



September 14, 2004 Electronic Bulletin No. 566

Re: UPDATE: Hurricane Ivan preparation in the Southeast

Dear Valued Customer,

While the forecasted path of Hurricane Ivan is still unclear, landfall is expected sometime late Wednesday or early Thursday along the central to eastern Gulf Coast and Florida panhandle. The storm is still an extremely strong, Category 4 storm producing hurricane and tropical storm force winds and heavy rains within 200 miles of its' eye in every direction. It is anticipated that Hurricane Ivan will swirl inland and that heavy rain, damaging winds and tornadoes will plaque much of Alabama, Georgia, Mississippi and the Carolinas. We will be closely watching the storm and its forecasted path and communicate any changes accordingly. All terminals in the southeast are on standby and making preparations. The terminals at New Orleans, LA. and Mobile, Al. closed at 1201pmC.T.09/14 and rail operations between New Orleans and Florida have been suspended until Hurricane Ivan passes thru. Some of the CSX's transcontinental services between the West Coast and the Southeast will be rerouted thru the Memphis and St. Louis gateways to help mitigate some of the expected delays.

It appears, at this time, that the Florida peninsula will be spared the most devastating winds and damage associated with Ivan. Effective immediately, CSX will begin accepting loads at all CSX origins with volume destined to Jacksonville, Talleyrand and FEC destinations. On Tuesday, September 14th at 0800 PST, CSX will accept loads at all CSX origins with volume destined to Orlando and Tampa. Loads that are currently being held at CSX origin terminals for all Florida destinations will be preferenced to move first. Volume originating on the UPRR destined to Florida locations continue to be accepted, but of course this is subject to change depending on the ultimate path of Hurricane Ivan.

CSX origins at Orlando and Tampa are open and accepting loads and empties for rail movement, but only if the draymen also take a load or empty with them at outgate. These terminals are still very congested and must keep fluid in order to process southbound trains.

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