



January 4, 2010

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Mr. T. L. Johnson
General Chairman, UTU
4411 Old Bullard Road, Ste. 600
Tyler, TX 75703

Dear Sir:

This refers to the parties' Letter of Understanding dated January 12, 2009, and our recent discussions relating thereto regarding a continuation in the suspension of Article XII (Termination of Seniority) of the 1985 UTU National Agreement.

The January 12, 2009 Letter of Understanding sets forth, in relevant part, "...the parties' agreement to suspend application of Article XII of the 1985 UTU National Agreement until February 1, 2010." Additionally, said Letter of Understanding extended its application retroactively to any employee furloughed subsequent to September 1, 2007.

As we have discussed, it would appear to be in the parties' best interests to continue the suspension of Article XII. Accordingly, this letter shall confirm our agreement to extend the terms of the January 9, 2009 Letter of Understanding until March 1, 2011.

If the foregoing properly and accurately reflects our understanding regarding this matter, please so indicate by affixing your signature in the space provided below.

Yours truly,

A handwritten signature in cursive script that reads "S. F. Boone".

S. F. Boone
Director – Labor Relations

AGREED:

A handwritten signature in cursive script that reads "T. L. Johnson".

T. L. Johnson
General Chairman, UTU