

## **Announcement Declaring Northern California Market No Longer Constrained**

Dear Intermodal Customer,

Due to reduced shipment demand UP has determined that the Northern California market is no longer constrained. UP expects to have sufficient container capacity to support expected demand for the foreseeable future.

Consequently, effective the week beginning September 30, 2012, UP will no longer bill customers weekly Volume Surcharges for shipment volume in excess of the Surge Volume Allowance for each shipper in Northern California.

Demand for capacity in Southern California remains strong. Weekly Volume Surcharges will continue to apply for shipment volume in excess of the Surge Volume Allowance for each shipper in Southern California until further notice.

If you have any questions, please don't hesitate to contact your Intermodal Sales Representative. We thank you for your business and look forward to a successful peak shipping season.