

May 8, 2008

Bulletin No. 1016

Oakland Portion of the Northern California Embargo has been Lifted

Dear Valued Customer,

UPRR has lifted the Oakland portion of the Northern California Embargo. Effective immediately, all UPRR origins will accept Oakland destined loads.

The Lathrop portion of the Northern California Embargo continues to be in effect. As previously communicated, the UPRR initiated a Permit Process for Lathrop destined shipments whereby customers will have to petition for grants to tender Lathrop destined shipments at all UPRR origins. Pacer Stacktrain is following the UPRR permit process and is daily requesting a sufficient amount of grants to accommodate all our historically tendered volume destined to Lathrop. To date, UPRR has not granted any Lathrop permits due to the back-log of volume and subsequent terminal congestion at UPRR Lathrop caused by the continuing trucker work stoppage. Once the UPRR begins to grant Lathrop destined shipment permits, Pacer Stacktrain will communicate our daily allotment on the calendar day that the permits are approved and our Customers can begin to bill and tender Lathrop destined volume accordingly.

To request permits, please send an e-mail to our Gate Reservation Team at gaterez@pacer.com with "Lathrop Permits" in the subject line and include in the body of the email IMC, origin terminal, destination terminal and number of permits / volume. As soon as Pacer receives permits from the UPRR, we will communicate as quickly as possible via a reply to your request e-mail.

For troubleshooting and follow-up questions regarding your individual permit request, please call 1-800-715-5046.

We appreciate your understanding and support.