

# UNION PACIFIC RAILROAD COMPANY

ENNIS J. DUFFY  
Executive Vice President Operations



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Dear Fellow Employee:

Union Pacific is committed to safety and to enforcing the rules compliance essential to safe operations. Personal accountability for performance, rules compliance and safety has been a theme of our company's Transformation Process. In support of this commitment, Ike Evans' letter of March 30, 1999 empowers employees to always take the safe course without fear of reprisal. It further provides assurance that no employee will be required to compromise safety by violating applicable laws or Union Pacific rules.

The enclosed Managerial Conduct - Supplemental Review Process, developed through SACP, references a number of company policies that govern managerial conduct. These policies provide a variety of mechanisms for reporting violations and processing complaints. This Supplemental Review Process was developed as a uniform mechanism for reporting violations and ensuring management compliance.

The President's and Ethics Hotlines, departmental safety hotlines, the Ombudsman, provisions of scheduled labor agreements and various other avenues are routinely used by employees and others to report any exceptions taken with a manager's conduct. This process provides a standard means by which such exceptions may be reported.

Safety is our first priority at Union Pacific. This Review Process underscores Union Pacific's commitment to rules compliance and safe operations by all employees.

Sincerely,

A handwritten signature in cursive script that reads "Ennis J. Duffy".