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Office of Proceedings
May 18, 2021
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May 14, 2021

Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
Office of Proceedings
395 E. Street, SW
Washington, DC 20423

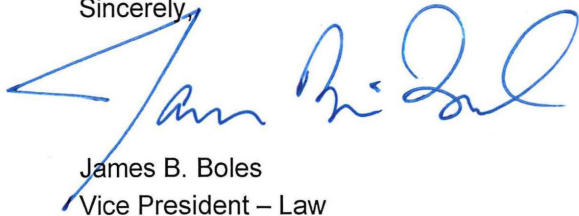
Re: STB Docket No. FD 32760, Union Pacific Corporation – Control & Merger – Southern Pacific Rail Corporation

Dear Mr. Brown:

We are writing in response to the letter of May 14, 2021 filed by BNSF in the above-reference matter. For the reasons set forth in the enclosed arbitration demand, Union Pacific respectfully disagrees with BNSF's characterization of the dispute.

We look forward to, and welcome, the arbitration process.

Sincerely,



James B. Boles
Vice President – Law

Enclosure

cc:
All parties of record



BUILDING AMERICA®

May 14, 2021

Via Email

Tyler R. White
Senior General Attorney
BNSF Railway Company
tyler.white2@BNSF.com

Via Certified Mail

Sr. Vice President-Operations
2600 Lou Menk Drive
P.O. Box 961034
Fort Worth, Texas 76161-0034

General Director Contracts and Joint Facilities
2600 Lou Menk Drive
P.O. Box 961034
Fort Worth, Texas 76161-0034

Re: Arbitration Demand Regarding Brownsville Haulage Agreement

Dear Tyler:

This letter is to notify BNSF Railway (“BNSF”) that Union Pacific Railroad Company (“Union Pacific”) demands arbitration under Section 13 of the Haulage Agreement, including supplements and amendments to that agreement, attached to this letter as Exhibit 1 (the “Haulage Agreement”)¹. The questions to be submitted for arbitration are:

1. May Union Pacific require that Haulage Services are provided on a train load basis instead of a carload basis?
2. May Union Pacific require that traffic tendered to Union Pacific by BNSF for Haulage Service is tendered as train loads instead of individual car loads?
3. May Union Pacific require that traffic tendered to Union Pacific for Haulage Service is tendered in blocks, meaning rail cars moving to the same destination or interchange location are tendered together and can be moved to the destination or interchange location without Union Pacific having to switch individual rail cars?
 - 3.a. If Union Pacific may require traffic to be tendered in blocks, then what requirements may Union Pacific impose on the blocking. For example, is the blocking

¹ Capitalized terms in this letter that are not otherwise defined will have the definition provided in the Haulage Agreement.

requirement limited to traffic moving to/from certain destinations or interchange locations or is there a limit on the number of blocks Union Pacific may require.

3.b. If Union Pacific may not require traffic to be tendered in blocks, then may Union Pacific charge BNSF for Union Pacific's switching of rail cars that are not tendered for Haulage Service in blocks?

4. Is BNSF required to provide locomotives to Union Pacific for the movement of trains in Haulage Service?

Under Section 13(A), Union Pacific and BNSF may agree to the procedures that will apply to this arbitration. I propose a phone call at your earliest convenience between our law departments to discuss procedures that would be appropriate for arbitral resolution of this dispute. If BNSF is not agreeable to modifying the arbitration procedures, then we will proceed as outlined in Section 13 and will notify BNSF of Union Pacific's choice for its arbitrator. I am assuming we would likely not be able to agree on a single disinterested arbitrator, but if you would like to explore that option then Union Pacific is willing to consider it as well.

It is our understanding that the Union Pacific and BNSF operating teams recently agreed that BNSF will provide two blocks of cars to UP for southbound haulage movement. We expect BNSF will continue providing these two blocks, as agreed, during the pendency of this arbitration. If BNSF makes any changes to its operations, then Union Pacific will necessarily have to review its own operations and may adjust as appropriate.

Please contact me at your earliest convenience to discuss whether BNSF is agreeable to modifying the arbitration procedures or if you have any other issues you would like to discuss.

Sincerely,

/s/ Jeremy Berman

Jeremy Berman

U. P. R. R. Co.
Agreement 186772
Audit No. _____

**HAULAGE AGREEMENT
BETWEEN
HOUSTON, TEXAS AND BROWNSVILLE, TEXAS**

THIS HAULAGE AGREEMENT, made and entered into this 1st day of June 1996, by and between MISSOURI PACIFIC RAILROAD COMPANY, a Delaware corporation (hereinafter referred to as "MPRR" or "Owner"), and BURLINGTON NORTHERN RAILROAD COMPANY, a Delaware corporation ("BN"), and THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, a Delaware corporation ("Santa Fe") (BN and Santa Fe are hereinafter referred to collectively as "User").

WITNESSETH:

WHEREAS, Owner owns lines of railroad which extend (i) from Houston (Settegast Yard), Texas in the vicinity of Owner's Milepost 2.4 (Owner's Palestine Subdivision) to Brownsville, Texas in the vicinity of Owner's Milepost 0.59 (Owner's Brownsville Subdivision), and (ii) on Owner's Brownsville Port Lead at Brownsville, Texas in the vicinity of Owner's Milepost 0.00 (Brownsville Subdivision Milepost 1.29) to the end of Owner's ownership of the Brownsville Port Lead in the vicinity of Owner's Milepost 7.92 at Port of Brownsville, Texas, a total distance of approximately 375.7 miles and 7.92 miles, respectively ("Haulage Corridor"), as illustrated on the attached print dated June 1, 1996, marked Exhibit "A", attached hereto and made a part hereof:

WHEREAS, pursuant to an agreement dated September 25, 1995, as amended (the "Settlement Agreement"), between Union Pacific Corporation ("UPC"), Union Pacific Railroad Company ("UPRR"), MPRR (UPC, UPRR and MPRR are hereinafter referred to collectively as "UP"), Southern Pacific Rail Corporation ("SPC"), Southern Pacific Transportation Company ("SPT"), St. Louis Southwestern Railway Company ("SSW"), The Denver and Rio Grande Western Railroad Company ("DRGW"), and SPCSL Corp. ("SPCSL") (SPC, SPT, SSW, DRGW, and SPCSL are hereinafter collectively referred to as "SP") (UP and SP are hereinafter referred to collectively as "UP/SP"), on the one hand, and BN and Santa Fe, on the other hand, UP/SP agreed to grant certain rights to User, including haulage rights over the Haulage Corridor; and

WHEREAS, User desires to use the Haulage Corridor for the movement of rail cars (loaded or empty), in User's account, in Owner's trains in each direction over the Haulage Corridor; and

WHEREAS, Owner is agreeable to such an arrangement under the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements herein expressed, the parties hereto covenant and agree as follows:

Section 1. Haulage Rights.

(A) User hereby hires and confirms Owner as its agent to provide haulage services for loaded and empty rail cars on the Haulage Corridor ("Haulage Services") and Owner agrees to perform such Haulage Services solely as User's agent, and in each case pursuant to the following terms and conditions:

- i. Haulage Services for rail cars shall be provided on a per rail car basis only.
- ii. Haulage Services shall apply to all commodities.
- iii. User agrees that where blocking is requested by User, it shall enter into a separate written agreement with Owner detailing, among other things, the number of blocks required and Owner's cost to provide such blocking.
- iv. It is expressly understood by the parties that any Haulage Services provided by Owner shall, at Owner's option, be on a train load basis or using Owner's existing train service and capacity, in both cases using Owner's locomotives and crews.
- v. For such Haulage Services, User shall be permitted to quote rates in contracts, quotations, or appropriate publications.
- vi. User shall have the right to (a) access all existing industries which are served by UP and SP and no other railroad directly, by reciprocal switching, joint facility or other arrangements, and (b) subject to the geographic limitations set forth below, serve new shipper facilities, future transloading facilities and to establish and serve intermodal and auto facilities at points listed on Exhibit A to the Settlement Agreement. The geographic limitations applicable to subparagraph (b) above shall generally correspond to the territory within which, prior to the merger of UP and SP, a new customer could have constructed a facility that would have been open to service by both UP and SP either directly or through reciprocal switch. Where switching districts have been established they shall be presumed to establish these geographic limitations.

- vii. User shall have the right to have its rail cars for which Haulage Services are provided hereunder interchanged with Ferrocarriles Nacionales de Mexico at Brownsville (Matamoros, Mexico) and Port of Brownsville and Brownsville and Rio Grande International Railroad at Brownsville, pre-blocked as required by Owner.

(B) While performing such Haulage Services, Owner shall not be a connecting or intermediate carrier and shall not be entitled to any division of tariff, contract, or switching rates or like charges other than as herein provided. Rail cars being so moved shall remain in User's car hire account as applicable.

(C) The management, operation, dispatching and maintenance of the Haulage Corridor shall, at all times, be under the exclusive direction and control of Owner, and the movement of rail cars over and along the Haulage Corridor shall at all times be subject to the direction and control of Owner's authorized representatives and in accordance with such reasonable operating rules as Owner shall from time-to-time institute, but in the management, operation, dispatching and maintenance of the Haulage Corridor, Owner and User shall be treated equally. All operating, dispatching and maintenance decisions by Owner affecting the movement of rail cars over the Haulage Corridor shall be made on a nondiscriminatory basis, without reference to ownership, and customary priorities shall be accorded differing classes of traffic (i.e. bulk commodities, manifest, intermodal, etc.) irrespective of whether the traffic is that of Owner or User. The foregoing shall include, without limitation, decisions as to terminal departure times, destination terminal receiving times, enroute delays, track maintenance and the scheduling of maintenance windows. User may monitor dispatching operations over the Haulage Corridor. Owner shall from time-to-time notify User of operating rules and any changes thereto.

(D) During the normal course of business it is expected that some rail cars moved under this Haulage Agreement shall be diverted by User. If, in the sole opinion of the Owner, diversion of rail cars by User becomes an unreasonable administrative burden on Owner, Owner shall so notify User and present to User an estimate of Owner's actual cost to handle diversions for User. If such amount is not accepted by User, User and Owner shall then negotiate in good faith to determine an appropriate charge to be paid by User to Owner to cover Owner's reasonable cost for each rail car so diverted after Owner's notification to User as set forth above. If after ninety (90) days Owner and User have been unable to reach agreement that a diversion cost is appropriate or as to what the cost of each diversion shall be then the matter shall be submitted to binding arbitration under the terms and conditions contained in Section 13 of this Haulage Agreement.

Section 2. Pick Up and Delivery Tracks. Rail cars shall be delivered to and received from User at Owner's Yard at Houston (Settegast) in connection with the provision of Haulage Services as mutually agreed upon by the authorized representatives of the parties hereto from time-to-time.

Section 3. Receipt and Delivery of Rail Cars.

(A) Rail cars shall be deemed received from User (i) when Owner couples into such rail cars, or (ii) in the case of run through operations, when, Owner's crews board User's train for the commencement of Haulage Services. Rail cars shall be deemed delivered to User (i) when set out, and the locomotives of Owner are uncoupled therefrom, on agreed to tracks, or (ii) in the case of run through operations, when Owner's crews disembark from User's train at the designated delivery track, and the notification of such delivery has been given to User.

(B) At Brownsville User shall have parity with Owner and shall have equal access to the Mexican border crossing at Brownsville (Matamoros, Mexico) ("Mexican Border Crossing"); provided, however, movements to and from the border crossing bridge and within Brownsville shall be under the direction and control of the authorized representatives of Owner. The parties also agree that:

- (i) User shall be responsible for issuing all shipment notifications; preparation and rendition of all assessorial billing; performing all collections; and provide all rail car tracing in connection with rail cars of User going to or from Mexico, as described in tariffs, transportation agreements and circulars published by User.
- (ii) User shall be responsible for instructing importers, exporters and brokers on processes required on the rail cars of User in order to comply with United States and Mexican customs regulations, agricultural regulations and other United States and Mexican federal regulatory agency regulations required to move rail cars of User between the United States and Mexico.
- (iii) User shall be responsible for the preparation and submission of all Inward Cargo Manifests, United States Customs Form 7533, and In-Bond Documents, United States Customs Form 7512, required by United States Customs on rail cars of User entering the United States. Further, User shall be responsible for submitting all In-Bond T&Es, United States Customs Form 75330-C, on all rail cars of User transiting the United States and exporting via User to Mexico.
- (iv) User shall be responsible for surrendering all Shippers Export Declarations, Form 7525, to United States Customs on United States export shipments of User.

- (v) User shall be responsible for providing, at its sole cost and expense, grain rail car cleaning, fumigation or other services that may be required to prepare a conveyance or its commodity for compliance with regulatory requirements for entry into the United States or Mexico.
- (vi) User shall be responsible for providing, at its sole cost and expense, all labor and equipment required to comply with United States Customs conveyance and/or commodity inspection requirements relative to rail cars of User moving north and south across the United States/Mexican border.
- (vii) User shall be responsible for determining and supplying, at its sole cost and expense (if it chooses to supplement the rail car supply needs of the Mexican railroads), empty rail cars for all rail car orders for northbound loading out of Mexico when User is designated the first United States linehaul carrier in the route.
- (viii) In the event Owner is unable to complete the movement of User's rail cars over the Mexican Border Crossing for any reason, and Owner is required to set out and subsequently pick up rail cars, User shall reimburse Owner for its cost and expense for such additional switching pursuant to a separate written agreement between the parties.

Section 4. Compensation for Haulage Services. As compensation for the Haulage Services as above set forth, User shall pay to Owner, in addition to other payments to be made under this Haulage Agreement, for each loaded or empty rail car movement (including reciprocal switch charges and/or interchange charges) the amount set forth in Exhibit "B", attached hereto and made a part hereof (the "Haulage Rates").

The Haulage Rates shall be subject to adjustment annually beginning on January 1, 1997 to reflect fifty percent (50%) of increases or decreases in the Rail Cost Adjustment Factor ("Index"), not adjusted for changes in productivity ("RCAF-U"), published by the Association of American Railroads ("AAR") or successor agency or other organization. In the event the RCAF-U is no longer maintained, the parties shall select a substantially similar index and failing to agree on such an index, the matter shall be referred to binding arbitration under Section 13 of this Haulage Agreement. The ratio between the Index for the year immediately prior to any year in which an increase or decrease is to be made effective and the Index for the year 1995 shall be developed, and the Haulage Rates shall be increased or decreased in direct proportion to such ratio, but under no circumstances shall the adjusted rate be less than the initial Haulage Rates provided in this Haulage Agreement.

Upon every fifth anniversary of this Haulage Agreement ("Anniversary Date"), either party may request on ninety (90) days' written notice that the parties jointly review the

operations of the adjustment mechanism and renegotiate its application. If the parties do not agree on the need for or extent of adjustment to be made upon such renegotiation, any party may request binding arbitration under Section 13 of this Haulage Agreement. It is the intention of the parties that the Haulage Rates reflect the same basic relationship to operating costs as upon execution of this Haulage Agreement.

Notwithstanding the foregoing, User shall not be obligated to pay haulage charges for rail cars returning empty from loaded haulage movements delivered to the Owner in violation of Association of American Railroads ("AAR") Circular No. OT - 10 regulations.

Section 5. Bad Ordered Rail Cars. If a rail car of User is bad ordered en route on the Haulage Corridor and it is necessary that it be set out, such bad ordered rail car shall, after being promptly repaired, be promptly picked up and delivered to User. Unless otherwise agreed, Owner shall, at User's sole cost and expense, furnish the required labor and material and perform light repairs to make such bad ordered rail car safe for movement. The employees and equipment of Owner while in any manner so engaged or while en route to, or returning to Owner's terminal from, such an assignment shall be considered sole User employees and sole User equipment. However, should Owner's employees after repairing such bad ordered rail cars for User move directly to perform service for Owner's benefit rather than return to Owner's terminal, then User's exclusive time and liability shall end when Owner's employees depart for work to be performed for Owner's benefit. In the case of such repairs by Owner for rail cars in User's account, billing therefor shall be in accordance with the Field and Office Manuals of the Interchange Rules adopted by the AAR, hereinafter called "Interchange Rules," in effect on the date of performance of the repairs. Owner shall then prepare and submit billing directly to and collect from the rail car owners for rail car owner responsibility items as determined under said Interchange Rules, and Owner shall prepare and submit billing directly to and collect from User for handling line responsibility items as determined under said Interchange Rules. Owner shall also submit billing to and collect from User any charges for repair to rail cars that are User's rail car owner responsibility items as determined under said Interchange Rules should said rail car owner refuse or otherwise fail to make payment therefor.

Section 6. Billing.

(A) Billing shall be accomplished on the basis of data contained in a billing form mutually agreed to between the parties. Such billing forms shall contain sufficient detail to permit computation of payments to be made hereunder. For charges other than Haulage Rates, billing shall be prepared according to the rules, additives, and equipment rental rates as published by the Owner. User shall pay to Owner at the Office of the Treasurer of Owner, or at such other location as Owner may from time to time designate, all the compensation and charges of every name and nature which in and by this Haulage Agreement User is required to pay in lawful money of the United States within thirty (30)

days after the rendition of bills therefor. Bills shall contain a statement of the amount due on account of the expenses incurred and services rendered during the billing period.

(B) Errors or disputed items in any bill shall not be deemed a valid excuse for delaying payment, but shall be paid subject to subsequent adjustment; provided, no exception to any bill shall be honored, recognized or considered if filed after the expiration of three (3) years from the last day of the calendar month during which the bill is rendered and no bill shall be rendered later than three (3) years (i) after the last day of the calendar month in which the expense covered thereby is incurred, or (ii) in the case of claims disputed as to amount or liability, after the amount is settled and/or the liability is established. This provision shall not limit the retroactive adjustment of billing made pursuant to exception taken to original accounting by or under authority of the Surface Transportation Board ("STB") or retroactive adjustment of wage rates and settlement of wage claims.

(C) So much of the books, accounts and records of each party hereto as are related to the subject matter of this Haulage Agreement shall at all reasonable times be open to inspection by the authorized representatives and agents of the parties hereto. All books, accounts, and records shall be maintained to furnish readily full information for each item in accordance with any applicable laws or regulations.

(D) Should any payment become payable by Owner to User under this Haulage Agreement, the provisions of Subsections (A) through (C) of this Section 6 shall apply with User as the billing party and Owner as the paying party.

(E) Either party hereto may assign any receivables due it under this Haulage Agreement; provided, however, that such assignments shall not relieve the assignor of any rights or obligations under this Haulage Agreement.

Section 7. Liability and Indemnification. Except as otherwise provided, each party assumes and agrees to settle or pay all claims for loss or damage to property, including rail cars, empty and loaded, handled for each party's sole account as follows:

(A) User agrees to indemnify and hold Owner harmless of and from any and all loss or damage to rail cars in User's account, or the contents thereof (including damages for delay to freight and damage to patrons or property caused by the freight), arising out of Owner's handling of such rail cars pursuant to this Haulage Agreement. In the event claim is made against Owner for any such loss, damage or delay, User agrees to defend, process, adjust, settle, or pay any such claim (whichever is or are applicable), to appear and defend any suit brought to enforce such claim, and to pay all expenses, costs and judgments obtained or incurred in any such suit.

(B) User shall also assume and bear liability for all damage to or loss of Owner's property used in handling rail cars in User's account, including locomotives, cabooses, and end-of-train devices ("ETDs"), tracks and appurtenances, and injury (including death) to Owner's employees or third persons, or damage to or loss of the property of such employees or third persons, suffered as a result of the handling of rail cars in User's account hereunder in that proportion which the number of rail cars in User's account in the train containing such rail cars shall bear to the total number of rail cars in such train (excluding locomotives and cabooses), provided that User shall not bear any portion of damage to or loss of rail cars in Owner's account or the contents thereof which may result from such operation.

(C) It is mutually agreed that the provisions of Subsection (B) of this Section 7 shall not be applicable in the event of a collision between a train of Owner's that contains rail cars in User's account and a train of Owner that does not contain rail cars in User's account, when such collision is caused solely by negligence in the operation of the Owner train that does not contain rail cars in User's account. Then, in such event, Owner shall bear solely the loss of and damage to rail cars in User's account and the contents thereof, and shall bear any other liability for damage, injury (including death) or loss suffered by User or a third party as a result of such collision.

(D) All employees of Owner from time to time engaged in handling rail cars in User's account which are in a train of Owner also involving rail cars in Owner's account shall, for the purpose of this Haulage Agreement, be regarded as joint employees of the parties hereto while so engaged. An employee or employees of a party while engaged in, en route to or from, or otherwise on duty incident to performing service for the exclusive benefit of one party shall be deemed the sole employee(s) of such party. As between the parties hereto, each party shall assume, bear, settle and pay all loss, costs, or damage which its rail cars or other property, rail cars handled for its account, or freight in its custody as a common carrier, or otherwise, shall suffer by reason of the actions of said joint employees while engaged in joint rail car handling. All damage to property jointly used in handling rail cars, including locomotives, cabooses, ETDs, tracks and appurtenances, and in the performance of any of the services as aforesaid, and all damages or injury (including death) to third persons, or to property of third persons, and all loss, cost and damage or injury (including death) such joint employees may suffer as a result of such joint handling operation (except to the extent caused by the freight), or the performance of such other duties as aforesaid, shall be treated as a common expense incident thereto. Such common expense shall be divided between the parties hereto in proportion that the number of rail cars being handled for User by Owner bears to the total number of rail cars being handled by Owner in such joint rail car handling operation related to such loss, damage or injury (including death) at the time such loss, damage or injury (including death) occurs.

(E) THE PARTIES EXPRESSLY INTEND THAT WHERE ONE PARTY IS TO INDEMNIFY THE OTHER PURSUANT TO THE TERMS OF THIS HAULAGE AGREEMENT, SUCH INDEMNITY SHALL INCLUDE INDEMNITY FOR (1) THE NEGLIGENCE OR ALLEGED NEGLIGENCE, WHETHER ACTIVE OR PASSIVE, OF THE INDEMNIFIED PARTY WHERE THAT NEGLIGENCE IS A CAUSE OF THE LOSS OR DAMAGE; (2) STRICT LIABILITY OF THE INDEMNIFIED PARTY RESULTING FROM VIOLATION OR ALLEGED VIOLATION OF ANY FEDERAL, STATE OR LOCAL LAW OR REGULATION BY THE INDEMNIFIED PARTY, INCLUDING BUT NOT LIMITED TO THE FEDERAL EMPLOYERS LIABILITY ACT ("FELA"), THE SAFETY APPLIANCE ACT, THE BOILER INSPECTION ACT, THE OCCUPATIONAL HEALTH AND SAFETY ACT ("OSHA"), THE RESOURCE CONSERVATION AND RECOVERY ACT ("RCRA"), THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT ("CERCLA"), THE CLEAN WATER ACT ("CWA"), THE OIL POLLUTION ACT ("OPA"), AND ANY SIMILAR STATE STATUE IMPOSING OR IMPLEMENTING SIMILAR STANDARDS; AND (3) ACTS OR ALLEGED ACTS OF GROSS NEGLIGENCE OF THE INDEMNIFIED PARTY, OR OTHER CONDUCT ON THE PART OF THE INDEMNIFIED PARTY FOR WHICH PUNITIVE DAMAGES MIGHT BE SOUGHT.

Section 8. Service Standards Committee. A Service Standards Committee ("Committee"), comprised of officers of Owner and User, shall be established, and shall be responsible for establishing rules or standards as appropriate to ensure equitable and non-discriminatory treatment, appropriate maintenance and efficient use of the facilities that are a part of the Haulage Corridor. The Committee shall meet on a regular basis not less often than every three (3) months during the first year of operation under this Haulage Agreement, and thereafter when any party serves upon the other thirty (30) days' written notice of its desire to meet to review the overall performance of Haulage Service provided for under this Haulage Agreement, to resolve conflicts and consider other relevant matters in the discretion of the Committee. The Committee shall consider technological improvements that may foster more rapid and consistent service in the Haulage Corridor. Changes in service standards or decisions on capital investments flowing from such consideration shall be negotiated in good faith and subject to the terms of this Haulage Agreement.

Section 9. Hazardous Materials.

(A) In the event any accident, bad ordered rail car, derailment, vandalism or wreck (hereinafter for the purposes only of this Section 9 called, collectively, "derailment") involving rail cars in the account of User carrying hazardous materials, substances or wastes as defined pursuant to Federal or State law (hereinafter called "Hazardous Materials") shall occur on any segment of the Haulage Corridor, Owner shall notify User of such incident and any report required by Federal, State, or local authorities shall be the responsibility of User. User shall then advise the owner/shipper of Hazardous Materials

in rail cars in User's account involved in the derailment and shall immediately furnish Owner with all necessary information related to the Hazardous Materials.

(B) Owner shall assume responsibility for cleaning up any release of such Hazardous Materials from User's rail cars on Owner's property in accordance with all Federal, State, or local regulatory requirements. User, at its sole cost and expense and risk, may have representatives at the scene of the derailment to observe and provide information and recommendations concerning the characteristics of any Hazardous Materials released and the cleanup effort. Such clean up costs shall be borne in accordance with Section 7 of this Haulage Agreement.

(C) If a Hazardous Materials release from User's rail cars results in contamination of real property or water adjacent to Owner's property, Owner shall assume responsibility for emergency clean up conducted to prevent further damage. User shall be responsible for performing clean up efforts thereafter. Any costs associated with cleaning up real property or water adjacent to Owner's property contaminated by Hazardous Materials shall be borne as provided in Section 7 of this Haulage Agreement.

(D) If Hazardous Materials released from User's rail cars must be transferred to undamaged rail cars, User shall perform the transfer; provided, however, that if the Hazardous Materials are in damaged rail cars that are blocking the Haulage Corridor, Owner, at its option, may transfer the Hazardous Materials with any costs associated with such transfer borne as provided in Section 7 of this Haulage Agreement. Transfers of Hazardous Materials by User shall only be conducted after being authorized by Owner.

(E) The total cost of clearing a derailment, cleaning up any Hazardous Materials released during such derailment, and/or repairing the Haulage Corridor or any other property damaged thereby shall be borne by the party or parties liable therefor in accordance with Section 7 of this Haulage Agreement.

Section 10. Acts of God. Whenever a period of time is provided in this Haulage Agreement for any party to do or perform any act or thing other than the payment of money for Haulage Services, said party shall not be liable or responsible for any delays due to strikes, extraordinary weather conditions, lockouts, casualties, acts of God, war, court orders, work stoppages, riots, public disorders, criminal acts of other entities, governmental regulations or control or other such causes beyond the reasonable control of said party. In any such event, any time period shall be extended for the amount of time said party is so delayed; provided that this Section 10 shall not be construed to affect the responsibilities of said party hereunder to do or perform such act or thing once such delays have been removed.

Section 11. No Third Party Beneficiaries. Nothing herein expressed or implied is intended to or shall be construed to confer upon or to give any person, firm, partnership,

corporation or governmental entity other than the parties hereto and their respective successors and assigns any right or benefit under or by reason of this Haulage Agreement.

Section 12. Governmental Approvals. The parties agree to cooperate in seeking any necessary governmental approvals or authority for operations under this Haulage Agreement at any time during its term to the extent such approval or authority may be required under then applicable laws or regulations.

Section 13. Arbitration.

(A) If at any time a question or controversy shall arise between the parties hereto in connection with this Haulage Agreement upon which the parties cannot agree, such question or controversy shall be submitted to and settled by arbitration. Unless other procedures are agreed to by the parties, arbitration between the parties pursuant to this Section 13 shall be governed by the rules and procedures set forth in this Section 13.

(B) If the parties to the dispute are able to agree upon a single competent and disinterested arbitrator within twenty (20) days after written notice by one party of its desire for arbitration to the other party, then the question or controversy shall be submitted to and settled by that single arbitrator. Otherwise, any party (the notifying party) may notify the other party (the noticed party) in writing of its request for arbitration and nominating one arbitrator. Within twenty (20) days after receipt of said notice, the noticed party shall appoint an arbitrator and notify the notifying party in writing of such appointment. Should the noticed party fail within twenty (20) days after receipt of such notice to name its arbitrator, said arbitrator may be appointed by the Chief Judge (or acting Chief Judge) of the United States District Court for the District of Columbia upon application by either party after ten (10) days' written notice to the other party. The two arbitrators so chosen shall select one additional arbitrator to complete the board. If the arbitrators so chosen fail to agree upon an additional arbitrator, the same shall, upon application of a party, be appointed by said judge in the manner heretobefore stated.

(C) Upon selection of the arbitrator(s), said arbitrator(s) shall, with reasonable diligence, determine the questions as disclosed in said notice of arbitration, shall give both parties reasonable notice of the time and place (of which the arbitrator(s) shall be the judge) of hearing evidence and argument, may take such evidence as the arbitrator(s) shall deem reasonable or as either party may submit with witnesses required to be sworn, and hear arguments of counsel or others. If an arbitrator declines or fails to act, the party (or parties in the case of a single arbitrator) by whom the arbitrator was chosen or said judge shall appoint another to act in the arbitrator's place.

(D) After considering all evidence, testimony and arguments, said single arbitrator or the majority of said board of arbitrators shall promptly state such decision or

award and the reasoning for such decision or award in writing which shall be final, binding, and conclusive on all parties to the arbitration when delivered to them. The award rendered by the arbitrator(s) may be entered as a judgment in any court having jurisdiction thereof and enforced as between the parties without further evidentiary proceeding, the same as entered by the court at the conclusion of a judicial proceeding in which no appeal was taken. Until the arbitrator(s) shall issue the first decision or award upon any question submitted for arbitration, performance under this Haulage Agreement shall continue in the manner and form existing prior to the rise of such question. After delivery of said first decision or award, each party shall forthwith comply with said first decision or award immediately after receiving it.

(E) Each party to the arbitration shall pay all compensation, costs, and expenses of the arbitrator appointed in its behalf and all fees and expenses of its own witnesses, exhibits, and counsel. The compensation, cost, and expenses of the single arbitrator or the additional arbitrator in the board of arbitrators shall be paid in equal shares by all parties to the arbitration.

(F) The parties may obtain discovery and offer evidence in accordance with the Federal Rules of Civil Procedure Rules 26 - 37, and Federal Rules of Evidence, as each may be amended from time to time.

(G) Interest computed annually, at a rate equal to the Prime Rate plus two (2) percentage points, shall be applied to any and all arbitration awards requiring the payment of money and shall be calculated from thirty (30) days following the date of the applicable arbitration decision. The term "Prime Rate" shall mean the minimum commercial lending rate charged by banks to their most credit-worthy customers for short-term loans, as published daily in the Wall Street Journal.

Section 14. Labor Protection. If, during the term of this Haulage Agreement, Owner adds to its labor force or has furnished employees to provide for the increased business related to the Haulage Services, then User shall be responsible for any labor protection, guarantees, or reserve board payments for such incremental employees.

Section 15. Assignment. Except as provided in Section 6(E) and in the following sentence, this Haulage Agreement and any rights granted hereunder may not be assigned in whole or in part by any party without the prior written consent of the other party. This Haulage Agreement may be assigned by any party without the consent of the other only as a result of a merger, corporate reorganization, consolidation, change of control or sale of substantially all of its assets. In the event of an authorized assignment, this Haulage Agreement and the rights hereunder shall be binding upon the successors and assigns of the parties.

Section 16. Term and Termination. This Haulage Agreement shall be effective upon execution for a term of ninety-nine (99) years; provided, however, that the User may terminate this Haulage Agreement at any time during its term upon ninety (90) days' written notice to Owner. The Haulage Services granted to User pursuant to this Haulage Agreement shall not become effective until the acquisition of control of SP by UP pursuant to the application pending before the STB in Finance docket No. 32760, and provided also that in the event the acquisition of the control of SP by UP is (i) finally disapproved by the STB and the time for any appeal has passed without any appeal being filed or, if such disapproval was appealed, the disapproval was affirmed on appeal, or (ii) approved by the STB subject to conditions that are unacceptable to UP/SP and such control of SP by UP is thus not effected, Owner's agreement to provide the Haulage Services pursuant to this Haulage Agreement shall be of no force and effect and this Haulage Agreement shall terminate. In the event that this Haulage Agreement is terminated as provided in the first sentence of this Section, User may commence operations pursuant to the trackage rights agreement of even date between User and Owner by which Owner granted to User trackage rights over the Haulage Corridor, in which case User, at its sole cost and expense, shall obtain any and all necessary approvals of governmental bodies, including, without limitation, the STB, for such operation except for User's operations related to the movement of rail cars over the Mexican Border Crossing. User agrees that it shall not use its companion trackage rights until such time as it no longer uses the Haulage Services provided under this Haulage Agreement. Liabilities created under this Haulage Agreement, if it becomes effective and is later terminated, shall survive such termination.

Section 17. Default.

(A) Notwithstanding the provisions of Section 6 of this Haulage Agreement, either party hereto claiming default of any of the provisions of this Haulage Agreement shall furnish written notice and demand to the other party for performance or compliance with the covenant or condition of this Haulage Agreement claimed to be in default, which notice shall specify wherein and in what respect such default is claimed to exist and shall specify the particular Section or Sections of this Haulage Agreement under which such claim of default is made.

(B) If the default shall continue for an additional period of thirty (30) days after receipt of such written notice, and such default has not been remedied within said thirty (30) day period, or reasonable steps have not been nor continue to be taken to remedy a default which cannot reasonably be remedied within said thirty (30) day period, and such default relates to the provisions and terms of this Haulage Agreement, either party may resort to binding arbitration provided that the arbitrator shall not have the authority to amend, modify or terminate this Haulage Agreement.

(C) Failure of a party to claim a default shall not constitute waiver of such default. Either party hereto entitled to claim default may waive any such default in writing, but no action by such party in waiving such default shall extend to or be taken to effect any subsequent defaults or impair the rights of either party hereto resulting therefrom.

Section 18. Severability. If any part of this Haulage Agreement is determined to be invalid, illegal or unenforceable, such determination shall not affect the validity, legality or enforceability of any other part of this Haulage Agreement and the remaining parts of this Haulage Agreement shall be enforced as if such invalid, illegal or unenforceable part were not contained herein.

Section 19. Conflicting Provisions. If any conflict between the Settlement Agreement and this Haulage Agreement shall arise, the provisions of the Settlement Agreement shall govern unless specific reference is made in this Haulage Agreement, or any amendment thereof, to the fact that an inconsistency exists between it and the Settlement Agreement and that, as to such specifically identified inconsistency, the terms of this Haulage Agreement, or any amendment thereof, control.

Section 20. Notices. All notices, demands, requests, submissions and other communications which are required or permitted to be given pursuant to this Haulage Agreement shall be given by either party to the other in writing and shall be deemed properly served if delivered by hand, or mailed by overnight courier or by registered or certified mail, return receipt requested, with postage prepaid and addressed to such other party at the address listed below:

If intended for Owner:

Executive Vice President-Operation
Room 1206
1416 Dodge Street
Omaha, Nebraska 68179

With a copy to:

Director Joint Facilities
Room 1200
1416 Dodge Street
Omaha, Nebraska 68179

If intended for User:

Sr. Vice President-Operations
2600 Lou Menk Drive
P.O. Box 961034
Fort Worth, Texas 76161-0034

With a copy to:

General Director Contracts
and Joint Facilities
2600 Lou Menk Drive
P.O. Box 961034
Fort Worth, Texas 76161-0034

Section 21. Other Agreements. This Haulage Agreement shall not become effective unless and until each and every trackage rights, haulage, purchase/sale and proportional rate agreement between and among the parties to the Settlement Agreement

[illegible]

G:LA WADMWGB SP HOUSTON HAU

IN WITNESS WHEREOF, the parties hereto have caused this Haulage Agreement to be duly executed as of the day and year first above written.

MISSOURI PACIFIC RAILROAD COMPANY

By: James W. DeLo
Its: _____

BURLINGTON NORTHERN RAILROAD COMPANY

By: _____
Its: _____

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY
COMPANY

By: _____
Its: _____

186772

IN WITNESS WHEREOF, the parties hereto have caused this Haulage Agreement to be duly executed as of the day and year first above written.

MISSOURI PACIFIC RAILROAD COMPANY

By: _____
Its: _____

BURLINGTON NORTHERN RAILROAD COMPANY

By: *[Signature]*
Its: *VP & CMO*

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY

By: *[Signature]*
Its: *VP & CMO*

186772

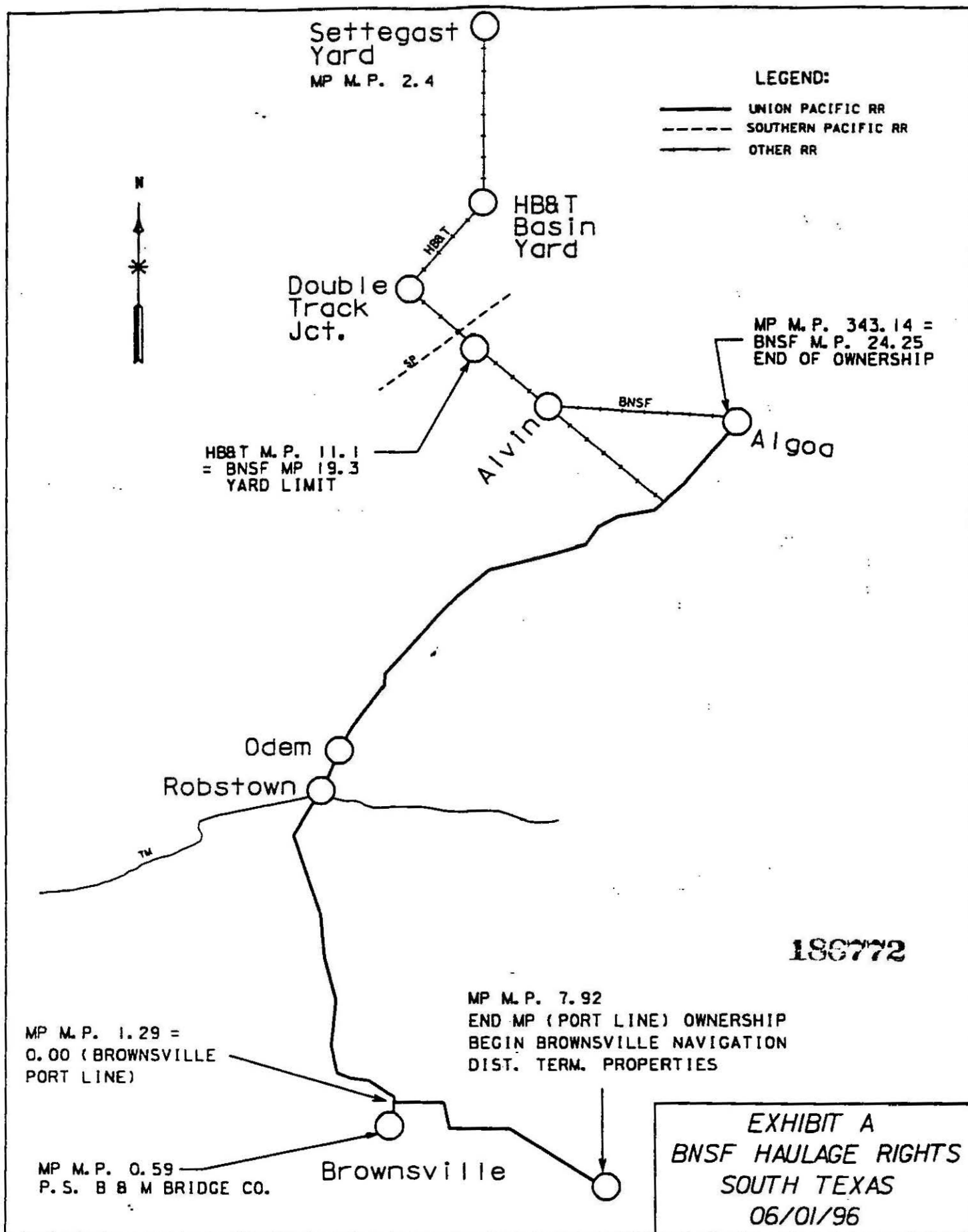


EXHIBIT "B"
TO
HAULAGE AGREEMENT

Intermodal, carload and bulk traffic within defined Haulage Corridor in either direction (loaded or empty):

1. Handling of Rail Car to or from User and Owner and to or from a connecting railroad or third party contract switcher
2. Handling of Rail Car to or from User and Owner and to or from a connecting railroad or third party contract switcher for unit trains defined as 67 cars or more of one commodity in one car type moving to a single destination and consignee
3. Movement of Rail Car within Haulage Corridor
4. Reciprocal Switch Rail Cars at 2-to-1 industries
5. Reciprocal Switch Rail Cars at 2-to-1 industries that contain commodities within the following STCC: 01131, 01132, 01133, 01135, 01136, 01137, 01139 and 01144.

NOTE: All charges listed above are subject to annual adjustment as provided for in Agreement

**FIRST SUPPLEMENT TO
HAULAGE AGREEMENT
BETWEEN
HOUSTON, TEXAS AND BROWNSVILLE, TEXAS**

THIS FIRST SUPPLEMENTAL AGREEMENT, made and entered into as of the 19th day of September, 1996, by and between MISSOURI PACIFIC RAILROAD COMPANY, a Delaware corporation (hereinafter referred to as "MPRR" or "Owner"), and BURLINGTON NORTHERN RAILROAD COMPANY, a Delaware corporation ("BN"), and THE ATCHISON, TOPEKA & SANTA FE RAILWAY COMPANY, a Delaware corporation ("Santa Fe") (BN and Santa Fe are hereinafter referred to collectively as "User").

WITNESSETH:

WHEREAS, pursuant to an agreement dated September 25, 1995, as amended ("Settlement Agreement"), between Union Pacific Corporation ("UPC"), Union Pacific Railroad Company ("UPRR"), MPRR (UPC, UPRR and MPRR are hereinafter referred to collectively as "UP"), Southern Pacific Rail Corporation ("SPC"), Southern Pacific Transportation Company ("SPT"), St. Louis Southwestern Railway Company ("SSW"), The Denver and Rio Grande Western Railroad Company ("DRGW"), and SPCSL Corp. ("SPCSL") (SPC, SPT, SSW, DRGW and SPCSL are hereinafter referred to collectively as "SP") (UP and SP are hereinafter referred to collectively as "UP/SP"), on the one hand, and BN and Santa Fe, on the other hand, UP/SP agreed to grant certain rights to User, including haulage rights over (i) Owner's trackage between Houston, Texas and Brownsville, Texas, and (ii) Owner's Brownsville Port Lead at Brownsville (the "Haulage Corridor") and between Odem, Texas and Corpus Christi, Texas;

WHEREAS, pursuant to the Settlement Agreement, Owner and User entered into a Haulage Agreement dated as of June 1, 1996 (the "Original Haulage Agreement") by which Owner agreed to act as User's agent to provide haulage services for loaded and empty cars on the Haulage Corridor (the "Haulage Services");

WHEREAS, Owner and User wish to modify the terms of the Original Haulage Agreement to specifically include the Odem - Corpus Christi trackage.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements herein expressed, the parties hereto agree as follows:

1. The first WHEREAS of the Original Haulage Agreement is hereby deleted in its entirety and replaced by the following:

"WHEREAS, Owner owns lines of railroad which extend (i) from Houston (Settegast Yard), Texas in the vicinity of Owner's Milepost 2.4 (Owner's Palestine Subdivision) to Brownsville, Texas in the vicinity of Owner's Milepost 0.59 (Owner's Brownsville Subdivision), (ii) over Owner's Brownsville Port Lead to Brownsville, Texas in the vicinity of Owner's Milepost 0.00 (Brownsville Subdivision Milepost 1.29) to the end of Owner's ownership of the Brownsville Port Lead in the vicinity of Owner's Milepost 7.92 at Port of Brownsville, Texas, and (iii) over Owner's Corpus Christi Subdivision from Odem, Texas in the vicinity of Milepost 132.2 (Brownsville Subdivision Milepost 154.62) and Corpus Christi, Texas, in the vicinity of Milepost 145.59, a total distance of 375.7 miles, 7.92 miles and 13.39 miles, respectively ("Haulage Corridor"), as illustrated on the attached print dated June 1, 1996, revised September 19, 1996, marked Exhibit "A", attached hereto and made a part hereof;"

2. Section 2 of the Original Haulage Agreement is hereby deleted in its entirety and replaced by the following:

"Section 2. Pick Up and Delivery Tracks. Rail cars shall be delivered to and received from User at Owner's yards at Houston (Settegast), Algoa, and Odem, Texas, in connection with the provision of Haulage Services as mutually agreed upon by the authorized representatives of the parties hereto from time-to-time."

3. Exhibit "A", dated June 1, 1996, to the Original Haulage Agreement is hereby deleted in its entirety and replaced by Exhibit "A-1", dated June 1, 1996, revised September 19, 1996, attached hereto and by this reference made a part hereof.

4. Exhibit "B" to the Original Haulage Agreement is hereby deleted in its entirety and replaced by Exhibit "B-1" attached hereto and by this reference made a part hereof.

5. The Original Haulage Agreement shall remain in full force and effect, except as specifically modified herein.

IN WITNESS WHEREOF, the parties hereto have caused this First Supplement to Haulage Agreement to be duly executed as the day and year first above written.

MISSOURI PACIFIC RAILROAD COMPANY

By: A. M. Stuenkel
Its: Director - JT. Facilities

BURLINGTON NORTHERN RAILROAD
COMPANY
MISSOURI PACIFIC RAILROAD COMPANY

By: E. W. Woolly
Its: Director - Contracts and JT. Facilities

THE ATCHISON, TOPEKA & SANTA FE
RAILWAY COMPANY
MISSOURI PACIFIC RAILROAD COMPANY

By: E. W. Woolly
Its: Director - Contracts and JT. Facilities

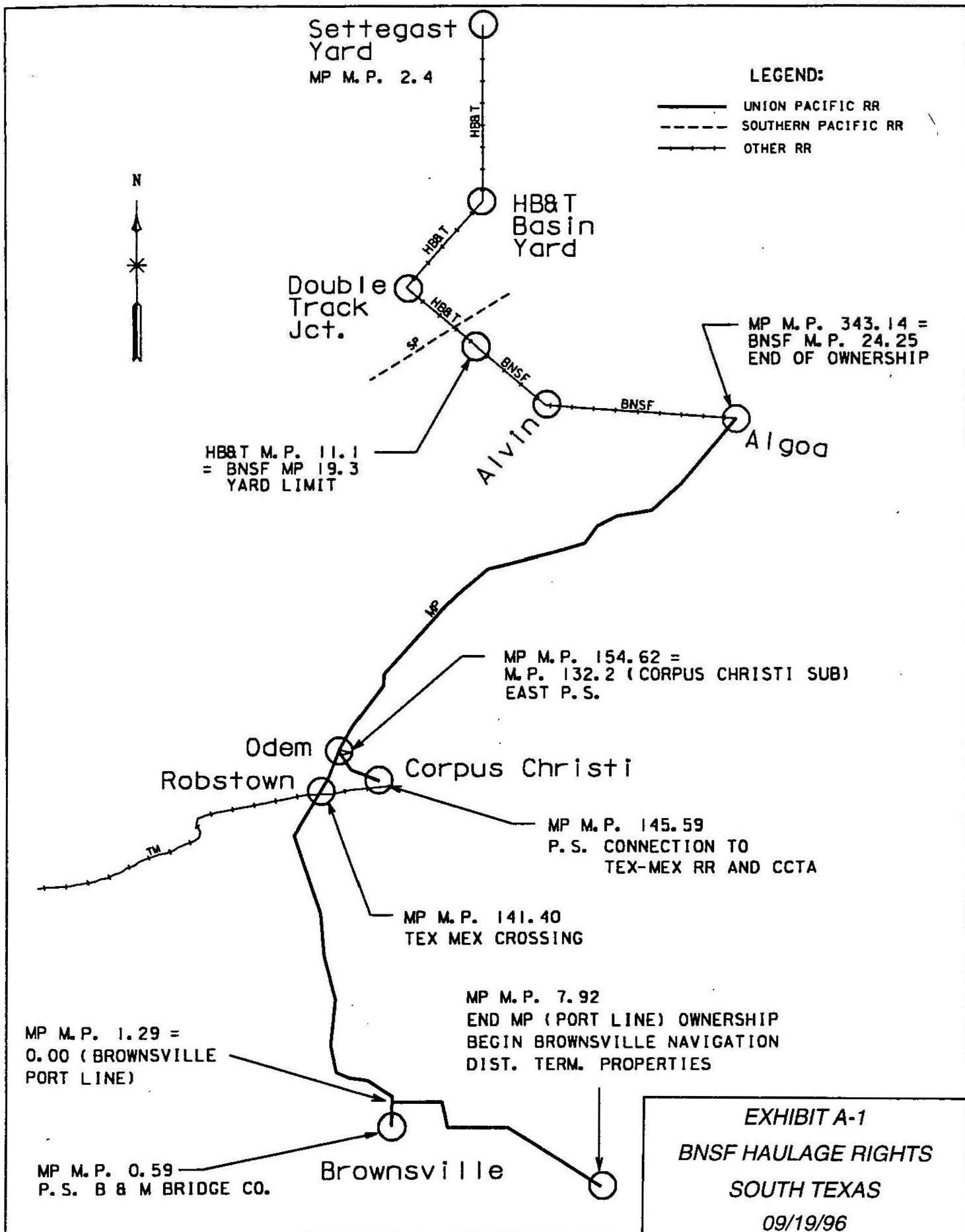


EXHIBIT "B-1"
TO
HAULAGE AGREEMENT

Intermodal, carload and bulk traffic within defined Haulage Corridor in either direction (loaded or empty):

- | | | |
|----|---|------------|
| 1. | Handling of Rail Car to or from User and Owner and to or from a connecting railroad or third party contract switcher | [REDACTED] |
| 2. | Handling of Rail Car to or from User and Owner and to or from a connecting railroad or third party contract switcher for unit trains defined as 67 cars or more of one commodity in one car type moving to a single destination and consignee | [REDACTED] |
| 3. | Movement of Rail Car within Haulage Corridor | |
| | i) Rate if Owner provides power and end of train devices. | [REDACTED] |
| | ii) Rate if User provides power and end of train devices. | [REDACTED] |
| 4. | Reciprocal Switch Rail Cars at 2-to-1 industries | [REDACTED] |
| 5. | Reciprocal Switch Rail Cars at 2-to-1 industries that contain commodities within the following STCC: 01131, 01132, 01133, 01135, 01136, 01137, 01139 and 01144. | [REDACTED] |

NOTE: All charges listed above are subject to annual adjustment as provided for in Agreement

September 19, 1996

BNSF

E. W. WOOLLEY
Director Contracts and Joint Facilities

Burlington Northern Santa Fe

2600 Lou Menk Drive
P. O. Box 961034
Fort Worth, Texas 76131
817-352-4936

186772

October 9, 1997

Mr. Jerry Wilmoth
Director - Joint Facilities
Union Pacific Railroad Company
1416 Dodge Street
Omaha, NE 68179

Dear Mr. Wilmoth:

Reference is made to the Haulage Agreement between Houston and Brownsville, Texas dated June 1, 1996, as supplemented ("Haulage Agreement"), presently in effect between our respective companies.

This letter will confirm that UP and BNSF have agreed to the following with respect to operations under the Haulage Agreement:

1. BNSF will supply its own locomotives for haulage trains moving between Algoa and Brownsville ("Haulage Trains").
2. BNSF will allow UP to operate and use BNSF's locomotives in Haulage Trains at no charge to UP from the time a Haulage Train is received by UP until such Haulage Train is delivered at Brownsville to BNSF, BNSF's agent or TFM. Thereafter, UP will have twenty-four (24) hours' free time ("Free Time Period") to return to BNSF, or its agent, any BNSF locomotives used in such haulage service; PROVIDED, HOWEVER, that UP shall have no obligation to return any such locomotive within the Free Time Period if it is run-through to another railroad company.
3. Liability for BNSF locomotives in Haulage Trains shall be governed by the Haulage Agreement.
4. In the event UP does not return BNSF locomotive(s) used in a Haulage Train within the Free Time Period, (i) UP shall incur horsepower hours for that period of time which begins with the conclusion of the Free Time Period and ends with the actual return of said locomotive to BNSF or its agent, and said excess hours will be equalized on a horsepower hour basis and (ii) liability for said locomotive(s) during the Free Time Period and any subsequent time period until BNSF locomotive(s) are delivered to BNSF or its agent as outlined in item 2 above, shall be governed by the applicable provision of that certain agreement dated December 14, 1979

covering the run-through of the Belle Ayr coal trains to Jeffreys, Kansas, which are interchanged at Northport, Nebraska.

Please confirm UP's agreement to the terms set forth in the letter by executing both copies provided where indicated below and returning one fully executed original for BNSF's records.

Very truly yours,

J. W. Woolly

Director Contracts and Joint Facilities

AGREED AND ACCEPTED ON BEHALF OF
UNION PACIFIC RAILROAD COMPANY

By *J. W. Wilmoth*

Its Dir. Joint Facilities

Date 10/17/97

UNION PACIFIC RAILROAD COMPANY

OPERATING DEPARTMENT



Room 1200
1416 Dodge Street
Omaha, Nebraska 68179
FAX (402) 271-6971

Bryce B. Bump
Director - Joint Facilities
(402) 271-6012

Owen J. Durkin
Director - Joint Facilities
(402) 271-4409

William E. Fowler
Director - Joint Facilities
(402) 271-6713

William F. Somervell
Director - Joint Facilities
(402) 271-3756

George M. Sturm
Director - Joint Facilities
(402) 271-2292

Jerry S. Wilmoth
Director - Joint Facilities
(402) 271-6529

October 27, 1998

Mr. E. W. Woolley
Director Contracts & Joint Facilities
The Burlington Northern & Santa Fe
Railway Company
2600 Lou Menk Drive
Fort Worth, Texas 76131

AUDIT 186772

Dear Bill:

Reference is made to our previous discussions concerning The Burlington Northern and Santa Fe Railway Company ("BNSF") traffic moving in haulage service by Union Pacific Railroad Company ("UPRR") in different corridors between the termini as specifically defined in the haulage agreements listed below (the "Haulage Agreements"). As we have discussed, in some instances this UPRR haulage service is undertaken for operating consideration and in other instances on account of directional operations by UPRR in certain areas.

To clarify the foregoing and other issues involving mileage computations for various haulage movements, UPRR and BNSF agree that, for the sole purpose of computing billing charges and allocating liability under the Haulage Agreements (and, specifically, without any expansion of the rights granted by UPRR to BNSF pursuant to the Haulage Agreements) the following shall apply:

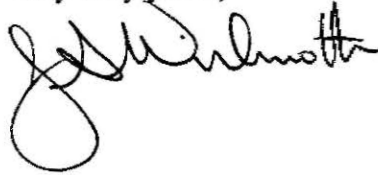
- 1) Haulage Agreement Between Houston, Texas and Brownsville, Texas dated June 1, 1996, as supplemented, shall provide that BNSF cars moving in haulage service by UPRR outside the defined Haulage Corridor will be billed as follows: (a) Flatonia, Texas to Brownsville, a total distance of 312 miles and (b) Houston (Englewood Yard), Texas to Brownsville, Texas via Flatonia, Texas, a total distance of 423 miles.
- 2) Haulage Agreement Between Dayton SIT Yard and West Baytown, Texas and Baer Switch dated June 1, 1996, shall provide that BNSF cars moving in haulage service by UPRR outside the defined Haulage Corridor will be billed as follows: Houston (Englewood, Texas), Texas to Baytown, Texas via Market Street, a total distance of 32 miles, and within the defined Haulage Corridor as follows: between Dayton SIT Yard, Texas and (i) Mont Belvieu, Texas is a distance of 13 miles, (ii) Eldon, Texas, is a distance of 15 miles and (iii) Baytown, Texas, is a distance of 22 miles.

- 3) Haulage Agreement Between Beaumont, Texas and Orange, Texas, dated March 10, 1997, shall provide that the Haulage Corridor will include Beaumont, Texas to Dayton SIT Yard, Texas a distance of 48 miles.

The term "Haulage Corridor" as used in this letter shall have the meaning given to it in the applicable Haulage Agreements.

This letter is prepared in duplicate. Please confirm BNSF's agreement to this understanding by executing both copies of this letter in the space provided. Please return one fully executed original to me for UPRR's records.

Very truly yours,



**ACCEPTED AND AGREED:
THE BURLINGTON NORTHERN AND
SANTA FE RAILWAY COMPANY**

By: J. W. Woolly
Date: 10/28/97

**FOURTH SUPPLEMENT TO
HAULAGE AGREEMENT
BETWEEN
HOUSTON, TEXAS AND BROWNSVILLE, TEXAS**

THIS FOURTH SUPPLEMENTAL AGREEMENT, made and entered into as of the 12 day of SEPTEMBER, 2014, by and between UNION PACIFIC RAILROAD COMPANY, a Delaware corporation, successor in interest to Missouri Pacific Railroad (hereinafter referred to as "UPRR" or "Owner"), and BNSF RAILWAY COMPANY, a Delaware corporation, successor in interest to The Atchison, Topeka and Santa Fe Railway Company and Burlington Northern Railroad Company ("BNSF") or "User".

WITNESSETH:

WHEREAS, pursuant to the Restated and Amended Settlement Agreement between Owner and User (RSA), as amended, Owner agreed to grant certain rights to User, including haulage rights over Owner's trackage between Houston, Texas and Brownsville, Texas whereby Owner and User entered into a Haulage Agreement dated as of June 1, 1996 ("Haulage Agreement Between Houston, Texas to Brownsville, Texas" or "Original Haulage Agreement"), by which Owner agreed to provide certain haulage services for loaded and empty cars on the haulage Corridor (the "Haulage Services");

WHEREAS, pursuant to the terms of the RSA, the parties agreed to certain provisions including agreeing to rail service at specific Omnibus points (including Victoria, Texas) not readily accessible to BNSF using granted trackage and haulage rights;

WHEREAS, as such, Owner and User desire to modify the terms of the Original Haulage Agreement to specifically include haulage service between Houston, Texas and specific customers named below located at Victoria, Texas.

NOW, THEREFORE, In consideration of the premises and the covenants and agreements herein expressed, the parties hereto agree as follows:

1. The haulage services described in the Original Agreement will include service to and from customers: CRU Logistics, located at 890 FM 1432, in Victoria, Texas, 77905; United Agricultural Cooperative, located at 1000 FM 1432, Victoria, TX 77905; Equalizer, located at 1900 FM 1432, Victoria, TX 77905 and Houston, Texas, a distance of 161.7 miles.
2. Exhibit "A-4", dated September 10th, 2014, is hereby attached hereto and by this reference made a part hereof.
3. This Fourth Supplement will be coterminous with the Original Haulage Agreement; provided, however, that in the event the customers named above ceases to receive rail service, then this Fourth Supplement shall automatically expire for that customer ceasing rail service.
4. All other provisions of the Original Haulage Agreement shall remain in full force and effect, except as specifically modified herein.

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Supplement to the

Haulage Agreement to be duly executed as the day and year first above written.

UNION PACIFIC RAILROAD

By: Daniel DeSage Hughes

Its: Gen. Joint Facilities

BNSF RAILWAY COMPANY

By: Deft W20

Its: VP Network Strategy

Exhibit "A-4" Amendment to the Haulage Agreement Between Houston and Brownsville

