



September 10, 2004
Electronic Bulletin No. 564
Re: Hurricane Ivan Preparation

Dear Valued Customer,

Ivan, a Category 4 hurricane, is currently making its way through the Caribbean towards Jamaica. This hurricane has the potential to be the most damaging hurricane so far this year. As projected, Hurricane Ivan may make landfall in south Florida early Tuesday September 14. It is also possible that Ivan will move into the Gulf of Mexico.

In anticipation of Hurricane Ivan, the CSX will be instituting an embargo on all volume billed into or out of the state of Florida. The embargo will go into effect today and coincide with the cut-off for the respective origin-destination ramp pairs. Today's embargo will only impact volume originating on the CSX network. We anticipate that the embargo may be expanded to include Florida volume originating on the UPRR over the weekend or early next week, depending on the path and intensity of Hurricane Ivan over the next few days.

We project that the FEC, the CSX's Southeast network and the New Orleans gateway will remain congested well beyond next week. Bear in mind that signal damage from Hurricane Frances on the CSX Florida network has not yet been repaired. Thus even without Hurricane Ivan, the CSX and FEC Southeast network would have remained congested well into next week. The additional ramp and main line congestion likely to result from Hurricane Ivan, even minus additional damage to railroad right-of-way and facilities, will exacerbate current service delays.

We will provide additional information with regard to the impact of Hurricane Ivan on the Pacer Stacktrain network as the situation develops.