



October 26, 2005 Electronic Bulletin No. 718 Re: Temporary Service Change

Dear Valued Customer:

In an effort to increase the railcar and locomotive supply and improve the overall efficiency of the UP's Intermodal Operations in the Los Angeles Basin, effective immediately the UP is implementing the following actions:

- All Standard Product Westbound International and Domestic traffic that is scheduled to terminate at UP's East Los Angeles intermodal facility, will be drayed to Montebello, CA. Upon ingate at Montebello, all traffic will be notified for pick-up. Priority Protect volume formerly Third Am, will be notified at East Los Angeles and will NOT be drayed to Montebello. If the UP tactically diverts a train that is scheduled to terminal at another Los Angeles intermodal facility to East Los Angeles, it too will be drayed to Montebello for notification and subsequent pick-up.
- All revenue empty equipment will NOT be allowed to ingate at UP's Memphis, AR (Marion) and Houston, TX (Englewood) intermodal facilities until further notice. This will probably stay in effect through the weekend and reopen on Monday, October 31.
- All revenue empty's tendered to UP's Dallas Intermodal Terminal (DIT) will be allowed to ingate, but will be held. Empty containers will be loaded when capacity in the Los Angeles Basin allows.
- All revenue International ISO empty's tendered to UP's Chicago Global 2 intermodal facility will be allowed to ingate, but will be held or shuttled to Chicago Global 3. Empty containers will be loaded when capacity in the Los Angeles Basin allows.
- All Eastbound International ISO containers destined to Laredo, El Paso and New Orleans (local traffic), formerly originating at ICTF, will now originate at LATC. All Westbound Domestic and International ISO containers originating at New Orleans (local traffic) formerly moving to ICTF and LATC will now terminate at East Los Angeles and subsequently be drayed and notified at Montebello. All Domestic and International ISO containers originating at Laredo and El Paso will terminate at ICTF.

- All Eastbound traffic destined to Houston Englewood and Barbours Cut must be drayed to East Los Angeles instead of the previous origin terminal of ICTF. All Westbound traffic moving from Houston Englewood and Barbours Cut formerly moving to ICTF will now be handled at the East Los Angeles intermodal facility. Accordingly, customers will be notified to pick up their Westbound traffic at Montebello, CA as per the above. On-Dock blocks will continue to be move from Englewood and deliver directly to the respective On-Dock terminal.
- All Domestic traffic formerly originating at Houston Englewood destined to El Paso, LATC, Lathrop and Oakland will now originate at Houston - Settegast. All International traffic formerly originating at Houston - Englewood destined to Oakland, CA will now originate at Houston - Settegast.
- All International traffic destined to Denver, CO will originate at East Los Angeles. All International traffic originating at Denver, CO will terminate at East Los Angeles. Accordingly, customers will be notified to pick up their Westbound traffic at Montebello, CA.

No changes to the billing required as the UP will translate current billing to the above revised temporary terminals. These revisions will likely be in place for the next 30 days or until the Los Angeles Basin congestion improves, whichever comes first.

Thank you for your continued patience during the Peak Season.

Pacer Stacktrain