful and deliberate violation of any law or regulation of Mexico, or any express written instructions of MoPac.


Signed at St. Louis, Missouri, this 29th day of March,

1977.

For the
BROTHERHOOD OF LOCOMOTIVE ENGINEERS


A. J. Sawyer, General Chairman

For the
MISSOURI PACIFIC RAILROAD COMPANY


O. S. Sayers, Director of Labor Relations

APPROVED:


A. F. [unclear], Vice President

(Carrier's file: 178-11)