



BUILDING AMERICA®

September 19, 2025

Jeremy R. Ferguson President
International Association of Sheet Metal, Air, Rail and
Transportation Workers – Transportation Division (“SMART-TD”)
6060 Rockside Woods Blvd N, Ste. 325
Independence, OH 44131

Dear Mr. Ferguson,

During our discussions regarding the potential impacts of the proposed transaction between Union Pacific Railroad Company (“Union Pacific” or “Carrier”) and Norfolk Southern Railway Company (“Carrier”), you expressed concerns about the impact of the transaction and the transition to a combined operation on the membership of SMART- TD. We appreciate your engagement on behalf of your members and propose to address your employment-related concerns as follows:

- 1) Job guarantee. Union Pacific expects that the anticipated growth resulting from the combined entity’s more competitive service offerings will provide job security for the employees of the combined entity. Accordingly, in the event of approval and implementation of the transaction, Union Pacific commits that employees represented by SMART-TD for the purpose of collective bargaining and employed in train or yardmaster/yard controller service by each Carrier immediately prior to the control date will be guaranteed a job under applicable Collective Bargaining Agreements in train, engine, or yardmaster/yard controller service for their working lifetime with the combined entity, if desired, and will not be subject to involuntary furlough. This commitment is conditioned upon the usual requirements for continued employment including remaining fit for duty, maintaining necessary qualifications, meeting performance and conduct standards applicable to all employees, and accepting available work opportunities in accordance with rules, interpretations and practices under the applicable Collective Bargaining Agreements and implementing agreements. In the event of an unforeseen, extraordinary disruption in traffic volume, e.g., Covid, that the parties anticipate will last for 90 days or longer, the parties will work together to reach an equitable agreement to provide stability for employees and Union Pacific.
- 2) Reaching implementing agreements. We intend to begin discussing necessary implementing agreements as soon as practicable. To the extent that we anticipate or identify shifts among train service or yardmaster/yard controller employees beyond what is permitted by applicable collective bargaining agreements that are necessary to realize the benefits of the transaction, implementing agreements will be established under the normal regulatory procedures to ensure that sufficient qualified employees would be available at the proper locations to effect implementation.

- 3) Impact on employees of affected terminal companies. You also expressed concerns about the potential impact of the transaction on train service or yardmaster/yard controller employees of terminal companies resulting from potential shifts in work as a result of the transaction. Union Pacific commits to providing preferential hiring consideration for employees of impacted terminal companies displaced as a result of the transaction.

In addition to the above commitments, Union Pacific is committed to engaging further with SMART-TD about potential impacts of the transaction and our plans to successfully transition the two separate systems into a combined system.

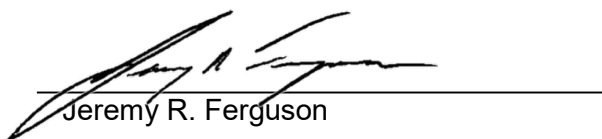
The Carriers' application will reflect the commitments described above. Such commitments above are contingent upon the receipt of all necessary regulatory and shareholder approvals and the implementation of the transaction.

In exchange for the commitments described above, SMART-TD agrees to publicly support the transaction that is the subject of STB Finance Docket No. 36873.

Sincerely,



Agreed:



Jeremy R. Ferguson