



May 16, 2005

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LOCOMOTIVES -
FORWARD MOUNTED CAMERAS

385-005

Gentlemen:

As information, we have been testing Track Image Recorders (TIR) on approximately 50 locomotives.

Based on the successful results of our initial tests, we are moving to install more of these recorders on a system-wide basis. We anticipate installing TIR on more than 800 locomotives by the end of 2005.

I have attached a copy of information covering the Track Image Recorder program. This equipment will help us record valuable information in the event of an accident. Despite the ongoing grade crossing safety commitment of Union Pacific and its employees, there are still unfortunate accidents involving trains and motor vehicles. As a result, Union Pacific and its employees have been the target of litigation. The factual information provided by the TIR system will be beneficial to both the employees and the company.

In order to give you an opportunity to view this equipment, arrangements have been made for a demonstration on June 9 at 1:30 p.m. in Council Bluffs Yard. Please be available at my office at 1:00 p.m. and we will arrange to travel to Council Bluffs for the demonstration. I would appreciate advice as to whether you or your representative will be attending the presentation.

Sincerely,

A handwritten signature in cursive script, appearing to read "A. Terry Olin".

A. Terry Olin
General Director

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Track Image Recorder Talking Points

- A Track Image Recorder (TIR) is a digital camera and microphone. The camera is mounted inside the cab of an over-the-road locomotive, near the windshield, aimed at the track in front of the unit. The microphone is mounted outside the cab to record the locomotive's air horn and bell. The video, audio and timestamp data is stored on a disk in a lockbox accessed only by authorized personnel.
- Where technically possible, TIR information can be time synchronized with data from the locomotive's event recorder data, which includes train speed, throttle and brake settings, electrical power levels and horn use. The TIR image file and the event recorder data can provide a comprehensive record of each trip -- duplicating the sounds of the locomotive's air horn and bell with pictures of the track ahead.
- UP's train and engine crews and Operating Department employees are committed to public safety and preventing grade-crossing accidents involving motorists and pedestrians. The TIR equipment will show these efforts.
- TIRs protect the company's image and ethics, which have been challenged by the media in stories implicating the industry's grade-crossing safety procedures.
- All major railroads are studying how to use image recorders; the Norfolk Southern began implementing them 4-5 years ago.
- The image recording equipment is expensive, and it is important to keep it in good working order. TE&Y employees can help by immediately reporting any damaged equipment to the Response Management Communications Center (RMCC) at 1-888-877-7267. If the DVR's light-emitting diodes (LEDs) are red or are not lit, please note the condition on the daily report concerning cab condition.
- If a TIR locomotive is involved in a critical incident, the train and engine crew or manager on duty should notify the train dispatcher or the RMCC. Only trained and authorized UP claims representatives can remove and replace the video data storage hard drive or download a segment to their laptop. If the unit is on another railroad or a trained UP claims representative is not available, an authorized employee must remove the box containing the hard drive and electronics.
- TIRs are equipped with anti-tampering software. Anyone tampering with the equipment will be identified and subject to disciplinary action.