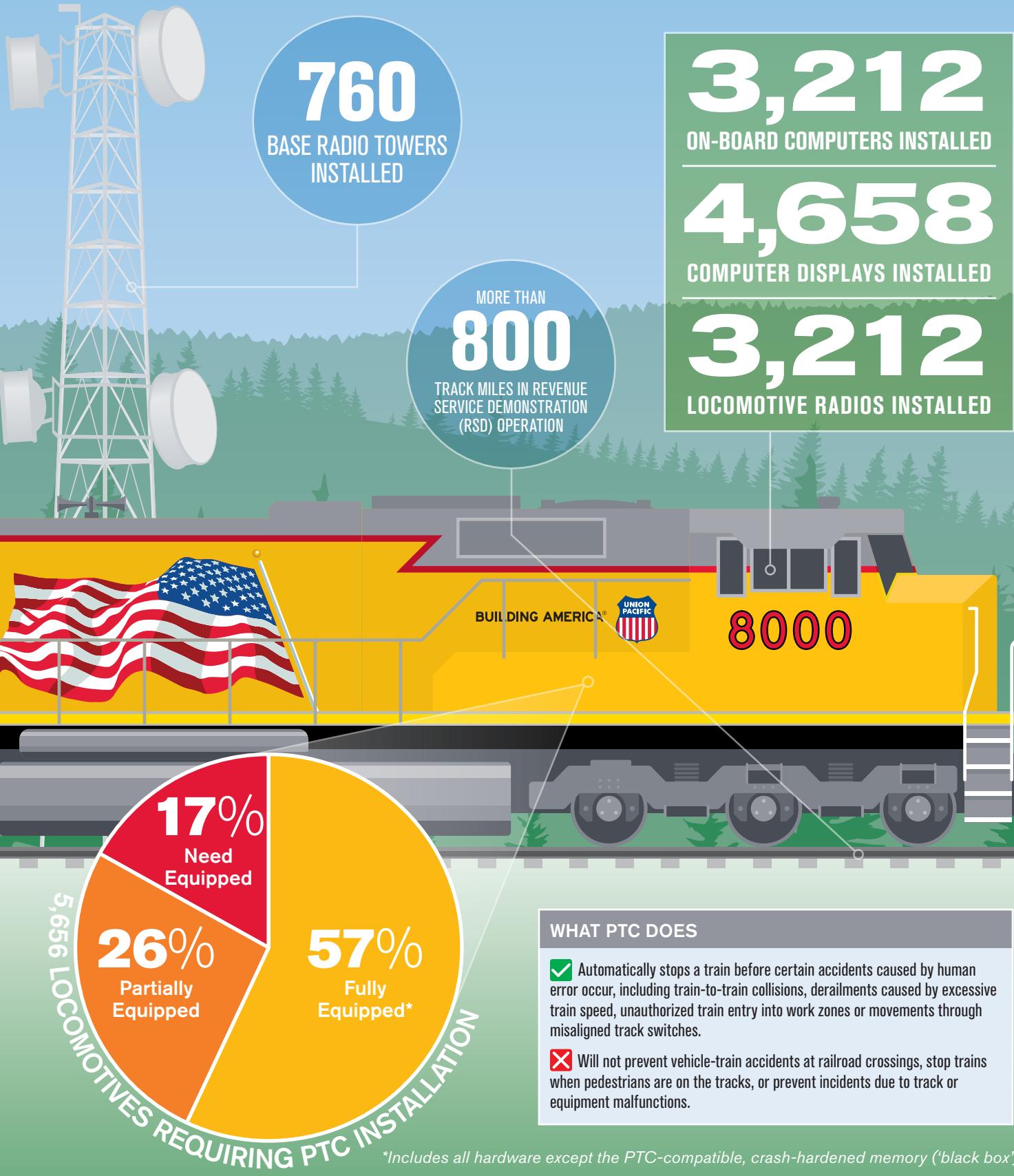


UNION PACIFIC'S Positive Train Control Update



BUILDING AMERICA®



*Includes all hardware except the PTC-compatible, crash-hardened memory ('black box')

OCTOBER 2016 SYSTEM UPDATE

Developing and implementing a PTC system is a multi-dimensional process requiring a cross-functional, networkwide approach. Union Pacific's PTC system consists of multiple technologies functioning together to constantly monitor and manage train movements. These involve integration of signal and telecom elements; GPS; wayside, base station and locomotive radios; antennas and satellites – all to predict whether the train crew should be alerted to take action or take over control to slow or stop the train.

Through Sept. 1, 2016, Union Pacific:

- Invested \$2.1 billion in PTC. Union Pacific's current estimate for PTC's total cost is about \$2.9 billion.

- Installed 88 percent, or 15,271 miles, of total route miles with PTC signal hardware.
- Partially installed PTC hardware on about 83 percent of its 5,656 locomotives earmarked for the technology.
- Equipped 2,016 locomotives with PTC hardware and software for revenue service demonstration (a test of the PTC system in a defined rail corridor).
- Installed 84 percent of the wayside antennas needed to support PTC along the company's right of way.

40 PTC TRAINS PER DAY OPERATING IN THE L.A. BASIN AND CENTRAL CALIFORNIA

Operations Underway Across 800 Miles in California

Union Pacific freight trains with PTC-equipped locomotives and PTC-trained crews began operating in California in late 2015. Classified as "revenue service demonstration" or RSD, the locomotives, equipment and crews are in operational testing for safety compliance, a monumental undertaking across all PTC components and service groups. On any given day, around 40 trains are operating in southern California's L.A. Basin. This RSD service allows Union Pacific to continuously refine its implementation of this built-from-scratch technology and gather feedback, such as:

- verifying and enhancing track feature databases;
- improving educational tools for train crews;
- standardizing engineering and dispatching processes; and
- continuing to assess locomotive reliability.



HOW PTC WORKS

BRAKING IN PROGRESS

