



**Chicago & North Western Railway
Company Profit Sharing and Retirement
Savings Program Summary Plan
Description**

January 1, 2022

**This document constitutes part of a prospectus covering securities that
have been registered under the Securities Act of 1933.**

It is your right and responsibility to learn as much as you can about the wide variety of Union Pacific benefits and how you can make the most of all that is available to you. Please retain a copy of this Summary Plan Description with your important papers for future use.

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INTRODUCTION & BACKGROUND

This Summary Plan Description (“SPD”) contains a description of the principal provisions of the Chicago & North Western Railway Company Profit Sharing and Retirement Savings Program (the “Plan”) in effect on January 1, 2022.

The Chicago & North Western Railway Company (“C&NW”) previously sponsored the Plan. Pursuant to an agreement dated March 16, 1995, C&NW was acquired by UP Rail, Inc., an affiliate of Union Pacific Railroad Company (the “Company”). The C&NW was subsequently merged into the Company, and the Company assumed sponsorship of the Plan.

The Company “froze” the Plan effective December 31, 1995. This means there are currently no new participants being admitted to the Plan and there generally will be no further contributions to the Plan.

Every effort has been made to describe the Plan in effect on January 1, 2022, clearly and accurately. Should there be a difference between the information in this SPD and the governing Plan documents, the Plan documents have final authority. This document is meant to serve as the Plan’s summary plan description under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

Certain capitalized terms used in this SPD are defined in the “Definitions” section on Page 17. Other capitalized terms are defined throughout the SPD in the various sections in which the term is used.

The Company reserves the right to amend or terminate the Plan at its discretion. The information contained in this SPD is not intended and does not constitute either an employment agreement or contractual relationship, and does not guarantee employment for a specific period of time.

As a Plan participant, you have the right to direct the investment of your Plan account balance, as well as any related earnings, subject to the rules described herein. Various investment options are available. You may choose to invest a portion of your interest in the Plan in the Union Pacific Common Stock Fund, which holds primarily common stock, \$2.50 par value, of the Union Pacific Corporation (“Common Stock” or “Company Stock”). We have registered with the Securities and Exchange Commission the offer of Company Stock for purchase under the Plan and may increase the amount registered in the future. Information regarding the Union Pacific Common Stock Fund is contained in Exhibit E to this SPD, entitled “*Available Information – Union Pacific Common Stock Fund.*”

This SPD, including Exhibit E, constitutes part of a prospectus describing Union Pacific and the offering of Common Stock through the Union Pacific Common Stock Fund for purposes of the Securities Act of 1933, as amended (the “Securities Act”). The purpose of the SPD, including Exhibit E, is to provide you with more detailed information about the Plan and its operations, as well as information about the Union Pacific Common Stock Fund and how you can find information about Union Pacific so that you will be able to make an informed decisions whether to purchase the Company’s Common Stock through the Plan. This information is contained in publicly available filings made by Union Pacific in accordance with U.S. securities law.

PLAN PARTICIPATION

You are a participant in the Plan if you have an account balance under the Plan for contributions made for periods prior to December 31, 1995, when the Plan was frozen.

CONTRIBUTIONS TO THE PLAN

With one limited exception, there will be no new contributions made to the Plan, either by the Company or by participants. The exception is for contributions that the Company must make if the Plan becomes “top-heavy.” Generally, the Plan will be top-heavy if more than 60% of the benefits of the Plan are payable to certain highly compensated employees. If this happens, the Company may have to make a contribution to the Plan on your behalf. It is quite unlikely that the Plan will become top-heavy, but you will be notified if it does.

PLAN INVESTMENTS

You may direct the investment of your Plan account balance to one or more of the Plan’s available investment options, which include a broad range of investment alternatives intended to allow you to achieve a diversified portfolio.

In general, investment earnings, including dividends (if any) on securities held in an investment option are reinvested in the investment option in which they are generated. No taxes are due on any earnings as long as the earnings stay in the Plan. The Trustee (see “General Information” on Page 19 of this SPD), in its discretion, may make short-term investments pending the ultimate investment of your account in the investment option(s).

Vanguard Fiduciary Trust Company is the investment manager for the Union Pacific Common Stock Fund and the Union Pacific Fixed Income Fund.

Your account will be valued each day on which the New York Stock Exchange is open for business. Access to the value of your account in total and by each investment option is available by calling **Vanguard® Participant Services** or the **24-hour Vanguard**

VOICE® Network at **1-800-523-1188** or, if you have web access, Vanguard’s website at **www.vanguard.com**. Quarterly participant statements are also provided to each participant.

Vanguard Managed Account Program

The Vanguard Managed Account Program (the “Program”) is a service offered by Vanguard Advisers, Inc. (VAI). VAI relies on Financial Engines Advisors, L.L.C., an independent advisor unaffiliated with VAI or Vanguard, to provide portfolio management for participants in the Program. Financial Engines’ advisory tools determine the investment alternatives offered under the Plan in which to invest your Plan account and the percentage of your Plan account to invest in each such investment alternative. This is known as a “target allocation.” The target allocation is based on your current age and assumptions about your age at retirement. Although not required, you may provide additional information to more closely tailor your target allocation to your individual circumstances.

To enroll in the Program you may call a Managed Account specialist at 800-310-9228 or enroll via the web at www.vanguard.com. If you elect to participate in the Program, you give VAI discretionary authority over your account. This means that you grant VAI the ability to invest your Plan account on your behalf in and amongst the Plan’s available investment options, and to generally make investment decisions on your behalf, without obtaining your approval for each individual transaction. The Program will not take into consideration any favorable tax treatment on employer securities in making investment decisions.

Program fees are based on a percentage of your assets under management.

There is a minimum annual fee to participate in the Program prior to June 30, 2022. After this date, no minimum fee applies. Details regarding the Program’s current fee structure can be found in the most recent Plan information and investment disclosure document. To request a copy of this document, call **Vanguard® Participant Services** or the **24-hour Vanguard VOICE® Network** at **1-800-523-1188**, or if you have a web access, such information may be found on Vanguard’s website at **www.vanguard.com**. The Program fee will be charged monthly and generally, only for each full month you are enrolled in the Program. VAI reserves the right to increase or decrease the fees charged, but will notify Program participants in advance of any change in the fee structure.

You may terminate your participation in the Program at any time by calling a Managed Account specialist at 800-310-9228.

Available Investment Options

The investment option alternatives available under the Plan are separated into two investment strategies. In addition, you can choose to invest in common stock of Union Pacific Corporation.

Core Investment Options: The Plan offers a variety of Core Investment Options which are, generally speaking, mutual fund or collective investment trust options which hold a diversified portfolio of investments that is intended to achieve a particular financial objective (for example, a stable value option that emphasizes preservation of principal, or a growth option that seeks growth over the long-term but may also decline in value). This is a “Do It Yourself” approach – since each investment option has a specific investment objective, you need to be aware of your investment goals, the period of time you have to invest, and how many funds in which you should prudently invest in order to diversify your investments so as to reduce the risk of loss.

Target Retirement Trusts: The Plan offers an alternative to the “Do It Yourself” approach. You can invest all or part of your account in one or more of the Target Retirement Trust Select Trusts (group trusts maintained by Vanguard Fiduciary Trust Company). Each of these trusts is a “balanced” investment option which has a pre-set mix of investments, including stocks, bonds and short-term investments that gradually and automatically adjusts to become more conservative as you approach retirement age.

A list of the investment option alternatives under the Plan and current information regarding investment performance of these investment options can be found in the most recent Plan information and investment disclosure document. To request a copy of this document, call **Vanguard® Participant Services** or the **24-hour Vanguard VOICE® Network** at **1-800-523-1188**, or if you have a web access, such information may be found on Vanguard’s website at **www.vanguard.com**.

See the section, “*Changing Your Investment Decisions*” for information regarding your ability to change your investment choices.

Union Pacific Common Stock Fund

In addition to the Core Investment Options and the Target Retirement Trust Select Trusts, you may also choose to invest in the Company stock fund (“Union Pacific Common Stock Fund”). This is a non-diversified investment option. Shares of Company Stock are purchased for the Union Pacific Common Stock Fund on the open market or privately at prices not in excess of the market price at the time of purchase. Cash balances in the Union Pacific Common Stock Fund, including the interim investment thereof, are limited to the amount necessary for administrative purposes.

Because the Union Pacific Common Stock Fund is a non-diversified investment option, the Plan limits your ability to transfer amounts you’ve invested in other Plan investment options to the Union Pacific Common Stock Fund. You cannot transfer an amount into the Union Pacific Common Stock Fund if such transfer would result in more than 20% of your Plan account (determined immediately preceding the proposed transfer) to be invested in the Union Pacific Common Stock Fund.

See Exhibit E: “*Available Information – Union Pacific Common Stock Fund*” for information about the Union Pacific Common Stock Fund and how to find out more about Union Pacific and its business operations so you can make an informed decision whether to invest a portion of your Plan account in the Union Pacific Common Stock Fund.

Default Investment

The Plan also designates a default investment option where amounts will be invested if you do not make an investment election. The Plan default investment option is the Vanguard Target Retirement Trust Select with the target year closest to the year you will reach age 65, or the Vanguard Retirement Trust Select that correlates to your actual age, if you are already 65 or older. Remember, you may elect to transfer amounts out of your default investment option to another available investment option, subject to any applicable Plan trading/exchange restrictions. For more information about making investment changes, see the section below, “*Changing Your Investment Decisions.*”

Other Investment Information

You have the right to direct the Trustee as to the exercise of voting rights with respect to the Company Stock allocated to your account. As soon as reasonably practicable after the Trustee’s receipt of such materials, the Trustee will deliver or cause to be delivered to each Plan participant all notices, financial statements, proxies, and proxy soliciting material relating to the Company Stock allocated to the participant’s account. Any shares of Company Stock for which the Trustee receives no instructions and, unless otherwise required by law, unallocated shares will be voted by the Trustee in the same proportion that the shares are voted for which the Trustee received instructions.

If a tender offer is made for any shares of Company Stock held in the Plan, the Trustee will request your instructions, and you may direct the Trustee as to how to respond to the tender offer in connection with the shares of Company Stock allocated to your account. Unless otherwise required by law, the Trustee will not tender unallocated shares or shares for the accounts of participants who fail to give instructions.

Shares of mutual funds allocated to your account will be voted or tendered by the Trustee in accordance with written instructions furnished by you. The Trustee shall deliver to you all notices, proxies, and proxy-soliciting materials related to the shares of the mutual funds allocated to your account. Unless otherwise required by law, any shares, including fractional shares, for which voting or tender instructions are not received shall not be voted or tendered.

Your Investment Goals

No one within the Company may advise you on investments. You should seek advice from your own financial advisor with respect to your investment elections.

The Plan is intended to be a plan described in section 404(c) of ERISA and Title 29 of the Code of Federal Regulations Sections 2550.404c-1 and 2550.404c-5 (together, “Section 404(c)”). This means that the Company, any affiliate of the Company by which you are employed, the Trustee, the Plan Administrator, and other fiduciaries of the Plan may be relieved of liability for any losses which are the direct and necessary result of your investment instructions, the investment of all or part of your Plan account in a default investment option in the event you fail to make an investment election, or the investment decisions made by a Plan fiduciary in connection with the management of a default investment option.

You have the authority and responsibility for deciding how to invest your money among the investment options available and are responsible for your investment decisions, including any losses attributable to those decisions. It is your responsibility to monitor the performance of your investments. It is the responsibility of the Plan Administrator to make sure that information is available to you to allow you to exercise your right to choose your investments.

To comply with Section 404(c), the Plan permits you to choose from a broad range of investment alternatives and will provide you with certain information about the investment alternatives and the operation of the Plan. The information you may request is described in the section entitled “Obtaining Information” at Page 7 of this SPD.

Before investing in any of the investment options, read the related prospectus, fact sheet and/or annual report which contains additional information about the investment option. You may request copies of any of the prospectuses, fact sheets or annual reports by calling Vanguard Participant Services on the 24-hour Vanguard VOICE® network by dialing 1-800-523-1198 or visit Vanguard’s website at www.vanguard.com. For additional information about the Union Pacific Common Stock Fund, see Exhibit E, *Available Information-Union Pacific Common Stock Fund*.

No one at the Employer is authorized to give you investment advice. You should seek advice from your own financial advisor with respect to your investment elections.

Remember, all investments have a degree of risk. You will need to weigh potential risks against investment objectives to decide which investment option(s) are best for you. Vanguard can provide more information regarding the available investment alternatives and related fees, if any, that may be charged in connection with administering your investment election.

CHANGING YOUR INVESTMENT DECISIONS

Permitted Changes

In general, you can make exchanges (i.e., transfer of money in your account between Plan investment options) each day the New York Stock Exchange is open for business. However, you should be aware that unusual circumstances could prevent you from obtaining prompt access to the automated systems through which daily investment changes are affected. For example, an unusually large volume of investment changes might temporarily overwhelm a system; similarly, communications might be disrupted by forces of nature or by other uncontrollable events.

Exchanges must be made in one percent (1%) increments or in flat dollar amounts.

In most cases, if you exchange out of the Union Pacific Common Stock Fund prior to the market close it will be valued at the closing price of the stock on the day the exchange is elected. Exchanges elected after the market close will be valued at the closing price of the stock on the next business day. However, in unusual circumstances, if the Union Pacific Common Stock Fund has to buy or sell stock on the open market to complete the day's transaction, you may receive a transaction price that reflects the actual price at which the Union Pacific Common Stock Fund traded shares. That price could be more or less than the closing price on the day you made the exchange. This is called Trading Impact. "Trading Impact" is the effect on the unit value of the Union Pacific Common Stock Fund when that investment option has to buy or sell Union Pacific Common Stock shares at prices that vary from the stock's closing price on the day participants requested the transactions. This can happen when participant transactions in the Union Pacific Common Stock Fund result in the investment option's cash reserves being higher or lower than planned, making it necessary to buy or sell shares on the open market. **Exchanges increasing your holding in the Union Pacific Common Stock Fund will not be permitted if the exchange will result in more than 20% of your Plan account balance being invested in the Union Pacific Common Stock Fund.**

Other restrictions exist regarding the frequency in which you may make exchanges into or out of certain investment options. Also, frequent trading restrictions may apply to an investment option. For more information regarding these restrictions, please contact *Vanguard® Participant Services* on the *24-hour Vanguard VOICE® Network* at *1-800-523-1188* or if you have a web access, Vanguard's website at www.vanguard.com.

In the event of an acquisition, merger, or other material transaction, certain participants with knowledge of the transaction may be notified by the Plan Administrator that their activity relating to the Union Pacific Common Stock Fund will be restricted.

When Your Exchanges Become Effective:

Exchanges, if made prior to 4:00 p.m. Eastern Time, generally will be effective the day the exchange is made based on that day's closing price (subject to potential Trading Impact on the Union Pacific Common Stock Fund). After 4:00 p.m. Eastern Time, the exchange will be effective the next business day at that day's closing price (subject to potential Trading Impact on Union Pacific Common Stock). Please note that exchanges must be transacted directly through Vanguard. You may initiate an investment change or exchange by calling *Vanguard® Participant Services* or the *24-hour Vanguard VOICE® Network* at *1-800-523-1188* or, if you are a registered web or Vanguard mobile application user, changes can be made through the web or your phone at www.vanguard.com. As explained above, unusual circumstances, such as a large volume of investment changes, forces of nature, or other uncontrollable events, could prevent you from obtaining prompt access to Vanguard. If you have elected to receive confirmations electronically, you will receive a confirmation of your transaction electronically within approximately one business day of your transaction. Otherwise, you will receive a confirmation of your transaction from Vanguard in approximately 7-10 business days.

CONFIDENTIALITY

Information about your participation in the Union Pacific Common Stock Fund will be kept confidential. The Plan has assigned to the Plan Administrator (1400 Douglas Street, Stop 1930, Omaha, NE, 68179, telephone (402) 544-5000) the responsibility for establishing and monitoring confidentiality procedures. (A copy of these procedures is found in Exhibit B.) Further, an independent fiduciary will be appointed by the Plan Administrator to monitor compliance with the confidentiality procedure should a situation arise involving the potential for undue influence by the Company to exercise your voting, tender or similar rights in a particular way (e.g., proxy contest, tender offer, etc.).

OBTAINING INFORMATION

Call *Vanguard® Participant Services* or the *24-hour Vanguard VOICE® Network* at *1-800-523-1188* or, if you have web site access, use Vanguard's web site at www.vanguard.com. Vanguard, acting on behalf of the Plan Administrator (1400 Douglas Street, Stop 1930, Omaha, NE, 68179, telephone (402) 544-5000), will also provide to you the following information upon request:

1. **Operating Expenses.** A description of the annual operating expenses of each investment option (including, for example, investment management fees, administrative fees, and transaction costs) which reduce the rate of return to you, and the aggregate amount of such expenses expressed as a percentage of average net assets of the investment option;
2. **Prospectuses, Fact Sheets and Financial Reports.** Copies of any prospectuses, financial statements and reports, and any other materials relating to the investment options, to the extent such information is provided to the Plan;
3. **Listing of Assets.** A list of the assets comprising the portfolio of each investment option which constitute Plan assets under Department of Labor regulations, the value of each such asset (or the proportion of the investment option which it comprises), and, with respect to each fixed rate investment contract (e.g., Guaranteed Investment Contracts (GICs)) issued by a bank, savings and loan association, or insurance company, the name of the issuer of the contract, the term of the contract, and the rate of return on the contract;
4. **Performance Information.** The value of shares/units in each investment option, as well as the past and current investment performance of each investment option, determined net of expenses, on a reasonable and consistent basis; and
5. **Individual Account Information.** The value of shares/units in designated investment options allocated to your account.

VESTING IN YOUR ACCOUNT

Vesting is the process by which you gain ownership rights to the value of your Plan account including the Employer Contributions. You are fully vested at all times in your benefits under the Plan.

LOANS

The Plan is designed primarily as a long-term savings vehicle to help you save money for retirement. However, the Plan permits loans for short-term financial needs which may occur before you are eligible for final payment from your account. Limits on the amount you can borrow are set according to Internal Revenue Code guidelines.

An advantage of borrowing from your account concerns the interest you pay on your loan. Both principal and interest are credited to your account as your loan is repaid. If you borrow money from a traditional lending institution, your interest payments become earnings for the lender. In this Plan, the interest payments are credited to your account. Interest payments on Plan loans are not tax deductible.

You are eligible for a loan from the Plan if you have a Plan account of at least \$2,000 and are an active employee. For this purpose, an "active employee" means an employee who is currently receiving pay from the Company's U.S. payroll, or are receiving short-term disability payments from the UPC STD/LTD Plan. Because loans are repaid through automatic payroll deductions, you may not take out a loan if you are a former or inactive employee (including if you are on an approved unpaid leave of absence) or are receiving long-term disability benefits from the UPC STD/LTD Plan. Finally, you are not eligible for a loan if you are an alternate payee pursuant to a Qualified Domestic Relations Order (QDRO) unless you are an active employee of the Company in addition to being an alternate payee, in which case you are eligible to take a loan from either your employee separate account or your alternate payee separate account. To receive a loan, you must agree to repay your loan through automatic payroll deductions.

If you are married at the time you take a loan from the Plan, your spouse must provide a notarized consent to the loan.

To obtain a loan, you may contact Vanguard at 1-800-523-1188 between 8:30 a.m. and 9:00 p.m. Eastern Time or access your account through Vanguard's web site (<http://www.vanguard.com>). You will pay the loan origination fee and annual maintenance fee on loans issued. Information regarding the amount of these fees can be found in the most recent Plan information and investment disclosure document. To request a copy of this document, call *Vanguard® Participant Services* or the *24-hour Vanguard VOICE® Network* at *1-800-523-1188*, or if you are a registered web or Vanguard mobile application user, through the web or your phone under Plan Details, Loans, Loan fees. The annual maintenance fee is deducted from your Plan account balance beginning in the calendar year after the loan is issued. Both the loan origination fee and annual maintenance fee are subject to change in the future.

How Much You Can Borrow

The minimum loan amount is \$1,000. The maximum you may borrow is the lesser of:

- \$50,000 minus the excess, if any, of (A) your highest outstanding loan balance under the Plan and any other qualified plan maintained by a Union Pacific company in the previous 12 months (even if that loan is fully repaid) over (B) the outstanding balance of loans made to you on the date your new loan is made; or
- One-half of your account balance.

Loans you received from the Plan or any other qualified plan maintained by the Company or its affiliates are included when determining your maximum loan amount.

Your account will be valued using the most current information available.

When considering the advantages of taking out a loan from your account, please remember you are actually taking money out of your account and lending it to yourself. While such money is on loan to you, the amount of money taken out of your account will only earn the interest you pay to borrow the money. Any money remaining in the account will continue to be invested.

Loan Terms

You may have only one loan outstanding at a time. Also, you may obtain a loan no earlier than 12 months from the issuance date on the Trustee's records of your last loan.

If your contribution source account(s) are invested in more than one investment option, the proceeds of your loan will be taken pro rata from the investment options in which your affected contribution source account(s) are invested. Upon loan approval, the principal amount of your loan will be transferred from the vested balance of your contribution source account(s), in the priority required by the Plan document, to a loan fund. When you repay the loan, principal and interest will be credited to your loan fund and invested in accordance with your then-current investment election on file or, in the absence of such election, in the applicable default investment option.

You (and your spouse, if applicable) will need to execute a promissory note (or indicate your approval electronically, if using an electronic loan application process) by which you agree to the repayment terms; otherwise, no loan check can be issued. (Note: notarized spousal consent, if required, must be made in writing and cannot be obtained electronically). Upon loan approval, you will receive your money approximately 2-10 business days after a properly executed application and promissory note (or electronic approval) are received by the recordkeeper.

Two types of loans are available: a general purpose loan, which is available for any purpose except acquiring securities; and a residential loan to acquire your home (i.e., your principal residence). The interest rate on either loan will be the rate set by the Plan Administrator, taking into consideration interest rates then being charged on similar loans made by commercial lenders. Vanguard can advise you regarding the current interest rate on Plan loans. Such rate will be the rate in effect on the date the loan is initiated. The rate will be fixed, which means it will not change for the life of your loan. However, special rules may apply regarding the interest rate charged should you have a loan and go on a leave of absence due to military service.

Loan Schedule

<u>Type</u>	<u>Repayment Terms/Loan Duration</u>
General Purpose	12, 24, 36, 48, or 59 months
Residential	12 months to 180 months – in 12 month increments

Note: If your loan repayment was suspended during 2020 as permitted under the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), your outstanding loan balance at the time of suspension (including the delayed repayments with interest) was re-amortized upon resumption of your loan repayment and the original term of your loan was extended 1 year beyond its original due date. For more information about loan repayments suspended under the CARES Act, call **Vanguard® Participant Services** or the **24-hour Vanguard VOICE® Network** by dialing **1-800-523-1188**.

Loan Repayment

Your loan will be repaid through payroll deductions. The first payroll deduction will be made as soon as administratively possible, but not later than the 10th day of the second month following the month in which the loan is issued. Your loan repayments will be invested in accordance with your then-current investment election on file (or in the applicable default investment option as the case may be).

You may fully prepay your loan by cashier’s or certified check or electronic bank transfer (EBT) at any time. If you apply for another loan shortly after prepaying a prior loan, the amount you are permitted to borrow may be reduced by the highest outstanding loan balance during the previous 12 months as described earlier. Also, keep in mind that you cannot borrow again until at least 12 months have passed from the issuance date of your previous loan.

Partial prepayments may be made at any time and in any amount. Partial prepayments will be applied only to loan principal and will reduce the loan term but not the periodic payment amount.

If you become an inactive employee and can no longer repay your loan through automatic payroll deductions (e.g., if you take an approved unpaid leave of absence or are receiving long term disability benefits from the UPC STD/LTD Plan) it is your responsibility to keep repaying your loan. Your loan payments may continue by check or by electronic bank transfer, which must be received by the date the payment would have otherwise been deducted from your pay in the month the payment is due. If you are on a military leave of absence, you may have a right to suspend your loan repayment during the period of your military service. Contact the Workforce Shared Service group at 1-877-275-8747, for more details.

Outstanding Loan Balances at Termination of Employment

In general, if you terminate employment and have an unpaid loan balance, or if you retire or die before repaying your entire loan, the outstanding loan balance will be deemed distributed to you from the Plan, and automatically offset against your account balance. This deemed distribution is taxable in whole or in part (see the section entitled “*Final Payment From Your Account*” on Page 12 of this SPD). To avoid this deemed distribution and its tax consequences, you must repay the loan in full by the next to the last day of the second month following your last day of work. You must repay the outstanding balance with a cashier’s or certified check, or by electronic bank transfer (EBT).

Instances of Loan Default

Your outstanding loan balance will become immediately due and payable (subject to any available grace period) while you are employed if:

- you stop your payroll deduction,
- you do not make the necessary payment by the end of a grace period (see “Grace Period” in Exhibit A below),
- the amount available for payroll deduction is insufficient and no grace period is available,
- you do not make a direct payment on time after a grace period has expired or under circumstances where no grace period is available, or
- you do not agree to make any changes in the promissory note which the Plan Administrator considers necessary under applicable Federal laws.

If your loan becomes due and payable while you are employed, the full amount due on the loan will be treated as if it was distributed to you. See the section entitled “*Final Payment From Your Account*” on Page 12 of this SPD. Loan payments through payroll deduction

or otherwise will stop. You will not be permitted to take another loan from the Plan unless you repay the balance of the defaulted loan, including interest from the date the loan became due until repaid.

For additional information regarding Plan loans, including a detailed description of events of default, see Exhibit A.

WITHDRAWALS

The main purpose of the Plan is to help you build a savings account for long-term financial needs in retirement. The Plan permits withdrawals for short-term financial needs, but only within the guidelines contained in the Plan, which are described in this section.

Remember, your Plan account is not a traditional bank savings account. Withdrawals are subject to certain restrictions and possible penalties imposed by the Internal Revenue Code. For example, you must wait at least 30 days from the date you apply for your withdrawal to receive a check (to give you time to consider a rollover), unless you waive the 30-day requirement. You should also read the section entitled “*Income Tax Treatment of Withdrawals*” on Page 11 of this SPD. All withdrawals are taken on a pro rata basis from the investment options in which your affected accounts are invested at the time of your withdrawal request, except that you are not permitted to withdraw any portion of your account allocated to your loan fund.

Except as provided in the following paragraph, all withdrawals will be paid in the form of a “Qualified Joint and Survivor Pension.” For a married participant, this means a monthly benefit for your life with 50% of that monthly payment continuing after your death for the life of your spouse if he or she survives you. For an unmarried participant, this means a monthly benefit for your life. The withdrawal amount will be transferred to the Chicago & North Western Railway Company Supplemental Pension Trust (the “C&NW Pension Trust”), which will convert the amount of the withdrawal to a monthly benefit and actually make the monthly benefit payments.

You may elect instead to receive the withdrawal in a single sum from the Plan. If you are married, however, your spouse must provide notarized consent to this election. Also, if your account balance does not exceed \$5,000 at the time of the withdrawal, your withdrawal will automatically be paid in a single sum from the Plan.

There are two categories of withdrawals: non-hardship withdrawals and hardship withdrawals. There are three kinds of non-hardship withdrawals: Pre-1987 Employee Contribution Withdrawals, Post-1986 Employee Contribution Withdrawals, and Age 59½ Withdrawals. Contact Vanguard directly to request a withdrawal. Call *Vanguard® Participant Services* or the *24-hour Vanguard VOICE® Network* by dialing *1-800-523-1188*.

Non-hardship Withdrawals

Non-hardship withdrawals may be made for any reason and are available to any participant, except that the participant must be at least age 59½ to receive an Age 59½ Withdrawal. These withdrawals may be paid in cash or Company Stock to the extent amounts withdrawn are invested in the Union Pacific Common Stock Fund. Fractional shares in the Union Pacific Common Stock Fund and all other amounts withdrawn are paid in cash.

Pre-1987 Employee Contribution Withdrawal: You may withdraw in a flat dollar amount all or part of the value of your Employee Matched Contribution Account and Employee Unmatched Contribution Account attributable to first, your after-tax contributions made by you prior to January 1, 1987, followed by the earnings on those amounts, but only to the extent those contributions and earnings have not been previously withdrawn or distributed to you.

Post-1986 Employee Contribution Withdrawal: You may withdraw in a flat dollar amount all or part of the value of your Post-1986 Employee Matched Contribution Account and Post-1986 Employee Unmatched Contribution Account

Age 59½ Withdrawal: Once you reach age 59½, you may withdraw in a flat dollar amount all or part of the value of your account available for non-hardship withdrawal before age 59½, plus amounts in your Employee Elected Unmatched Contribution Account, followed by amounts in your Employee Elected Matched Contribution Account, Employer Matching Contribution Account and Employer Contribution General Account (in the order named).

If you submit multiple non-hardship withdrawal requests that are simultaneously pending for processing, your withdrawal requests will be processed in the following order: first, your Pre-1987 Employee Contribution Withdrawal request; second, your Post-1986 Employee Contribution Withdrawal; and third, your Age 59½ Withdrawal, if applicable.

Hardship Withdrawals

If you are actively employed (including if you are on an approved paid or unpaid leave of absence or if you are receiving STD benefits from the UPC STD/LTD Plan) you may request a hardship withdrawal.

You may make a hardship withdrawal if the Plan Administrator (or its delegate for this purpose) determines you have an immediate and heavy financial need, and a hardship withdrawal is necessary to satisfy the need. Prior to making a hardship withdrawal, you must make all non-hardship withdrawals described above for which you are eligible. (Practically speaking, then, only actively employed participants under age 59½ are eligible for hardship withdrawals, since all participants who are at least age 59½ may request an Age 59½ Withdrawal.) Hardship withdrawals are payable only in cash and you may only withdraw the amount necessary to satisfy your need. Shares of Company Stock withdrawn in a hardship withdrawal must be liquidated and paid in cash.

If you qualify for a hardship withdrawal, you may withdraw an amount necessary to satisfy your need from: first, your Employee Elected Unmatched Contribution Account and second, your Employee Elected Matched Contribution Account.

Definition of Hardship: The Plan Administrator (or its delegate for this purpose) has discretion to determine, on the basis of all relevant facts and circumstances, whether a requested withdrawal is on account of, and necessary to satisfy, a hardship. The Plan defines hardship as an immediate and heavy financial need. A distribution is deemed to be on account of a hardship if it is based on one of the following conditions:

- Expenses for (or necessary to obtain) medical care for you, your spouse, dependent or a primary beneficiary, that are not covered by insurance or other health care arrangements and would be deductible by you under Code section 213(d), determined without regard to the limitations in Internal Revenue Code section 213(a) (relating to the applicable percentage of adjusted gross income and the recipients of the medical care);
- Expenses connected with the purchase of your home (your principal residence), excluding mortgage payments;
- Expenses to prevent eviction from your home (your principal residence) or having your principal residence mortgage foreclosed;
- Payment in advance for tuition, on-campus room and board, and related educational fees for schooling up to the next 12 months for schooling after high school, for you, your spouse, child, dependent or a primary beneficiary;
- Burial or funeral expenses for your deceased parent, spouse, child, dependent or a primary beneficiary; or
- Expenses for the repair of damage to your home (your principal residence) not covered by or reimbursed by insurance that would qualify for the casualty deduction under Internal Revenue Code section 165 (determined without regard to certain limitations in that Code section).
- Expenses and losses (including losses of income) incurred by you on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Act, provided your principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster; or
- such other circumstances or events as may be prescribed by the Secretary of the Treasury or his delegate.

A “primary beneficiary” is an individual designated by you, in accordance with Plan requirements, as a beneficiary having an unconditional right upon your death to all or a portion of your Plan account balance. See the section entitled, “*Naming a Beneficiary*” on page 15 of this Guide for more information.

Your account will be valued using the most recent information available to determine how much you can withdraw. The amount of the withdrawal cannot exceed what is needed to meet the hardship but may include amounts necessary to pay federal and state income taxes resulting from the withdrawal. You cannot pay back a withdrawal.

Additional Hardship Withdrawal Requirements: To obtain a hardship withdrawal, you must certify in writing that you have:

- Insufficient cash or other liquid assets reasonably available to satisfy your financial need; and
- Taken any other currently available non-hardship withdrawal or distribution from this Plan or any other deferred compensation plan sponsored by the Company or an affiliate in which you have an interest.

Income Tax Treatment of Withdrawals

Generally speaking, when you receive a withdrawal from the Plan (including a hardship withdrawal), your withdrawal (or some portion of it) will be subject to federal income tax at ordinary income rates. However, a withdrawal of after-tax employee contributions is not taxed again, although earnings on such contributions are subject to ordinary income tax.

Because a withdrawal is a distribution from the Plan for federal income tax purposes, the attached Exhibit C, “Special Tax Notice Regarding Plan Distributions” (“Special Tax Notice”), beginning on Page 25 provides helpful information regarding the federal income tax treatment of Plan withdrawals. The Special Tax Notice describes the federal income tax treatment of withdrawals as of January 1, 2022. If you request a withdrawal from the Plan, you will be furnished a summary of the Special Tax Notice at the time of your request. At that time you may request to receive a copy of the then-current Special Tax Notice free of charge.

If your withdrawal amount is transferred to the C&NW Pension Trust and paid in the form of a Qualified Joint and Survivor Pension, the income tax treatment applicable to payments made from the C&NW Pension Trust will apply to your withdrawal. See the “C&NW Component of the Chicago and North Western Railway Company Supplemental Pension Plan Summary Plan Description” for more details.

You are urged to check with your qualified tax advisor to determine the answers to questions that relate to your particular situation. Any state or local tax consequences depend on applicable state or local law. No one at the Company may give you tax advice. The following paragraphs describe the federal income tax treatment of single sum withdrawals from the Plan.

Income Tax Withholding: When you receive a single sum withdrawal, the taxable portion of the withdrawal will be taxed as ordinary income in the year of the withdrawal. By law, when you receive a single sum withdrawal (other than a hardship withdrawal), 20% of the taxable portion must be deducted and withheld for federal income tax purposes, unless the withdrawal is directly rolled over to another eligible retirement plan. You may also owe additional taxes at the end of the year. Single sum hardship withdrawals are subject to 10% federal income tax withholding unless you elect no withholding on the hardship distribution. Special rules may apply if all or a portion of your withdrawal includes Company Stock. See Exhibit C, “Special Tax Notice” beginning on Page 25 of this SPD for more details.

10% Penalty Tax: Since the Plan is designed primarily to provide retirement income, the Internal Revenue Code imposes a 10% penalty tax (in addition to ordinary income tax) on most withdrawals prior to you reaching age 59 ½. However, this 10% penalty tax does not apply to certain withdrawals. The payments to which the 10% penalty tax does not apply are described in Exhibit C, “Special Tax Notice” beginning on Page 25.

If applicable, payment of the 10% penalty tax is your responsibility. The Plan will not withhold this tax on your behalf. You can avoid the 10% penalty by rolling over the taxable, rollover eligible portion of your single sum withdrawal to another eligible retirement plan. (See Exhibit C, “Special Tax Notice” beginning on Page 25 for more details.)

FINAL PAYMENT FROM YOUR PLAN ACCOUNT

Note: This section, “Final Payment From Your Account” describes rules that apply if your Plan account balance has not been fully distributed prior to your attaining age 72. However, if your date of birth is before July 1, 1949, these same rules apply for you, substituting age 70½ for age 72.

Distributions - General Information

You become eligible for final payment of your account when you retire or otherwise terminate employment with the Company or any of its affiliated companies.

Account Value Not in Excess of \$5,000: If your account balance does not exceed \$5,000 at the time you elect (or are required) to take distribution from the Plan, the form of payment rules described below do not apply and your account balance will be distributed to you, your surviving spouse or other beneficiary, as the case may be, in a single sum.

Payment Medium: All distributions will be made in cash, except that if you (or your beneficiary) receive a distribution in a single sum, you (or your beneficiary) may elect to receive the portion of your account invested in the Union Pacific Common Stock Fund distributed in whole shares of Union Pacific Corporation common stock, with any fractional share distributed in cash.

Distribution After Termination of Employment and During Participant’s Lifetime

If you terminate employment for reasons other than death, the value of your account will be paid to you in the form of a “Qualified Joint and Survivor Pension” as described in the “Withdrawals” section above, unless you elect instead to receive payment in any of the optional forms of benefit available under the Plan. If you are married, your spouse must provide written, notarized consent to this election. The optional forms of payment under the Plan are as follows:

- single sum payment;
- monthly annuity payments for your life (a “Life Annuity”), with no payment after death; or
- required minimum distribution installments (“RMD Installments”) described below. (Participants who began distribution of his or her Plan account balance before February 16, 2001 had different installment payment options available to them.)

If your account is distributed in the form of either a Qualified Joint and Survivor Pension or Life Annuity, payments will be made from the C&NW Pension Trust. However, if your payments begin in the year you reach age 72 or later, part of your account may have to be paid to you from the Plan as a required minimum distribution, even if your account is otherwise paid as either a Qualified Joint and Survivor Pension or Life Annuity.

Deferral of Final Distribution: If you terminate employment for a reason other than death, you may defer distribution of your account until your Required Beginning Date. Generally speaking, your Required Beginning Date is the April 1st of the year following the later of: (i) the year in which you reach age 72; or (ii) the year you terminate employment. Before that date, no distribution will be made without your written consent. If you elect to defer distribution of your account, you still can change the investments of your account or apply for withdrawals. (You cannot receive a Plan loan, however, after you terminate employment.) You will also receive regular account statements. See attached Exhibit D, “Notice of Your Right to Defer” (“Deferral Notice”) for more details regarding your right to defer distribution from the Plan.

RMD Installments: If you delay distribution of your account until at least the year in which you reach age 72 (or, if later, the calendar year you terminate employment), you can elect (with spousal consent, if married) to have your account distributed in RMD Installments, instead of in the form of a Qualified Joint and Survivor Pension, a Life Annuity or a single sum. You may elect to receive RMD Installments either monthly, quarterly, semi-annual or annually, but the total amount distributed from your account in a year must be sufficient in amount to satisfy the “required minimum distribution” rules under the Internal Revenue Code (the “Code”).

The year in which you reach age 72 (or terminate employment, if later) is called your “First Distribution Calendar Year.” If you elect RMD Installments, you may elect to begin your RMD Installments as of any month in your First Distribution Calendar Year that follows both your election date and the month in which you terminate employment.

Alternatively, you can elect to begin RMD Installments in either January, February or March of the calendar year that immediately follows your First Distribution Calendar Year. This is a distribution beginning in your “Second Distribution Calendar Year.” If you elect to delay the start of your RMD Installments until your Second Distribution Calendar Year, a distribution from your account with respect to your First Distribution Calendar Year will be made to you no later than your Required Beginning Date (April 1 of your Second Distribution Calendar Year) of an amount that is equal to the required minimum distribution under IRS rules for your First Distribution Calendar Year. Your RMD Installments for the remainder of your Second Distribution Calendar Year must be sufficient to satisfy the required minimum distribution for your Second Distribution Calendar Year.

If you elect RMD Installments, you may cancel your installments and receive a final single sum distribution of your remaining account. You can also change the frequency or amount of your RMD Installments in accordance with rules established by the Plan Administrator, subject to the minimum required distributions rules. If you are married, your spouse must provide written, notarized consent to such cancellation or other change.

Distribution Following Death

The form of final distribution that will be made upon your death is different depending on whether you die before or after distribution of your Plan account has begun.

- If you die after receiving distribution of your entire account balance under the Plan or if your account is distributed from the C&NW Pension Trust in the form of a Life Annuity, no further payment is made after your death to any beneficiary.
- If you are married and your account is distributed from the C&NW Pension Trust in the form of a Qualified Joint and Survivor Annuity, your surviving spouse beneficiary will receive a monthly benefit payable for the spouse’s life equal to 50% (or 75%, if you elected) of your lifetime monthly benefit.
- If you die before distribution of your account has begun, the form of payment will depend on the identity of your beneficiary.
 - If your spouse is your beneficiary, payments will be made to your spouse from the C&NW Pension Trust in the form of a “Surviving Spouse’s Pension,” unless your spouse elects to receive payment of your Plan account in a single sum. A Surviving Spouse’s Pension means monthly payments for the life of your spouse, which are the actuarial equivalent of your account balance transferred from the Plan to the C&NW Pension Trust. Your spouse may request payment as of any date after your death, but no later than the end of the year you would have reached age 72 (or the end of the year of your death, if later). However, if payments to your spouse begin in the year you would have reached age 72 or later, part of your account may have to be paid to your spouse as a required minimum distribution, even if your spouse elects to receive a Surviving Spouse’s Pension.
 - If your spouse is not your beneficiary, payment will be made to your beneficiary in a single sum as soon as administratively practicable after your death.
- If you die after you begin receiving RMD Installments and before your Plan account balance is completely distributed to you, the balance of your Plan account will be paid to your beneficiary in a single sum as soon as administratively practicable after your death.
- The following rules apply if you began receiving installment payments before February 16, 2001 and die before your Plan account balance is completely distributed:
 - If you die after your Required Beginning Date (generally speaking, the April 1 following the year you reach age 72), distribution will continue to your beneficiary under the installment form then in effect, except that (i) your beneficiary can elect to receive the remaining account balance in a single sum; and (ii) payments to your beneficiary will be accelerated if necessary to meet the required minimum distribution requirements of the Code.
 - If you die before your Required Beginning Date and your installment payments began:
 - before July 15, 1996, the balance of your account must be distributed to your beneficiary within 5 years of your death, unless your beneficiary elects to receive installments over his or her life expectancy beginning at a time that meets the required minimum distribution requirements of the Internal Revenue Code.

- on or after July 15, 1996 and before February 16, 2001, distribution will continue to your beneficiary under the installment form then in effect, except that (i) your beneficiary can elect to receive the remaining account balance in a single sum; and (ii) payments to your beneficiary will be accelerated if necessary to meet the required minimum distribution requirements of the Code.

Final Valuation of Your Account

If you have a loan outstanding at the time you terminate employment, the loan will be declared in default and taxed to you as a deemed distribution unless you repay the loan in full by the end of the grace period determined by the Plan's loan rules (or the date of your final distribution, if earlier). The deadline for repayment will occur in the second month following your last day of work. If you fail to repay the loan in full, including accrued interest, your account balance will be reduced by the amount of your outstanding loan balance and the taxable portion of the loan balance will be deemed a taxable distribution in the year of the default. See the discussion "*Instances of Loan Default*" in the "*Loans*" section starting on Page 9 of this SPD for further information. Your account will then be valued as of the valuation date when the distribution takes place.

For tax purposes, investments in the Union Pacific Common Stock Fund will be valued as of the date the Company Stock is removed from the trust, assuming you requested the distribution in Company Stock. If you receive payments in cash, the shares will be valued at the closing price on the day in which your final distribution is processed (subject to potential Trading Impact on Company Stock).

If you postpone final distribution of your account, it will be valued as of the valuation date when the final distribution takes place. If you elect RMD Installments, each installment payment will equal the amount you elect (or the balance in your account, if less), provided that your election results in the distribution to you of an amount that satisfies the Code's minimum distribution requirements. In the event your election will result in the distribution of a lesser amount for a calendar year, your election will be automatically increased to an amount necessary to satisfy those legal requirements.

TAX CONSIDERATIONS

Generally speaking, when you receive a distribution from the Plan, the taxable portion of your distribution will be subject to federal income tax at ordinary income rates. After-tax employee contributions are not taxed again when distributed, although earnings on such contributions are subject to ordinary income tax in the year of distribution.

Exhibit C, "Special Tax Notice", beginning on Page 25 provides helpful information regarding the federal income tax treatment of Plan distributions. The Special Tax Notice describes the federal income tax treatment of distributions as of January 1, 2022. When you request your final distribution from the Plan or commence installments, you will be furnished a summary of the then-current Special Tax Notice. At any time you may request a copy of the then current Special Tax Notice free of charge.

No one at the Company or its affiliated companies may give you tax advice. You are urged to check with your qualified personal tax advisor to determine the answers to tax questions that relate to your particular situation. Before you decide how and when you want to take payment of your account, discuss the different tax treatments available. The following summary of federal tax consequences is for your general information only and reflects the applicable tax treatment as of January 1, 2022. Any state or local tax consequences depend on applicable state or local law.

Income Tax Withholding

When you (or a beneficiary) receive a distribution as a single sum, the taxable portion of the distribution will be taxed as ordinary income in the year of the distribution. By law, when you receive distribution, 20% of the taxable, rollover eligible portion must be deducted and withheld for federal income tax purposes, unless the distribution is directly rolled over to another eligible retirement plan. Special rules may apply if all or a portion of your distribution includes Company Stock. See Exhibit C, "Special Tax Notice" beginning on Page 25, for more details.

A distribution from the Plan that is not eligible for rollover is subject to mandatory federal income tax withholding at the rate of 10%, unless the participant elects no withholding on these amounts. See Exhibit C, "Special Tax Notice" beginning on Page 25, for more details, including a description of distributions not eligible for rollover.

For all distributions, it is your responsibility to pay any taxes due that exceed the amount of tax withheld.

Early Distribution Penalty

Since the Plan is designed primarily to provide retirement income, the Internal Revenue Code imposes a 10% penalty tax (in addition to ordinary income tax) on most distributions prior to you reaching age 59½. However, this 10% penalty tax does not apply to certain distributions. The payments to which the 10% penalty tax does not apply are described in Exhibit C, "Special Tax Notice" beginning on Page 25.

If applicable, payment of the 10% penalty tax is your responsibility. The Plan will not withhold this tax on your behalf. You can avoid the 10% penalty tax by rolling over the taxable, rollover eligible portion of your distribution that is eligible for rollover to another eligible retirement plan. (See Exhibit C, "Special Tax Notice" beginning on Page 25 for more details.)

Loans

Any loan that remains unpaid as of the next to the last day of the second month following your last day of work (or the date of final distribution, if earlier), will be deemed distributed to you from the Plan and automatically offset against your account balance. This deemed distribution is taxable in whole or in part and is subject to the 10% early distribution penalty unless the distribution is rolled over or another exception applies.

If any loan becomes due and payable prior to its scheduled maturity date while you are still employed, the full amount due on the loan (except amounts attributable to your after-tax employee contributions to the Plan) will be treated as a “deemed distribution” which is taxable to you and is potentially subject to the 10% early distribution penalty in the year the loan becomes due.

(See Exhibit C, “Special Tax Notice” beginning on Page 25 for more details.)

Net Unrealized Appreciation

You can choose to receive that portion of your account invested in Company Stock in the form of cash, or as an in-kind distribution of shares. If you choose the in-kind distribution of your Company Stock, the net unrealized appreciation on the Company Stock (the excess of the fair market value of the stock at the time of distribution over the initial cost to the Trustee) which is distributed in a single sum will not be taxed at the time the shares are distributed, but will be taxed only on a subsequent sale or exchange. At that time, any gain up to the amount of unrealized appreciation at the date of distribution will be treated as capital gain attributable to an asset held for more than one year, regardless of how long the shares were held by the Plan. Similarly, the net unrealized appreciation attributable to Company Stock purchased with your after-tax employee contributions will not be taxed at the time the shares are distributed. Unrealized appreciation treatment may be waived and the full amount included in ordinary income in the year of distribution. Any further appreciation accruing while you hold distributed shares is treated as a gain subject to tax when the stock is sold or exchanged in a taxable transaction. (See Exhibit C, “Special Tax Notice” beginning on Page 25 for more details.)

Employment Taxes

Distributions and withdrawals from the Plan are not included in your Railroad Retirement (“RRT”) or Federal Insurance Contributions Act (“FICA”) wages.

OTHER PLAN INFORMATION

In this section you’ll find additional Plan information of which you should be aware.

Changes in Employment Status

As a participant in the Plan who is a former employee, you may:

- Transfer money presently in your account between investment options offered in the Plan;
- Withdraw money from your account according to the non-hardship withdrawal provisions described earlier; and
- Take final payment from your account.

As a participant in the Plan who is a former employee, you cannot:

- Obtain a Hardship Withdrawal from your account; or
- Borrow money from your account.

Naming a Beneficiary

You may make a separate beneficiary designation for your account. A beneficiary is a person who is entitled to receive benefits from the Plan in the event of your death. To make or change your beneficiary designation, contact *Vanguard*[®] directly or if you are a registered web user, you may change your beneficiary on your account website under *My Profile*.

- If you are married, and you die before your account balance is transferred to the C&NW Pension Trust or otherwise taking complete distribution of your Plan account, your spouse as of the date of your death automatically will be the beneficiary for your vested Plan account unless he or she has consented in writing to your naming someone else as your beneficiary. Your spouse’s consent must be witnessed by a notary public to be valid. The designation of your spouse as beneficiary is automatically revoked if your spouse dies before you do. Further, if you and your spouse divorce after you have designated him/her as your beneficiary, your designation of your spouse as your beneficiary is automatically revoked and your spouse is deemed to have predeceased you. If you want your former spouse to remain your beneficiary, you must file a new election to designate him or her as your beneficiary (with the consent of your current spouse, if applicable).
- If you have no spouse as of the date of your death and you have not designated a beneficiary or all of your beneficiaries predecease (or are deemed to have predeceased) you, any benefit payable upon your death will be paid to your estate.
- Beneficiary designations on file at Union Pacific for participants living on September 30, 2002, became void on October 10, 2002, provided that the letter notifying you of such action was not returned to the Plan as undeliverable. New beneficiary designations made with Vanguard by such participants are effective.

Beneficiary Disclaimer of Benefit

If you have a balance in the Plan at the time of your death, your designated beneficiary may elect to disclaim the benefit he/she would otherwise receive from the Plan. If a benefit is disclaimed, the designated beneficiary will be treated as having predeceased you and your Plan balance will be payable to your other designated beneficiaries (if any) or your estate in accordance with Plan rules.

A disclaimer of benefit must be made in writing by the designated beneficiary who wishes to disclaim the benefit and be sent to the Plan Administrator (1400 Douglas St., STOP 0350, Omaha, NE 68179). A disclaimer of benefit must be a “qualified disclaimer” as defined in Code Section 2518 and a valid disclaimer of property under applicable state law. A beneficiary considering whether to disclaim a Plan benefit should consult with his/her own legal counsel to ensure these requirements are met.

Qualified Domestic Relations Orders (QDROs)/No Use as Collateral

Under the terms of a qualified domestic relations order (QDRO), certain payments may be made from the Plan to discharge the alimony, child support, or marital property rights of your spouse, former spouse, child or other dependent (called an “alternate payee”). If so provided by the QDRO, such payments may be made to an alternate payee even if you are still working and cannot receive a distribution yourself.

With the exception of a QDRO or a federal tax levy, there are no other circumstances under which payments can be authorized from your account, except as specified in the Plan document. In addition, federal law provides that, except for loans from the Plan itself, you may not borrow against the value of your account or assign your rights under the Plan as collateral for a loan or for any other purpose (except as provided by a QDRO). For information on preparation of QDROs, please call (402) 544-4930.

Participants and beneficiaries can obtain, without charge, a copy of the procedures used by the Plan Administrator in making QDRO determinations.

ACCOUNT STATEMENTS

You will receive quarterly statements of your Plan account. Each statement will show all account activity since the last statement, including exchanges of money between investment options, fee deductions (e.g., recordkeeping fees and Vanguard Managed Account Program fees), details on any outstanding loan from your account, gains/losses on investments for the current period and year-to-date, and investment options in which you are investing as of the statement period end date.

LOSS OF BENEFITS

You could lose all or part of your account or payment of your benefits could be suspended as follows:

- The value of your account could decrease because of investment losses;
- Your account may become subject to a QDRO or a federal tax levy; or
- You cannot be located because you do not provide the Plan Administrator with your most recent address.

PLAN AMENDMENT AND TERMINATION

The Company, acting through its board of directors, reserves the right to amend or terminate the Plan at its discretion. Furthermore, the senior human resource officer of the Company or such other officer with similar authority is authorized to make all technical, administrative, regulatory and compliance amendments, and any other amendment that will not significantly increase the cost of the Plan to the Company, as he or she deems necessary or appropriate. No amendment will deprive you or your beneficiary of any right to which you or your beneficiary is entitled under the Plan with respect to your account balance, nor shall it provide for the use of assets of the Plan other than for the benefit of participants and beneficiaries, except as may be allowed by law.

As a matter of prudent business planning, the Company is continually reviewing and evaluating various proposals for changes in its benefit programs. Some of these proposals, if finally approved and implemented, might be more advantageous or less advantageous than the current programs. Because of the need for confidentiality, such decisions are not discussed or evaluated below the highest level of management. Any managers below such levels do not know whether the Company will or will not adopt any future benefit programs and are not in a position to speculate about future programs. Unless and until such changes are formally announced by the Company, no one is authorized to give assurance that such changes will or will not occur.

If the Plan is terminated, your account may be transferred to another plan in which you would be a participant or distributed to you pursuant to the terms of the Plan.

BENEFIT CLAIMS

Application for Benefits

Payment of your account will generally not begin until a properly completed application is received by the Plan Administrator or designated agent. However, the Plan will make payment without application under the following circumstances:

- The balance of your account will be paid to your non-spouse beneficiary in a single sum as soon as practicable following your death; or

- If you have terminated employment and do not timely elect a form of payment by your Required Beginning Date, your account balance will be automatically transferred to the C&NW Pension Trust and your benefit will begin in the form of a Qualified Joint and Survivor Pension, unless your account balance at such time does not exceed \$5,000, in which case it will be paid to you in a single sum.

Claims Procedure

The Plan Administrator will advise you of your benefits under the Plan. If you believe that the Plan Administrator has failed to advise you or to pay any benefit to which you are entitled, you or the person authorized by you in writing to represent you (i.e., your “duly authorized representative”) may file a written claim with the Plan Administrator. The Plan Administrator will respond to your claim within a reasonable period of time, but not later than 90 days after the receipt of your claim unless special circumstances require an extension of time for processing the claim. If such an extension of time for processing is required, you will be given written notice of the extension prior to the termination of the initial 90-day period and will be notified of the special circumstances requiring an extension and the date by which a final decision will be reached. The date on which a final decision is made will not be later than 180 days after the date on which your claim was received. If you are denied a claim for benefits, the Plan Administrator will provide you with written notice setting forth in simple terms:

- The specific reason or reasons for the denial;
- Specific reference to the Plan provisions on which the denial is based;
- A description of any additional material needed so that a benefit may be paid and an explanation of why such material or information is necessary;
- Your right to receive upon request and free of charge reasonable access to and copies of all documents, records, and other information relevant to your claim;
- An explanation of the claim review procedure set forth below; and
- Your right to bring a civil action under ERISA section 502(a) if your claim is denied on review.

Within 60 days of the date you receive a notice denying a claim, you or your duly authorized representative may request (in writing) a full review of the claim by the Plan Administrator. In connection with such review, you or your duly authorized representative may review relevant documents or receive copies free of charge and may submit issues and comments in writing. The Plan Administrator will consider all information you submit which is relevant to your claim, regardless of whether the information was available when your claim was originally decided. Requests for review not properly filed within the above 60-day period will not be considered. The Plan Administrator will make a decision within a reasonable period of time, and not later than 60 days after receipt of the request for review, unless special circumstances (such as the need to hold a hearing, if appropriate) require an extension of time for processing. In that case, a decision will be made not later than 120 days after receipt of the request for review. However, if an extension of time is needed due to your failure to provide information necessary to decide a claim, the period for making a decision on review will be tolled from the date the Plan Administrator sends you written notice of the extension until the date on which you respond to the request for information or such earlier date as the Plan Administrator determines in accordance with applicable law and related regulations. The decision on review will be in writing and will include:

- Specific reasons for the decision;
- References to the specific Plan provisions upon which the decision is based;
- A statement informing you that you are entitled to receive upon request and free of charge reasonable access to and copies of all documents, records, and other information relevant to your claim; and
- A statement of your right to bring an action under ERISA section 502(a) if your claim is denied on review.

The Plan Administrator’s decision on review is final and binding on all participants, beneficiaries and alternate payees for all purposes, and no participant, beneficiary or alternate payee has a right to seek review of a denial of benefits, or to bring any action in any court to enforce a claim for benefits prior to filing a claim for benefits and exhausting rights to review under the Plan.

DEFINITIONS

“Employee Elected Matched Contribution Account” means the portion of your Plan account consisting of amounts attributable to your before-tax contributions to the Plan and for which C&NW made a matching contribution to the Plan on your behalf, as adjusted for gains, losses, expenses, withdrawals and distributions.

“Employee Elected Unmatched Contribution Account” means the portion of your Plan account consisting of amounts attributable to your before-tax contributions to the Plan and for which C&NW did not make a matching contribution to the Plan on your behalf, as adjusted for gains, losses, expenses, withdrawals and distributions.

“Employee Matched Contribution Account” means the portion of your Plan account consisting of amounts attributable to your after-tax contributions to the Plan before January 1, 1983 and for which C&NW made a matching contribution to the Plan on your behalf before January 1, 1983, as adjusted for gains, losses, expenses, withdrawals and distributions.

“Employee Unmatched Contribution Account” means the portion of your Plan account consisting of amounts attributable to your after-tax contributions made to the Plan before January 1, 1987 and for which C&NW did not make a matching contribution to the Plan on your behalf, as adjusted for gains, losses, expenses, withdrawals and distributions.

“Employer Matching Contribution Account” means the portion of your Plan account consisting of amounts attributable to matching contributions made to the Plan by C&NW on your behalf, as adjusted for gains, losses, expenses, withdrawals and distributions.

“Employer Contribution General Account” means the portion of your Plan account consisting of amounts attributable to employer contributions (other than matching contributions) made to the Plan by C&NW on your behalf, as adjusted for gains, losses, expenses, withdrawals and distributions.

“Post-1986 Employee Matched Contribution Account” means the portion of your Plan account consisting of amounts attributable to your after-tax contributions to the Plan made after December 31, 1986, and for which C&NW made a matching contribution to the Plan on your behalf, as adjusted for gains, losses, expenses, and withdrawals distributions.

“Post-1986 Employee Unmatched Contribution Account” means the portion of your Plan account consisting of amounts attributable to your after-tax contributions to the Plan made after December 31, 1986, and for which C&NW did not make a matching contribution to the Plan on your behalf, as adjusted for gains, losses, expenses, withdrawals and distributions.

YOUR ERISA RIGHTS

The Plan is subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). As a Plan participant, you have certain rights and protections under ERISA. For example:

- You may examine free of charge all official documents governing the Plan. This includes insurance contracts (if any) and copies of reports filed with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration. You can examine copies of these documents in the Human Resources Department in Omaha or at the headquarters of any participating Employer if copies are kept there.
- Copies of the documents governing the operation of the Plan, including the latest summary annual report and updated Summary Plan Description, can be acquired by writing to the Plan Administrator. You may have to pay a reasonable photocopying charge.
- You will automatically receive a yearly summary of the Plan’s financial reports, which the Plan Administrator is required by law to furnish to each participant.
- Once a year, you can request a statement of your account, the amount of your account that is nonforfeitable (i.e., vested), and when your entire account will be nonforfeitable. The statement must be requested in writing and will be provided free of charge.

In addition to creating rights for participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other participants and beneficiaries.

No one, including your employer or anyone else, may discharge or discriminate against you in a way that would prevent you from obtaining benefits under the Plan or exercising rights under ERISA.

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, you can take steps to enforce your rights. For example, if you do not receive certain Plan materials within 30 days of a request, you may file suit in federal court. The court may require the Plan Administrator to provide the materials and pay you as much as \$110 per day until you receive them unless they were not sent due to reasons beyond the Plan Administrator’s control. To ensure your request was not lost in the mail, call the Plan Administrator.

You may file suit in a state or federal court if your claim for benefits is totally or partially denied or ignored. In addition, if you disagree with the Plan’s decision, or lack thereof, concerning the qualified status of a domestic relations order, you may file suit in federal court. However, before filing a lawsuit you must first exhaust all appeals required by the Plan.

Should fiduciaries misuse the Plan’s money, or you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or file suit in federal court. The court will decide who should pay court costs and legal fees. If you are

successful, the court may order the person sued to pay costs and fees. If you lose (for example, if the court finds your claim frivolous), the court may order you to pay costs and fees.

If you have questions about your benefits, contact your Human Resources Department. If you have questions about your rights under ERISA or about this statement, or if you need assistance in obtaining documents from the Plan Administrator, contact the nearest area office of the Employee Benefits Security Administration, U. S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquires, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W. Washington, D.C., 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration toll free at 866-444-3272 or by visiting EBSA's website at www.dol.gov/ebsa.

RESALE RESTRICTIONS

The Plan itself imposes no restrictions on the resale of shares of Company Stock acquired under it. Participants who are "affiliates" of Union Pacific Corporation (within the meaning of the Securities Act of 1933), however, may sell shares of Company Stock acquired under the Plan only under an effective registration statement or pursuant to Rule 144 or some other exemption from registration. Participants under the Plan who may be considered "affiliates" of the Company should consult legal counsel when contemplating resales of shares of Company Stock acquired under the Plan to determine the applicability of restrictions on such resales under the federal securities laws.

CHARGES AND DEDUCTIONS

Charges relating to the management of the investment options, including the Union Pacific Fixed Income Fund and the Union Pacific Common Stock Fund, as well as transaction fees, are charged to the Plan assets of such investment options. In addition to the investment options' management charges and transaction fees, reasonable fees and/or expenses incurred to administer the Plan may be charged against Plan assets, which may reduce any benefits that you may be entitled to under the Plan. Such fees and/or expenses may include, but are not limited to, fees associated with the Vanguard Managed Account Program, described on Page 5, and administrative fees and expenses (such as recordkeeping costs, costs related to auditing the Plan and distributing Plan communications materials.) For additional information regarding the fees and charges, please contact the Workforce Shared Service group at 1-877-275-8747, and/or Vanguard Participant Services at 1-800-523-1188 and request a copy of the most recent Plan information and investment disclosure document.

GENERAL INFORMATION

Name and Type of Plan

The name of the Plan described in this SPD is the Chicago & North Western Railway Profit Sharing and Retirement Savings Program. The Plan is a defined contribution/profit sharing 401(k) plan that is intended to be qualified under Code section 401(a) and its related trust is intended to be exempt under Code section 501(a). As a defined contribution/ profit sharing 401(k) plan, the Plan is not subject to the minimum funding requirements imposed by ERISA and the Code.

Plan Sponsor

The Plan Sponsor is Union Pacific Railroad Company, 1400 Douglas Street, Omaha, NE, 68179.

Employer Identification Number and Plan Number

The Employer Identification Number (EIN) assigned by the Internal Revenue Service to Union Pacific Railroad Company is 94-6001323. The plan number that Union Pacific Railroad Company has assigned to this Plan is 002.

Plan Year

The Plan operates on a calendar year basis.

Normal Retirement Age

The Plan's normal retirement age is 65.

Plan Administration

To the extent provided in the Plan, the Named Fiduciary-Plan Administration and the Named Fiduciary-Plan Investments have the authority to administer the Plan, and each is a "named fiduciary" as such term is defined in ERISA. The senior human resource officer of the Company or such other officer with similar authority has been designated as the Named Fiduciary-Plan Administration and is the Plan's "Administrator" as that term is defined in ERISA and is referred to herein as the "Plan Administrator" or the "Named Fiduciary - Plan Administration." The Compensation and Benefits Committee of the board of directors of the Union Pacific Corporation has discretionary authority to appoint and review the performance of the Named Fiduciary - Plan Administration and to that extent the committee is a "named fiduciary" of the Plan.

The Plan Administrator is currently the Executive Vice President – Sustainability & Strategy, Union Pacific Railroad Company, 1400 Douglas Street, Stop 0350, Omaha, NE 68179, (402) 544-5000.

The Plan Administrator is responsible for all matters relating to the administration of the Plan other than those matters which are the responsibility of the Named Fiduciary – Plan Investments. The Plan Administrator has the authority, in his or her sole discretion, to

interpret the Plan, to develop rules and regulations to carry out the provisions of the Plan, to make factual determinations, and to resolve questions relating to eligibility for and the amount of benefits. All interpretations, determinations, etc. made by the Plan Administrator pursuant to his or her authority shall be final and binding on the parties. The Plan Administrator also serves as the Plan's agent for the service of legal process.

The Plan Administrator may designate other persons to carry out the Plan Administrator's responsibilities for the operation and administration of the Plan as he or she deems advisable and delegate to those persons the powers as the Plan Administrator deems necessary to carry out his or her responsibilities. Any action or determination made or taken in carrying out the delegated responsibilities by those persons will have the same force and effect as if the action or determination had been made or taken by the Plan Administrator.

The Named Fiduciary-Plan Investments consists of a committee comprised of persons designated by the Finance Committee of the board of directors of Union Pacific Corporation. The Named Fiduciary-Plan Investments is responsible, subject to the terms of the Plan, for designating the menu of investment options available to Plan participants, and may add, or remove, investment options from time to time. The Named Fiduciary-Plan Investments is also responsible for designating the default investment option(s) in the event a participant fails to make an affirmative investment election for all or part of his or her Plan account. The terms of the Plan provide that one of the available investment options is the Union Pacific Common Stock Fund.

The Named Fiduciary-Plan Investments may appoint, remove, and replace the Trustee and any investment manager(s) responsible for management of Plan assets. The Named Fiduciary-Plan Investments is also responsible for reviewing the performance of the Trustee and any investment manager(s), and may amend any agreement with the Trustee or any investment manager. The Named Fiduciary-Plan Investments is responsible for establishing a funding policy and method for the Plan and communicating them to the Trustee and any investment manager(s), selecting an independent certified public accountant to examine annual Plan financial statements, and determining the extent to which Plan expenses will be paid with Plan assets. The Finance Committee of the board of directors of the Union Pacific Corporation has discretionary authority to appoint and review the performance of the Named Fiduciary-Plan Investments and to that extent the committee is a "named fiduciary" of the Plan.

Plan Trustee

The Trustee of the Plan is Vanguard Fiduciary Trust Company, a subsidiary of The Vanguard Group Inc. (1-800-523-1188), whose address is P.O. Box 2600, Valley Forge, PA, 19482-2600. The Trustee's functions include the management of the Union Pacific Common Stock Fund and the Union Pacific Fixed Income Fund, custody of the assets of participants' accounts, the investment of each participant's account balance in accordance with the participant's investment directions (or default election), and voting and responding to tender offers with respect to Company Stock held in participants' accounts in accordance with instructions received from participants. Legal process may also be served on the Trustee.

Pension Benefit Guaranty Corporation (PBGC)

The PBGC insures certain benefits payable from defined benefit plans (such as the Union Pacific Corporation Pension Plan). It does not insure benefits payable from defined contribution plans (such as this Plan). Benefits from this Plan are determined by contributions to the Plan and investment activity of the investment options.

Top-Heavy Provisions

Under current federal tax laws, the Plan is required to contain provisions that will take effect if the Plan becomes "top heavy." The Plan will be considered top heavy if the value of the accounts for certain "key" employees exceeds 60% of the value of the accounts for all participants. If the Plan becomes top heavy, a minimum contribution will be made for the benefit of each "non-key" employee who is eligible to participate in the Plan. The Plan Administrator will provide a more detailed explanation of these provisions if and when the Plan becomes top heavy.

AVAILABLE INFORMATION ABOUT THE UNION PACIFIC COMMON STOCK FUND

Please refer to Exhibit E for additional information about the Union Pacific Common Stock Fund, including where to find information about Union Pacific so that you will be able to make an informed decision whether to purchase Union Pacific Common Stock through the Plan.

OBTAINING ADDITIONAL INFORMATION

If you have questions about the operation of the Plan or your rights under the Plan, please contact the Union Pacific Workforce Shared Service group, 1400 Douglas Street, STOP 0320, Omaha, NE, 68179, or 1-877-275-8747.

SUMMARY OF LOAN RULES**INTRODUCTION**

The Summary of Loan Rules is provided to participants in the Chicago and North Western Railway Company Profit Sharing and Retirement Savings Program ("The Plan"). The loan program under the Plan is record kept by The Vanguard Group on behalf of the Plan's Named Fiduciary-Plan Administration. Call Vanguard Participant Services at 800-523-1188 if you have any questions about recordkeeping for the loan program. You can also log on to Vanguard.com at any time to review the status or history of your loan transaction.

TYPES OF LOANS

There are two types of loans available under the Plan, general-purpose loans and residential loans:

- A general-purpose loan can be used for any purpose except to purchase securities.
- A residential loan can be used to acquire your primary residence.

AMOUNT OF LOAN

You must have at least \$2,000 in your accounts to be eligible for a loan.

Minimum: The minimum you may borrow is \$1,000.

Maximum: The maximum you may borrow is (a) \$50,000, reduced by the excess, if any, of (A) your highest balance of any prior loan to you from either the Plan or any other qualified plan maintained by a Union Pacific company (i.e., a company in which Union Pacific Corporation holds, directly or indirectly, an 80% interest) that was outstanding during the one-year period preceding the day before the date on which your current loan is made over (B) the outstanding balance of loans made to you on the date your new loan is made (the "IRS maximum loan amount") or (b) one-half of the value of your accounts in the Investment Options, whichever is lower.

Loan Fees: You will be charged a loan application fee based upon how your loan is processed (i.e. through Vanguard.com or through a Vanguard Participant Associate). The loan application fee will be deducted from the gross loan amount prior to the check being mailed. There is also an annual maintenance fee. The annual maintenance fee will be deducted from your account in July, starting in the calendar year following the year in which the loan is issued. The amount of your loan application fee and annual loan maintenance fee may be found on your Confirmation of Loan Transaction.

Final approval of the amount of your loan will be based upon (a) the amount in your accounts when your loan is approved and (b) your ability to repay the loan.

You cannot obtain more than one loan from the Plan in any 12-month period, and you can have only one loan outstanding at any time.

To secure your loan, you will give the Plan a security interest in up to 50% of the value of your accounts.

INTEREST RATE

The interest rate for loans under the Plan is established from time to time by the Named Fiduciary-Plan Administration (the "Plan Administrator"). The interest rate currently is the prime rate as received by Vanguard from Reuters as of the first business day of the month in which the loan principal is initiated. If the plan Administrator changes the interest rate, you will be advised of the new interest rate when applying for a loan.

The interest rate, as determined above, will be the interest rate for all purposes of this Summary.

TERMS AND REPAYMENT OF LOAN

General-purpose loan - one, two, three or four full years, or four years and Eleven months, at your election.

Residential loan - from one to fifteen full years, at your election.

The loan term will not be extended for any reason.

Repayment will be made in equal installments through payroll deduction in the amount set forth in the promissory note you will sign to obtain the loan. Under certain circumstances where payroll deduction is not possible; you are required to make direct payments to the Plan by certified or cashier's check. As you repay the loan, the money will be invested in your Investment Option accounts per your instructions as elected on the loan application. If you wish to change your investment option allocation for loan repayments, you may do so by calling Vanguard's VOICE Network or accessing your account via Vanguard's website.

Full payment may be made at any time without penalty provided the payment is received by the cutoff date set by the Plan Administrator and may include payment of all applicable accrued and unpaid interest. Partial prepayments are allowed and will be applied only to loan principal and will reduce the loan term but not the regular loan payment. You may log onto Vanguard.com for information on your loan and payoff procedures, and to pay off your loan. Alternatively, you may call Vanguard Participant Services at any time to verify your outstanding loan balance and request a loan payoff.

IF YOUR PAYROLL CYCLE CHANGES

If your payroll cycle changes (i.e., switches from semi-monthly payroll to monthly payroll or vice versa) the following will occur:

- The established loan interest rate will remain unchanged.
- The loan term will remain unchanged.
- Payments will continue to be deducted from your pay based on your new loan deduction payroll cycle.
- In instances where amortizations need to be modified (known as re-amortization), an adjusted loan deduction amount may result.
- Other conditions of the loan are unaffected.

FUNDING OF LOAN

Your loan will be taken pre-rata across all investment options in the following order: first from your employer contribution account, until exhausted; then from your before-tax contribution account, until exhausted; and then from your after-tax contribution account, until exhausted.

LOAN AUTHORIZATION You must sign and date the application. Your spouse must also sign and date the application before a notary.

PROCESSING SCHEDULE

Promissory Note - Sent to you with your loan application. As indicated on the Loan Application Signature Page, your signature demonstrates your desire and intent to obtain and repay your loan under the terms of the Non-Negotiable Promissory Note. A check in the amount of the loan, less the loan application fee, will be mailed to you (or at your election, deposited in your bank account electronically) only after you return the loan application (properly signed by you and, if applicable, your spouse) to the address shown on the loan application.

Loan Effective Date - As soon as administratively possible, but not later than the 10th day of the second month following the month in which the loan is issued. Interest runs from the date the loan proceeds are distributed.

Payroll Deductions - As soon as administratively possible, but not later than the 10th day of the second month following the month in which the loan is issued.

EFFECT ON RIGHT TO IN-SERVICE WITHDRAWALS

While a loan is outstanding, you will not be permitted to make any withdrawal from the amount allocated to your Loan Fund accounts.

If you request a withdrawal other than a hardship withdrawal while you have a loan application pending, the withdrawal request will be processed first. Your withdrawal will effectively reduce the maximum amount you are permitted to borrow.

If you request a hardship withdrawal while you have a loan application pending, the loan application will be processed first. In this case the maximum amount you are permitted to borrow will not be reduced by the withdrawal, but the amount available for withdrawal may be reduced by the loan. In general, the total amount you receive (i.e., through the combination of the loan and the hardship withdrawal) will not be affected, but the portion of that amount that is currently taxable will be minimized.

DEFAULT OR OTHER REASONS FOR ACCELERATION

The unpaid balance of your loan will become due immediately upon the first of the following to occur:

- you stop the payroll deduction,
- you do not make the necessary payment by the end of a grace period (see "Grace Period" below),
- the amount available for payroll deduction is insufficient and no grace period is available,
- you do not make a direct payment by check on time after a grace period has expired or under circumstances where no grace period is available, or
- you do not agree to make any changes in the promissory note which the Plan Administrator considers necessary under applicable Federal laws.

The loan will also become due if you cease to work for a Union Pacific company. In this case, your loan will generally become due on the next to the last day of the second month following your last day of work. See "Acceleration of Loan Upon Termination of Employment".

Your loan will not be accelerated, however, if you are receiving short-term disability benefits or long-term disability benefits under the Long Term Disability Plan (of Union Pacific Corporation) and you continue to make loan payments or if you are on a leave of absence and you continue to make loan payments by deduction or by check, if necessary. If you are receiving disability benefits or if you are on a leave of absence, you will be permitted to continue to repay your loan by direct payments by check or deductions from your disability benefits or your pay when possible. If you apply for distribution of your Investment Option accounts while receiving long-term disability payments, however, your loan will be accelerated and will become due and payable as if you ceased to work for a Union Pacific company.

If your loan is in default, the full amount due on the loan will be considered, for federal income tax purposes, as a payment of Plan benefits to you. In addition, you will not be permitted to take another loan from the Plan unless and until you repay the full balance of the defaulted loan, including interest from the date of default until the loan is repaid in full.

GRACE PERIOD

You generally will be allowed a one-time grace period if:

- your pay or disability benefit is insufficient to make a monthly payment; or
- you are paying by check, fail to make a payment when due, and have not previously been allowed a grace period.
-

The grace period will end on the next to last day of the second following month.

If you are allowed a grace period, the Plan may charge you applicable interest (if required by law) on the initial missed payment and on any future missed payment from the first day of the month following the due date of each payment.

The loan will remain outstanding if, by the last day of the grace period, you have paid the Plan the missed payments, any current payments and any applicable interest chargeable. If you do not make the payment described in the preceding sentence, the unpaid loan balance will become immediately due.

The grace period will not be available if:

- you fail to make a payment because you or anyone else stops your payroll deductions;
- the grace period would end after the original maturity date of the loan;
- you do not agree to make changes to the promissory note prescribed by the Plan Administrator (see above);
- the unpaid balance of the loan would exceed the IRS maximum loan amount on or before the end of the grace period (assuming you made no payments during the grace period); or
- you have previously been subject to a grace period.

If a grace period is not available, your unpaid loan balance will become immediately due.

ACCELERATION OF LOAN UPON TERMINATION OF EMPLOYMENT

After you terminate employment, whether because of retirement, death or otherwise, your loan will not be permitted to remain outstanding. The loan will generally be accelerated and become due on the next to last day of the second month following your termination (the "accelerated date"). At your option, you may instead repay the loan by the cutoff date set by the Plan Administrator. Your loan will not be accelerated, however, if you are receiving long-term disability benefits under the Long Term Disability Plan of Union Pacific Corporation as long as you continue to make loan payments. In that case you will be permitted to continue to repay your loan by direct payments by check. If you apply for distribution of your account while receiving long-term disability payments, however, your loan will be accelerated and will become due and payable.

If (i) the original maturity date of the loan will occur before the accelerated date or (ii) the unpaid balance would exceed the IRS maximum loan amount on or before the accelerated date (assuming you did not make any payment before the accelerated date), your loan will become immediately due and payable.

If you do not repay the unpaid balance of the loan by the accelerated date, these amounts will usually be repaid, as soon as administratively practicable, through an offset of the vested value of your Loan Fund accounts. For federal income tax purposes, this offset is considered a payment of Plan benefits to you.

If you terminate employment and are rehired before the accelerated date, you will be allowed a grace period to bring your loan payments up-to-date. The grace period will end on the last day of the second month following the month you are rehired. To keep your loan outstanding, you must pay the Plan all missed payments, any current payments and any applicable interest chargeable by the cutoff date set by the Plan Administrator. If you do not make the payment described in the preceding sentence by the cutoff date, your unpaid loan balance will become immediately due.

PROCEDURES FOR CONFIDENTIALITY OF INFORMATION RELATING TO

UNION PACIFIC COMMON STOCK FUND

CHICAGO & NORTH WESTERN RAILWAY COMPANY PROFIT SHARING AND RETIREMENT SAVINGS PROGRAM

**STATEMENT OF PROCEDURES CONCERNING CONFIDENTIALITY
OF INFORMATION RELATING TO
UNION PACIFIC COMMON STOCK FUND**

WHEREAS, the Chicago & North Western Railway Company Profit Sharing and Retirement Savings Program (the “Plan”) assigns to the Named Fiduciary-Plan Administration the responsibility for establishing procedures designed to maintain the confidentiality of information relating to the purchase, holding and sale of Union Pacific Common Stock (the “Company Stock”), and the exercise of voting, tender, and similar rights with regard to such Company Stock (the “Information”) held by participants or beneficiaries (the “Procedures”); and

WHEREAS, the Named Fiduciary-Plan Administration desires to establish the Procedures pursuant to such assignment;

NOW, THEREFORE, the undersigned as Named Fiduciary-Plan Administration does hereby establish the following Procedures:

- I. Survey.** A survey shall be undertaken to determine who currently has access to the Information and the reason(s) for such access.
- II. Authorization.** Access to the Information shall be limited by me to such persons designated as representatives of the Plan (some of whom may be employees of Union Pacific Corporation or its affiliates) who need the Information to carry out the administration of the Plan. Such access shall be provided only pursuant to my written authorization, which sets forth the reason(s) access to the Information is necessary, the specific items of Information that may be obtained and the appropriate provisions for safeguarding the confidentiality of the Information, including but not limited to contractually obligating the recipient of the Information to limit its use to the stated purpose(s).
- III. Restriction.** The Plan’s Trustee, recordkeeper, and transfer agent and any other person with access to any or all of the Information shall be notified in writing by me (or a representative of the Plan, who may be an employee of Union Pacific Corporation or its affiliates) that they are prohibited from disclosing any of the Information to any person without first obtaining my written authorization to make such disclosure unless such person is the participant or beneficiary.
- IV. Audit.** Compliance with any authorization to receive the Information shall be periodically audited by person(s) appointed by me. Such person(s) shall report the results of the audit to me in writing, along with any recommendations they may have for improving or establishing any safeguards necessary or desirable to maintain the confidentiality of the Information. The results of the audit shall not be disclosed to any person(s) not authorized in writing by me to receive such results.
- V. Prohibition.** Under no circumstances shall the Information be made available or disclosed to Union Pacific Corporation, its officers, directors, employees, or affiliates, except to the extent necessary to comply with a federal or state law not pre-empted by the Employee Retirement Income Security Act of 1974, as amended or as provided in Articles II and III.
- VI. Standard of Care.** The obligations of the Named Fiduciary-Plan Administration set forth in these Procedures shall be carried out solely in the interests of the participants and beneficiaries of the Plan and for the exclusive purpose of maintaining the confidentiality of the Information.
- VII. Amendment.** The Named Fiduciary-Plan Administration may amend these Procedures at any time in writing.

/s/ _____
Named Fiduciary – Plan Administration

SPECIAL TAX NOTICE REGARDING PLAN DISTRIBUTIONS

Please note: The *Notice of your right to defer* document is located on page 28. Retain these documents for your permanent records

You are receiving this notice because all or a portion of a distribution you are receiving from your employer plan (the "Plan") may be eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to complete such a rollover.

There are important factors to consider when deciding whether to roll over plan assets to an IRA or new employer's plan or leave assets in your current employer's plan (if permitted). Some of these factors include: investment options in each type of account, fees and expenses, available services, potential withdrawal penalties, protection from creditors and legal judgments, required minimum distributions and tax consequences of rolling over employer stock to an IRA.

This notice describes the rollover rules that apply to Plan distributions that are **not** from a designated Roth account (which is a type of account in some employer plans that is subject to special tax rules).

Rules that apply to most payments from a plan are described in the **General information about rollovers** section. Special rules that only apply in certain circumstances are described in the **Special rules and options** section.

Your right to waive the 30-day notice period. You are permitted a minimum period of at least 30 days after you receive this notice to consider whether or not to have your distribution directly rolled over. If you do not wish to wait until this 30-day notice period ends before making an election, you may waive the 30-day notice period by making an affirmative election indicating whether or not you wish to make a direct rollover.

For more information

This notice summarizes only the federal (not state or local) tax rules that might apply to your payment. The following rules are complex and contain many conditions and exceptions that are not included in this notice. Therefore, you may want to consult with the Plan administrator or a professional tax advisor before you take a payment of your benefits from your Plan.

Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, Pension and Annuity Income; IRS Publication, 590-A, Contributions to Individual Retirement Arrangements (IRAs); IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax Sheltered Annuity Plans (403(b) Plans). These publications are available at local IRS offices, on the web at www.irs.gov, or by calling **1-800-TAX-FORM**.

General information about rollovers

Q. How can a rollover affect my taxes?

A. You will be taxed on a Plan payment if you do not roll it over. If you are under age 59 1/2 and do not complete a rollover, you will also have to pay a 10% federal penalty tax on early distributions (generally, distributions made before age 59 1/2), unless an exception applies. However, if you complete a rollover, you will not have to pay tax until you receive payments later, and the 10% federal penalty tax will not apply if those payments are made after you are age 59 1/2 (or earlier if an exception to the 10% additional income tax applies). If you do rollover to a Roth IRA, any amounts not previously included in your income will be taxed currently (see the section below titled "What if I roll over my payment to a Roth IRA").

Q. What types of retirement accounts and plans may accept my rollover?

A. You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, IRAs are not subject to spousal consent rules and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

Q. How do I complete a rollover?

A. There are two ways to complete a rollover. You can complete either a direct rollover or a 60-day rollover.

- With a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to complete a direct rollover.
- With a 60-day rollover, you can still complete a rollover by making a deposit into an IRA or eligible employer plan that will accept it. Generally, you will have 60 days after you receive the payment to make the deposit. If you do not complete a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of

cash and property received, other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% federal penalty tax on early distributions if you are under age 59 1/2 (unless an exception applies).

Q. How much may I roll over?

A. If you wish to complete a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain payments spread over a period of at least ten years or over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary);
- Required minimum distributions after age 70 1/2 (if you were born before July 1, 1949) or after age 72 (if you were born after June 30, 1949) or after death;
- Hardship distributions;
- Payments of employee stock ownership plan (ESOP) dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Loans treated as deemed distributions (for example, loans in default because of missed payments before your employment ends);
- Cost of life insurance paid by the Plan;
- Payments of certain automatic enrollment contributions that you request to withdraw within 90 days of your first contribution;
- Amounts treated as distributed because of a prohibited allocation of S corporation stock under an ESOP. Also, there generally will be adverse tax consequences if you roll over a distribution of S corporation stock to an IRA; and
- Distributions of certain premiums for health and accident insurance.

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

Q. If I don't complete a rollover, will I have to pay the 10% federal penalty tax on early distributions?

A. If you are under age 59 1/2, you will have to pay the 10% federal penalty tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax applies to the part of the distribution that you must include in income and is in addition to the regular income tax on the payment not rolled over.

The 10% federal penalty tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you are at least age 50 in the year of the separation;
- Payments made due to disability;
- Payments after your death;
- Payments of ESOP dividends;
- Corrective distributions of contributions that exceed tax law limitations;
- Cost of life insurance paid by the Plan;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments of up to \$5,000 made to you from a defined contribution plan if the payment is a qualified birth or adoption distribution;
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001, for more than 179 days;
- Payments of certain automatic enrollment contributions that you request to withdraw within 90 days of your first contribution;

- Payments excepted from the additional income tax by federal legislation relating to certain emergencies and disasters; and
- Phased retirement payments made to federal employees.

Q. If I complete a rollover to an IRA, will the 10% federal penalty tax apply to early distributions from the IRA?

A. If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% federal penalty tax on early distributions from the IRA on the part of the distribution that you must include in income, unless an exception applies. In general, the exceptions to the 10% federal penalty tax for early distributions from an IRA are the same as the exceptions listed on the previous page for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- The exception for payments made after you separate from service if you will be at least age 55 in the year of separation (or age 50 for qualified public safety employees) does not apply;
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse); and
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.

Additional exceptions apply for payments from an IRA, including:

- Payments for qualified higher education expenses;
- Payments up to \$10,000 used in a qualified first-time home purchase; and
- Payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Special rules and options

Q. What if my payment includes after-tax contributions?

A. After-tax contributions included in a payment are not taxed. If you receive a partial payment of your total benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in the payment. In addition, special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and at the same time the rest is paid to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions. If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

Similarly, if you do a 60-day rollover to an IRA of only a portion of a payment made to you, the portion rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over \$10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the \$2,000 amount not rolled over is treated as being after-tax contributions.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can complete a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

Q. What if I miss the 60-day rollover deadline?

A. Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs).

Q. What if my payment includes employer stock that I do not roll over?

A. If you do not complete a rollover, you can apply a special rule to payments of employer stock (or other employer securities) that are either attributable to after-tax contributions or paid in a lump sum after separation from service (or after age 59½, or as the result of the participant's

disability or death). Under the special rule, the net unrealized appreciation on the stock will not be taxed when distributed from the Plan and will be taxed at capital gain rates when you sell the stock. Net unrealized appreciation is generally the increase in the value of employer stock after it was acquired by the Plan.

If you complete a rollover for a payment that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the payment), the special rule relating to the distributed employer stock will not apply to any subsequent payments from the IRA or, generally, the Plan. Vanguard can tell you the amount of any net unrealized appreciation.

Q. What if I have an outstanding loan?

A. If you have an outstanding loan from the Plan, your account balance may be reduced (or "offset") by the amount of the loan, typically when your employment ends. The remaining loan balance is treated as a distribution to you at the time of the offset. Generally, you may roll over all or any portion of the offset amount. Any offset amount that is not rolled over will be taxed (including the 10% federal penalty tax if you are under age 59½, unless an exception applies). You may roll over offset amounts to an IRA or an employer plan (if the terms of the employer plan permit the plan to receive plan loan offset rollovers).

How long you have to complete the rollover depends on what kind of plan loan offset you have. If you have a qualified plan loan offset, you will have until your tax return due date (including extensions) for the tax year during which the offset occurs to complete your rollover. A qualified plan loan offset occurs when a plan loan in good standing is offset because your employer plan terminates, or because you sever from employment. If your plan loan offset occurs for any other reason (such as a failure to make level loan repayments that results in a deemed distribution), then you have 60 days from the date the offset occurs to complete your rollover.

Q. What if I was born on or before January 1, 1936?

A. If you were born on or before January 1, 1936, and receive a lump-sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

Q. What if my payment is from a governmental section 457(b) plan?

A. If the Plan is a governmental section 457(b) plan, the same rules described elsewhere in this notice generally apply, allowing you to roll over the payment to an IRA or an employer plan that accepts rollovers. One difference is that, if you do not complete a rollover, you will not have to pay the 10% federal penalty tax on early distributions from the Plan even if you are under age 59½ (unless the payment is from a separate account holding rollover contributions that were made to the Plan from a tax-qualified plan, a section 403(b) plan, or an IRA). However, if you complete a rollover to an IRA or to an employer plan that is not a governmental section 457(b) plan, a later distribution made before age 59½ will be subject to the 10% federal penalty tax on early distributions (unless an exception applies).

Other differences are that you cannot complete a rollover if the payment is due to an "unforeseeable emergency" and the special rules under "What if my payment includes employer stock that I do not roll over?" and "What if I was born on or before January 1, 1936?" do not apply.

Q. What if I am an eligible retired public safety officer and my payment is used to pay for health coverage or qualified long-term care insurance?

A. If the Plan is a governmental plan, you retired as a public safety officer, and your retirement was by reason of disability or was after normal retirement age, you can exclude from your taxable income plan payments paid directly as premiums to an accident or health plan (or a qualified long-term care insurance contract) that your employer maintains for you, your spouse, or your dependents, up to a maximum of \$3,000 annually. For this purpose, a public safety officer is a law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew.

Q. What if I roll over my payment to a Roth IRA?

A. If you roll over a payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. In general, the 10% additional income tax on early distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the five-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies). Please note that if you roll over pre-tax money to a Roth IRA on or after January 1, 2018, this conversion will be final and cannot be reversed. You cannot unwind or recharacterize conversions made after December 2017.

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least five years. In applying this five-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs), and IRS Publication 590-B, Distributions from

Individual Retirement Arrangements (IRAs).

Q. What if I roll over my payment to a designated Roth account in the Plan?

A. You cannot roll over a distribution to a designated Roth account in another employer's plan. However, you can roll over the distribution into a designated Roth account in the distributing Plan only if the Plan permits such rollovers. (You may contact Vanguard or your Plan Administrator to see if this option is available under your Plan). If you roll over a payment from the Plan to a designated Roth account in the Plan, the amount of the payment rolled over (reduced by any after-tax amounts directly rolled over) will be taxed. In general, the 10% additional income tax on early distributions will not apply. However, if you take the amount rolled over out of the Roth IRA within the five-year period that begins on January 1 of the year of the rollover, the 10% additional income tax will apply (unless an exception applies).

If you roll over the payment to a designated Roth account in the Plan, later payments from the designated Roth account that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a designated Roth account is a payment made both after you are age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan for at least five years. In applying this five-year rule, you count from January 1 of the year your first contribution was made to the designated Roth account. However, if you made a direct rollover to a designated Roth account in the Plan from a designated Roth account in a plan of another employer, the five-year period begins on January 1 of the year you made the first contribution to the designated Roth account in the Plan or, if earlier, to the designated Roth account in the plan of the other employer.

Payments from the designated Roth account that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies).

If your eligibility to take a distribution from the Plan is conditioned on a rollover to a designated Roth account in the Plan, the other distribution and rollover alternatives explained in this notice are not available for such distribution.

Q. What if I am not a Plan participant?

A. If you receive a distribution after the participant's death and do not roll it over, the distribution generally will be taxed in the same manner described elsewhere in this notice. However, the 10% federal penalty tax on early distributions and the special rules for public safety officers do not apply, and the special rule described in the section pertaining to individuals born on or before January 1, 1936, applies only if the deceased participant was born on or before January 1, 1936.

If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to complete a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% federal penalty tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½ (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949).

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% federal penalty tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½ (if they were born before July 1, 1949) or age 72 (if they were born after June 30, 1949).

- If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to complete a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% federal penalty tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.
- If you are the spouse or former spouse of the participant who receives a payment from the Plan under a QDRO, you generally have the same options and the same tax treatment that the participant would have. For example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it. However, payments under the QDRO will not be subject to the 10% federal penalty tax on early distributions.

Q. What if I am a nonresident alien?

A. If you are a nonresident alien and you do not complete a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you complete a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, U.S. Tax Guide for Aliens, and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

Q. Are there any other special rules?

A. If a payment is one in a series of payments for a period of less than ten years, your choice whether to do a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than \$200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to complete a direct rollover and is not required to withhold for federal income taxes. However, you may complete a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than \$1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator or the payor. A mandatory cashout is a payment from a Plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed \$5,000 (not including any amounts held under the Plan as a result of a prior rollover made to the Plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, Armed Forces' Tax Guide. You may also have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

*Please note that different rollover timing requirements may apply if you roll over pursuant to an outstanding Plan loan.

NOTICE OF YOUR RIGHT TO DEFER

The information in this notice is divided into two sections. The first section is for those still working, and the second is for those who have terminated service with their employer. Please disregard the information that does not apply to you.

If you are still working

If you are still working, you may be permitted to take an in-service withdrawal from the plan. An in-service withdrawal request is voluntary, and you have a right to defer taking a distribution in accordance with the terms of your plan. For more information regarding your in-service withdrawal options, as well as your distribution rights upon termination from employment, please refer to your plan's Summary Plan Description (SPD), which you can obtain from your benefits office.

If you choose to take an in-service withdrawal, the investment options available outside of the plan may differ from the investment options available under the plan. Certain investment options under the plan may not be available outside of the plan. In addition, fees and expenses (including administrative fees or investment-related fees) outside the plan may differ from fees and expenses that apply to your account under the plan. For more information about the fees and expenses that apply to your account, call Vanguard Participant Services at **800-523-1188** Monday through Friday from 8:30 a.m. to 9 p.m., Eastern time.

In general, in-service withdrawals that are not rolled over (or are not eligible to be rolled over) to an IRA or other eligible retirement plan are subject to taxes in the year of the withdrawal (except for the portion of the withdrawal, if any, that represents a return of after-tax contributions). Amounts not rolled over may also be subject to a 10% early withdrawal penalty if you are under age 59½ and will no longer be eligible for future tax-favored treatment of earnings. If you complete a rollover, the rollover amount will not be subject to taxes until you take distributions from the receiving plan or IRA. For more information about the potential tax consequences and your rollover options, please read the enclosed **Special Tax Notice Regarding Plan Distributions**.

You are permitted a minimum period of 30 days from the date you receive this notice to make a decision regarding your withdrawal. However, if you do not wish to wait until this 30-day period ends before taking a withdrawal, you may waive the notice period by making an affirmative withdrawal election.

If you are a terminated participant

If you have terminated service with your employer, you may be permitted to defer receipt of your benefit under the plan. If this option is available and you choose to defer the receipt of your benefit, the funds available for the investment of your account, including the fees associated with those funds, will remain the same, subject to the plan sponsor's right to add or remove investment alternatives and the fund's right to alter its fees.

Your rights and benefits as a terminated participant, including the forms of payment, are explained in your other termination materials and/or the SPD that you received when you became eligible for the plan. The SPD also describes additional fees, if any, associated with your continued participation in the plan. If you do not have the SPD, contact your former employer's benefits office.

If you choose to take a distribution of your account, the investment options available outside of the plan may differ from the investment options available under the plan. Certain investment options under the plan may not be available outside of the plan. In addition, fees and expenses (including administrative fees or investment-related fees) outside the plan may differ from fees and expenses that apply to your account under the plan. For more information about the fees and expenses that apply to your account, call Vanguard Participant Services at **800-523-1188** Monday through Friday from 8:30 a.m. to 9 p.m., Eastern time.

In general, distributions that are not rolled over (or are not eligible to be rolled over) to an IRA or other eligible retirement plan are subject to taxes in the year of the distribution (except for the portion of the distribution, if any, that represents a return of after-tax contributions). Amounts not rolled over may also be subject to a 10% early withdrawal penalty if you are under age 59½ and will no longer be eligible for future tax-favored treatment of earnings. If you complete a rollover, the rollover amount will not be subject to taxes until later when you take distributions from the receiving plan or IRA. For more information about the potential tax consequences and your rollover options, please read the enclosed **Special Tax Notice Regarding Plan Distributions**.

You are permitted a minimum period of 30 days from the date you receive this notice to make a decision regarding your distribution. However, if you do not wish to wait until this 30-day period ends before taking a distribution, you may waive the notice period by making an affirmative distribution election.

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EXHIBIT E

AVAILABLE INFORMATION – UNION PACIFIC COMMON STOCK FUND

One of the available investment options under the Plan is the Union Pacific Common Stock Fund. This is a non-diversified investment option that primarily holds shares of the common stock of the Union Pacific Corporation (“Union Pacific Common Stock”). It may also hold short-term investments, the amount of which will vary with the amount of cash awaiting investment and with participant activity in the Union Pacific Common Stock Fund (contributions, redemptions, distributions, etc.). Your interest in the Union Pacific Common Stock Fund is measured in units of the Fund instead of shares of stock.

Contributions to the Union Pacific Common Stock Fund will be used to purchase shares of Union Pacific Common Stock at prevailing market prices. The Union Pacific Common Stock Fund is not diversified, and; instead, holds primarily Union Pacific Common Stock, plus a relatively small amount of cash and short-term investments to fund contributions to and withdrawals from the Union Pacific Common Stock Fund, as well as expenses. Therefore, the value of the Union Pacific Common Stock Fund will fluctuate in tandem with, but will not match, changes in the value of Union Pacific Common Stock. The value of your investment will vary depending on the performance of the Union Pacific Corporation (the “Corporation”) and its related businesses, the overall stock market to the extent it impacts the value of Union Pacific Common Stock, and the performance and amount of short-term investments held by the Union Pacific Common Stock Fund, less any expenses accrued with respect to the Union Pacific Common Stock Fund.

Investing in a non-diversified single stock investment option involves more risk than investing in a diversified investment option. Unit price and return will vary. You may want to consider investing part of your Plan account in the Union Pacific Common Stock Fund if you want to own part of the company you work for and share in the gains and losses of its stock. However, this is a higher-risk investment and should be considered by persons whose investment portfolios can withstand the higher risk of investment in a single stock. As further discussed in the SPD, you should consider the benefits of a well-balanced and diversified portfolio.

The SPD, including this Exhibit E, and certain documents referred to below, together constitute a prospectus with respect to the Union Pacific Common Stock Fund. The Corporation hereby “incorporates by reference” into this prospectus the documents listed below, which means that the Corporation is disclosing important information to you by referring you to those documents. The information that the Corporation files later with the U.S. Securities and Exchange Commission (“SEC”) will be deemed to automatically update and supersede this information. Specifically, the Corporation incorporates by reference:

- The Corporation’s latest Annual Report filed with the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act (or, if applicable, the Corporation’s latest prospectus filed with the SEC pursuant to Rule 424(b) under the Securities Act of 1933, as amended, that contains audited financial statements for the Corporation’s latest fiscal year for which such statements have been filed), and the Plan’s latest annual report filed with the SEC on Form 11-K;
- All other reports filed by the Corporation with the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the Corporation’s latest annual report or prospectus referred to in the bullet above, provided, however, the Corporation is not incorporating by reference any information furnished (but not filed) under Item 2.02 or Item 7.01 of any Current Report on Form 8-K; and
- The description of Union Pacific Common Stock, par value \$2.50 per share, that is contained in the Corporation’s Registration Statement filed under the Exchange Act under File No. 1-6075, including all amendments or reports filed for the purpose of updating such description.

All documents subsequently filed by the Corporation pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act, prior to the filing of a post-effective amendment which indicates that all securities referred to herein have been sold or which deregisters all such securities then remaining unsold, shall be deemed to be incorporated by reference in this prospectus and to be part hereof from the date of the filing of such documents, other than information in such documents that is deemed to have been “furnished” in accordance with SEC rules, which shall not be deemed to be specifically incorporated by reference into this prospectus.

Any statement contained in this prospectus, or in a document incorporated by reference in this prospectus, will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in any other subsequently filed document that also is incorporated by reference in this prospectus modifies or supersedes the earlier statement. Any statement that is modified or superseded by a subsequently filed document that is incorporated by reference in this prospectus will not be deemed to constitute a part of this prospectus, except as modified or superseded by the statement in the subsequently filed document.

You are urged to review this SPD, the financial information and other disclosures regarding the Corporation that are contained in reports filed by the Corporation with the SEC. In particular, you should review the risk factors described in Part 1 of the Corporation’s Annual Report for its latest fiscal year, as well as any risk factors discussed in the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained in the Annual Report on and subsequent Quarterly Reports on Form 10-Q filed with the SEC. You may view the Corporation’s recent SEC filings by going to the SEC’s website at

<https://www.sec.gov/edgar/searchedgar/companysearch.html> and entering “UNP” in the “Fast Search” box or by going to the Company’s website at www.up.com and clicking on the link “Investors”.

You can also request from the Corporation, without charge, copies of the Corporation’s latest Annual Report or Form 10-K and subsequent Quarterly Report(s) on Form 10-Q, and any and all other documents required to be delivered to each Plan participant who invests in the Union Pacific Common Stock Fund under Rule 428(b) of the Securities Act of 1933, including without limitation all reports, proxy statements, and other communications distributed to stockholders of Union Pacific Corporation generally. Written or oral requests for the foregoing documents should be directed to Union Pacific Corporation, 1400 Douglas Street, Omaha, NE, 68179, Attention: Corporate Secretary, (402) 544-5500.

Union Pacific Corporation has registered shares of Union Pacific Common Stock that may be offered or purchased under this Plan.

Union Pacific has not authorized any person to give any information or to make any representations in connection with the offer of any securities under the Plan other than those contained in this prospectus or in such other documents designated by Union Pacific as constituting part of a prospectus covering such securities. If given or made, you must not rely upon any such information or representation as having been authorized by Union Pacific.

If you have elected to invest part of your Plan Account balances in the Union Pacific Common Stock Fund, you will receive copies of the Corporation’s and Plan’s Annual Reports automatically.