

CIRCULAR LETTER NO. 2

January 16, 2004

TO ALL LOCAL CHAIRPERSONS:

Dear Sirs and Brothers:

As an on-going process - in the General Chairman's office, we send out Circular Letters as circumstances dictate in regard to issues that are of importance to all of our Membership. We are requesting that you read these documents at your Union Meetings for the Membership's benefit and also place them on bulletin boards for those Members who cannot attend the Union Meeting. Incorporated below are issues of importance for our Membership.

◆ FAMILY AND MEDICAL LEAVE ACT (FMLA) LITIGATION

The UTU and five (5) other Rail Unions have filed a complaint in Chicago, IL, on January 9, 2004, in the United States District Court for the Northern District of Illinois - Eastern Division, to force the Carriers' to maintain the prior status-quo in regards to their FMLA Policies, as same relates to vacation time and/or personal leave (PL) days running concurrently with family or medical leave. Attached hereto for your review is a copy of the complaint filed by UTU's attorneys; John A. Edmond, Carmen R. Parcelli and Matthew Babcock from the Law Firm of Guerrieri, Edmond and Clayman, P.C. - Washington, DC.

◆ UNION PACIFIC'S NEW ATTENDANCE POLICY - EFFECTIVE JANUARY 15, 2004

Attached hereto for your review is a copy of Union Pacific's new Attendance Policy effective January 15, 2004. The Policy is vague, ambiguous, and its far reaching effects are in direct conflict with the collective bargaining agreements, plus a change in working conditions without negotiations. Also attached for your review in this Office's January 16, 2004(R-18-04) non-acquiescence letter, protesting the implementation of the Policy and its abrogation of the collective bargaining agreements and working conditions in violation of the Railway Labor Act. The first meeting on this issue is scheduled during the first week of February, 2004, between President Byron Boyd, Jr. Assistant President Paul Thompson and Union Pacific senior management. Subsequent to the February meeting a conference with Union

Pacific management and the UTU General Chairpersons will be scheduled.

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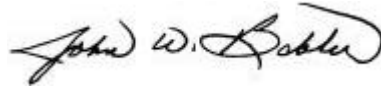
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◆ **AUTO EXPENSE INCREASED TO 37.5 ¢ EFFECTIVE JANUARY 1, 2004**

Effective January 1, 2004, the auto mileage expense is increased from 36¢ per mile, to 37.5¢ permile. See the attached Article from the Daily Labor Report.

Trusting this information will aid you in keeping our Membership informed of issues confronting us. With best personal wishes, I remain

Fraternal ly yours,



John W. Babler
General Chair man, G. C. A.

JWB: j g

cc: Byron Boyd, Jr. President - UTU
Paul Thompson, Assistant President - UTU
Dan Johnson, III - General Secretary/Treasurer - UTU