



S T A C K
F A C T S

May 4, 2005
Electronic Bulletin No. 657
Re: URGENT - derailment news and service implications

Dear Valued Customer,

The UPRR suffered a major derailment near Galt, IL late last night, Tuesday, May 3. Galt is approximately 110 miles west of Chicago. The derailment resulted in the destruction of a bridge on which the UPRR operates two tracks supporting Chicago and the greater Northeast. The UPRR is currently assigning all available resources to build a parallel nine mile single track route over the river, and expects to have this track in service at approximately 10:00 pm CDT Thursday, May 5. In the interim, the UPRR is detouring trains on alternate UPRR trackage, alternate railroads (namely BNSF), and using alternate gateways to interchange volume to and from the CSX railroad.

Given the severity of this incident, the UPRR was forced to temporarily close the gates to receiving westbound International and Domestic volume at Chicago Global 1 and Global 2. This includes volume that would normally rubber-tire from off line rail carriers in Chicago. We do not know how long this temporary gate closure will last; however, we will provide an update as soon as the UPRR establishes a more definitive time line for reopening the gates.

UPRR Chicago terminals, Canal St, Yard center and Global 3 (Rochelle) remain open to receiving volume, although westbound train operations from Global 3 will be limited until the temporary track is back in service. The UPRR continues to accept steel-wheel trains from the CSX in Chicago. In addition, the gates at the CSX terminals in the Northeast remain open to receiving volume; both situations are subject to change, however.

The underlying negative ripple effect of such a major incident will unfortunately be felt for the next several days as the UPRR critical assets--locomotives and railcars--will be out of balance, thereby creating a very challenging operating environment.

During this temporary service suspension, Pacer Stacktrain will provide per diem relief specific to the impacted lanes. This per diem relief will apply to loaded or empty containers outgated prior to or during this service suspension and later in-gated to Global 1 or Global 2 with billing to a westbound Pacer

Stacktrain destination. We will communicate the details of the applicable per diem charge adjustments once this service suspension is lifted.

Thank you for your business and your patience.