



BUILDING AMERICA®



2011 Union Pacific Dairy Guide Circular UP 2037-5000

Effective: October 2011



BUILDING AMERICA®

Union Pacific is pleased to present the 2011 Dairy Guide. This guide will assist you in shipping dairy products from Western origins to multiple destinations in the Midwest and East. The guide is intended to be a quick reference for information regarding:

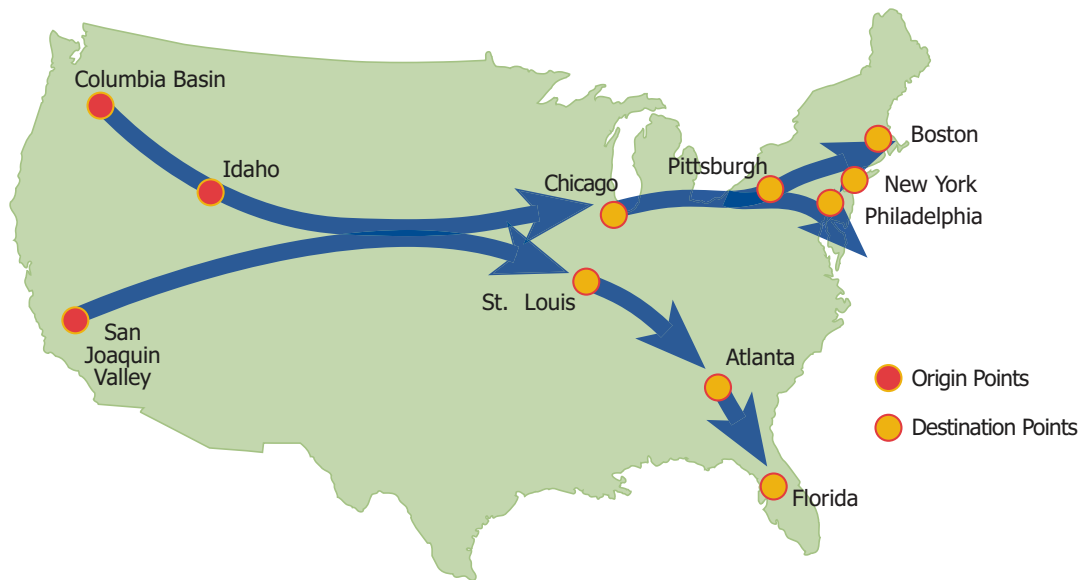
- Key contacts at Union Pacific and our Eastern rail partners
- Damage Prevention best practices and claims
- Rates for shipping

It is our intent to continue to offer a competitive rail option to our dairy customers.

Thank you for your business.

Service

Express Lane service was designed in 2000 by Union Pacific and CSX Transportation to expedite the shipment of perishable goods from California and the Pacific Northwest to the East Coast. Express Lane offers shippers an expedited alternative to the high cost of trucking. The map below shows the program origins and destinations with projected transit schedules.



Our Track Record

Express Lane on-time delivery averages more than 96 percent from shipper to receiver. Union Pacific has dedicated the largest refrigerated rail car fleet in the industry to this program. The fleet totals 4,954 cars, consisting of 1,493 cars 64' in length and 3,461 cars 50' in length, comprising a \$300 million investment. In addition to the initial investment in the equipment, \$18 million has been invested since 2008 for California CARB Emissions Compliance.

Mechanical Reefer Fleet

Fleet Statistics:

Car Mark - Series	Inside Length	Plate	Inventory
ARMN - 70 ton	50'	B	2,604
ARMN - 90 ton	50'	C	857
ARMN - 110 ton	64'	F	1,493
Total Available Fleet			4,954

All ARMN Cars Feature:

- GPS monitoring
- Data logging system
- Satellite interface
- Remote diagnostic testing and pre-tripping
- CARB compliant

Contact Information:

Market Development Sales Center: 1-800-877-0513
 Union Pacific Distribution Services: 1-800-303-3410



50' ARMN Characteristics

- Inside Length: 50'
- Inside Height: 9' 3" to 9' 6"
- Inside Width: 9' 1"
- Door: 10' or 12' Single Plug
- Equipped with Carrier Units

70 Ton: ARMN 70000 Series

- Cap. Pounds: 138,100
- Cap. Cubic Ft.: 4,269
- Plate: B

Commodities

- Frozen Meat & Poultry
- Fresh Produce
- Frozen Products

90 Ton: ARMN 90000 Series

- Cap. Pounds: 165,200
- Cap. Cubic Ft.: 4,498
- Plate: C

Commodities

- Dairy
- Seafood

64' ARMN Characteristics

- Inside Length: 64'
- Inside Height: 11' 9"
- Inside Width: 9' 3"
- Door: 12' Single Plug
- Equipped with Carrier Units

110 Ton: ARMN 110000 Series

- Cap. Pounds: 194,900
- Cap. Cubic Ft.: 6,956
- Plate: F

Commodities

- Frozen Potatoes

Who to Call

Union Pacific Railroad



Sales

Krystal Newell – Northern & Central California Dairy Shippers	916-789-6348
Christian Rowe – Idaho & Pacific Northwest Dairy Shippers	503-249-2709
Elise Gosch – Wisconsin & Upper Midwest Dairy Receivers	630-427-2358
Market Development & Sales Center	800-635-7154

Marketing

Ryan Kolb – Fresh and Frozen Products	402-544-6210
Shalece Kehl – Fresh Products (MDSC)	402-544-3613
National Customer Service Center	800-272-8777, #, option 1

Billing Services

- EDI Help Desk..... 800-872-1045
- Diversions
- Overloads & Weighing..... 800-243-0890
- Demurrage..... 800-877-5127
- Cash Customers & Embargoes..... 800-992-0956
- Customers Master Entries

Damage Prevention

Jeff Poeppe – Omaha, NE.....	402-544-3592
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Claims Resolution

Gary Gunnels – Palestine, TX.....	800-521-3253, ext 7713
24-hour Help Desk.....	800-303-3410

Who to Call

CSX Transportation



Customer Service.....877-744-7279

Norfolk Southern Railroad



Customer Service.....800-635-5768, option 9

Union Pacific Distribution Services (UPDS)



One Plus Marketing Team.....800-877-5633, option 4

Kent Peacock – UPDS Transload Contact..... 402-544-8963

Perishable Operations/Shipment Monitoring

24-hours, 7 days..... 800-303-3410

Establishing Credit

Customers who anticipate recurring shipments may apply for credit with Union Pacific Railroad. Extension of credit requires the completion of a Union Pacific Credit Application.

The online credit application request can be found on our website at:
<https://c02.my.uprr.com/ccw/ssl/ccw1.jsp>

Customers who have not established credit with, or who are awaiting credit approval from, Union Pacific must pay for their shipment prior to delivery.

A completed application must be received before credit can be granted.

Terms

Credit terms are 15 days from the freight bill date as outlined in the Uniform Freight Classification 6000-L Note 62.

Notification of Status

Notification by e-mail will occur within 48 hours after submission of the credit application. The appropriate Union Pacific sales representative is copied on all correspondence.

Payment Methods

Option 1: Web Payment Option

The most preferred option of paying for shipments is Account on the Web (AOW). AOW offers customers the ability to manage/access their invoices at any time, electronically transmit dispute information and initiate payments online via ACH. For more information, or to set up an account for your business, call 1-877-712-4687.

Option 2: ACH Debit

ACH Debit requires that customers contact the AOW Support Team at 1-877-712-4687 for further instructions.

Option 3: ACH Credit/Electronic Payments

To pay electronically, call 402-544-7887.

Option 4: Check

For regular mail:

If you have a copy of your freight bill, please remit to the address listed on your freight bill or call 1-800-925-6396 for your specific lock box address.

If you do not have a copy of your freight bill, please remit to:

Union Pacific Railroad
P.O. Box 502453
St. Louis, MO 63150-2453

For express mail (FedEx, DHL, Airborne) send to:

Bank of America
Attention: Union Pacific Railroad, Box 502453
St. Louis, MO 63150-2453

Note: Please include equipment ID, invoice number and name of company making remittance.

Questions regarding Credit Application Status, Interchange Agreement, and Letters of Credit, should be directed to 402-544-0061.

Damage Prevention Best Practices

1. The refrigeration unit of the rail car should be started in advance of loading and allowed to run for a period of time to verify proper operation and to pre-chill or heat the lading compartment prior to loading. Once normal operations and settings for your shipment have been verified, loading can commence. During loading and at all times when rail car door is open, the refrigeration unit **must be off** to ensure optimum unit performance and integrity.
2. Product temperature should be monitored at the time of loading. The requested refrigeration thermostat temperature should not exceed five degrees difference from the product's core temperature.
3. Load in such a manner that allows for maximum airflow through and around product.
 - Do not use slip sheets or any other device that will block vertical airflow.
 - When possible, chimney stacks should be created through the length of the car to enhance vertical airflow.
 - Do not load within 14" of ceiling panels.
 - Reject any cars that have major damage to ceiling panels and/or sidewalls.
 - Product should be loaded at a consistent height through the length of the car – do not stack the ends of the car higher than the doorway.
4. When loading refrigerated rail cars with an inside height greater than 9' 6", such as UP's ARMN 110XXX and ARMN 111XXX cars, shippers must load below the stenciled maximum load height line of 11' 8". If loading above this height, the Combined Center of Gravity for the load must be calculated to ensure the load does not exceed a Combined Center of Gravity higher than 98" from the top of rail.
5. Temperature settings
 - Frozen cheese: use "frozen cheese" Intellisets setting on ARMN cars; set thermostat at -5 degrees.
 - Fresh dairy/cheese: use "fresh dairy/cheese" Intellisets setting on ARMN cars; set thermostat between 30 and 45 degrees depending on product.
6. Seal rail car with barrier seals rather than indicative seals.
 - Use cable seals with a minimum diameter of 1/8" or bolt seals.
 - Utilize rail car's high security hasp, if available, as an additional security measure.
7. Unload rail car within 48 hours upon arrival at destination.

Claims and Lawsuits

Limited Liability Exception

For all causes other than derailments the rail carrier's liability for the commodity contained in any rail car moving under the terms and conditions of this agreement shall not exceed the origin value of the cargo (plus freight charges, if paid), or Fifty Thousand Dollars (\$50,000), whichever is the lesser of the two amounts. However, in the event of a derailment, which is determined to be not attributable to customer's negligence, the maximum liability shall be increased to an amount which may not exceed One Hundred Thousand Dollars (\$100,000) per rail car.

From UP Exempt Circular 1-F, Item 86, Section 4

Claimant shall file claims in writing within six (6) months of delivery date or reasonable time for delivery and such written or electronic communication shall comply with the minimum requirements contained in 49 C. F. R 1005. 2(b).

A. All written claims must include the following documentation:

1. A demand for payment of a specific amount.
2. Information identifying the rail shipment including equipment initials and number, shipper and receiver's names, shipping date, origin and destination locations and commodity.
3. Origin records or certification as to the condition and quantity of the cargo at the time tendered to the origin rail carrier. If shortage is involved, origin and destination seal records must be furnished.
4. Destination records as to the condition and quantity of the cargo at the time received from the destination rail carrier. If shortage is involved, destination seal records must be furnished.
5. Verification of the amount claimed such as certified invoices, repair bills, account of sales and labor and material records.
6. Evidence as to the disposition of the damaged cargo.
7. Complete records of all installed temperature and/or humidity recording devices.
8. On fresh fruits and vegetables, origin and destination USDA inspections or Canadian government equivalent must be furnished. Carrier reserves the right to summarily deny any and all claims submitted that do not contain all or part of the aforementioned documentation.

B. All loss and damage cargo claims filed against Union Pacific Railroad must be filed with:

Damage Prevention Services
Union Pacific Railroad
111 South Magnolia Street
Palestine, TX 75801

Telephone: 1-800-521-3253
Fax: 1-800-527-3036

C. Lawsuits

1. All lawsuits must be filed within (12) months from the actual, or in the event of loss of shipment, from the expected date of delivery by the carrier.
2. Only one lawsuit may be brought against Union Pacific Railroad for any one claim by any one party.
3. Lawsuits must be filed in a court of competent jurisdiction in Omaha, Douglas County, Nebraska.

2011 Mechanical Refrigeration Car Use Rules

Tariff MPS3, Item 725

Extended Use of the Refrigeration Unit

The following applies at all stations in the United States, Canada and Mexico when mechanical cars are provided.

Origin Extended Use Fee

For shipments being loaded at origin, 24 hours with the refrigeration unit on after Actual Placement (AP) will be provided to load Union Pacific Railroad owned or controlled mechanical refrigeration cars. If the refrigeration unit has been turned on for 24 consecutive hours without release from origin, an extended use fee of \$100/day will apply.

For shipments originating in the states of ID, OR and WA during the months of December, January and February, 36 hours of loading time with the refrigeration unit on will be provided before the extended use fee applies.

Destination Extended Use Fee

For shipments being unloaded at destination, 48 hours with the refrigeration unit on after Actual Placement (AP) or Constructive Placement (CP) will be provided to unload Union Pacific Railroad owned or controlled mechanical refrigeration cars. If the refrigeration unit has not been turned off after 48 hours an extended use fee of \$100/day will apply.

For shipments that are destined to Union Pacific destinations, the extended use fee will be included in the charges for demurrage as outlined in the UP 6004 Circular.

Cash Customers

For all shipments being held for cash payment, a charge of \$100/day will apply for extended use of refrigeration equipment.

Empty Release with Refrigeration Unit On: For all Union Pacific owned or controlled mechanical refrigeration cars that are released empty with the refrigeration unit on, a flat fee for extended use of \$225 will apply.

Diversions

Diversions of Union Pacific owned or controlled mechanically refrigerated cars will only be allowed prior to North Platte, NE, as outlined in UP 6004. No diversion of Union Pacific owned or controlled mechanically refrigerated cars will be allowed on a foreign railroad.