

Embargo Oakland and Lathrop

Dear Valued Customer,

Please be advised that due to an independent trucker work stoppage, effective immediately, the UPRR has placed an embargo on inbound intermodal shipments that are moving into UPRR's Lathrop, CA or Oakland, CA facilities.

Effective 1130 CST on May 6, 2008, the UPRR is no longer accepting any shipments at any UPRR terminal that are destined for the Lathrop or Oakland terminals.

As of this writing, CSX will continue to accept in-gates at CSX terminals for westbound shipments that are to be steel-wheel interchanged to Lathrop or Oakland. Depending upon the duration of the work stoppage in Northern California, the ability to tender shipments in this manner at CSX origins could be revised at any given time.

Also at this time, eastbound shipments out of Lathrop or Oakland will be accepted for in-gate at UPRR terminals in a normal manner, however normal service may be negatively impacted due to low origin volumes.

UPRR has initiated a "permit process" whereby Pacer Stacktrain and other customers will have to petition for grants to tender shipments destined to the Lathrop or Oakland terminals. No permits are being granted at this time. The UPRR will review the situation on May 7 to determine the number of grants that may be awarded to each customer.

Pacer Stacktrain will be providing extended per diem relief to its Customers due to this UPRR Embargo involving westbound shipments to Lathrop and Oakland.

Pacer Stacktrain will grant additional free days at origin on westbound units that could not be in-gated due to the embargo. The additional free days will include all days from the date of the embargo, May 6, 2008, until the date the embargo is lifted, plus three additional days to allow for potential ramp congestion. This relief will only apply to containers that have been billed to either Lathrop or Oakland from UPRR origins.

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As an alternative for your 53'-110" or 53'-107" container shipments, please consider using our BNSF service into and out of the BNSF Stockton ramp. This ramp is not currently affected by the independent trucker work stoppage. Customers should provide rail billing utilizing their existing customer quote codes, in conjunction with BNSF routing instructions and ramp codes, (e.g., BN CHI to BN SCK). Our systems and Customer Service will handle the changeover. Service on the BNSF will be billed at our current BNSF FAK published rates. The current FAK rates are available at www.pacerstack.com.

After delivery of westbound shipment via BNSF, Pacer Stacktrain equipment may be street turned and loaded with an eastbound Pacer/BNSF routing or returned empty to the Pacer Container Yard at 10736 South Harlan Road, French Camp, California (phone: 209-983-2750). Inbound loads via Pacer/BNSF service under this temporary program may not be street turned for a Pacer/UPRR eastbound service routing.

Please contact your Pacer Stacktrain Business Development Representative for the latest updates regarding this situation.

We appreciate your business.