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BY E-MAIL

March 16, 2026

Michael S. Schmidt
Union Pacific Railroad Company
1400 Douglas Street - Stop 1580
Omaha, Nebraska 68179

Re: CN Response to Union Pacific's March 2, 2026 Letter re: Special Meeting of the TRRA

Dear Mr. Schmidt,

I write on behalf of the Illinois Central Railroad Company ("CN") in response to your March 2, 2026, letter regarding CN's previous objection to Union Pacific Railroad Company's Notice of a Special Meeting of Shareholders and Directors (the "Notice") of the Terminal Railroad Association of St. Louis (the "TRRA"). In particular, I write to correct several misstatements conveyed in your letter.

TRRA Shares May Not Be Sold. From CN's perspective, Union Pacific has not made an offer that TRRA's directors or shareholders can consider. Union Pacific's offer – both in the Special Meeting notice and in the recent email from David Hughes -- is to transfer Norfolk Southern's shares to another owner (i.e., BNSF, CSX, and /or CN). That was the reason for the Special Meeting. It is also Union Pacific's solicitation in its most recent letter where it solicits "an agreement that, contingent on STB approval of the Merger, the Subject Shares would transfer to the other TRRA shareholders directly or would be surrendered back to the TRRA in order to facility the transfer of those shares to the other TRRA shareholders...." But neither Union Pacific offer (whether to transfer to another owner directly or indirectly via the TRRA) is permissible under the stock certificate.

As explained in our previous letter objecting to the Special Meeting purpose, per the terms of the Stock Certificates, TRRA shares are nontransferable to other shareholders: the shares were issued to the TRRA owners “subject to an agreement between said Railroad Company and [the TRRA] that the ownership of the said shares of stock shall be forever inseparably associated with said Railroad, and shall never become the property of any person or corporation whatsoever, except the person or corporation which may, for the time being, be the owner of said Railroad. **This certificate is not transferable except back to [the TRRA].**” (emphasis added). The “agreement” referenced in the stock certificate is the Agreement for Reorganization of St. Louis Terminal dated October 1, 1889, which included the identical stock restriction and required the stock to be issued with that restriction prohibiting sale of the stock.¹ To further emphasize the importance of the restriction, even stock transferred to Directors in the Operating Agreement includes the restriction on sale.² Thus, none of CN, BNSF, or CSX would be permitted to acquire the Norfolk Southern shares being proffered by Union Pacific.

Union Pacific misinterprets the purpose of the TRRA share restriction to which its own predecessors agreed in 1889. Despite Union Pacific’s arguments otherwise, the Share Certificates and Agreement for Reorganization of St. Louis Terminal are clear as noted above. Union Pacific’s predecessors, along with a predecessor of Norfolk Southern, were parties to the Agreement for Reorganization of St. Louis Terminal dated October 1, 1889, and agreed to these restrictions at the time. Union Pacific’s suggestion that TRRA is intended to act as a “clearinghouse” for sale to a different railroad is fundamentally inconsistent with the share restrictions and the conduct of TRRA over time. Instead, it established a reasonable

¹ The Agreement for Reorganization states: “... it being the intention of the parties that the ownership of the stock referred to in this paragraph shall be forever associated inseparably with the several railroads terminating in St. Louis and East St. Louis as aforesaid, and shall never become the property of any person or corporation whatsoever, except the person or corporation which may, for the time being, be the owner of such railroad; it is agreed that said certificates of stocks shall be issued in such form and tenor in respect to ownership and transferability as well secure perpetually the intention of the parties as herein expressed in relation thereto.” See page 4 (Sixth paragraph).

² Section XIV of the TRRA Operating Agreement (as amended in 1914) states: “The first party agrees that it will cause the corporate existence of the Union Depot Company and of the Union Railway and Transit Company of East St. Louis and of the Terminal Railroad of East St. Louis, to be maintained in case counsel shall deem the same necessary, and that each of said companies shall exercise its franchises solely for the benefit of the first party. All capital stock of these companies as purchased by the first party shall express on the face of the certificates thereof that it is the property of said first party, and that it is not to be alienated from its owner, except that portions of it may be transferred to individuals to qualify them as directors and inspectors of elections under the law; **but such stock so issued shall express upon its face that it is transferable only back to the company.**” (emphasis added). The same language was in the original operating agreement. See Agreement Between the Terminal Railroad Association of St. Louis and the Several Proprietary Companies dated as of October 1, 1889.

restriction on the transfer of the shares to maintain stability and order within the terminal railroad at the heart of St. Louis and East St. Louis given its importance for customers and service in the vicinity. Such a legitimate purpose is properly enforced under Missouri law.³

Indeed, this reasonable and appropriate restriction was expressly agreed upon by unanimous consent of the TRRA shareholders, including the predecessors of Union Pacific, in adopting the Agreement for Reorganization of St. Louis Terminal dated October 1, 1889 and in the attached TRRA Operating Agreement. The shares are not Union Pacific's to do away with.

CN has acted independently and in good faith on behalf of TRRA. Your letter states that CN "engaged in a campaign to block a discussion on a legitimate topic appropriately noticed before the shareholders and Directors." We disagree. CN independently reviewed the second Notice⁴ and determined that the purpose of the Special Meeting was not proper TRRA business. CN made an independent decision not to attend the improperly convened Special Meeting, consistent with CN's rights as a Director and a Shareholder and its own determination of what is in the best interests of the TRRA. That other shareholders and directors also declined to attend the Special Meeting says more about the underlying issues of the improperly convened Special Meeting than it does about any concerted action to block a discussion.

In any event, CN observes that it could be difficult to fully evaluate the impact of the proposed Union Pacific-Norfolk Southern merger upon TRRA until at least after the revised application and significant application are submitted and are accepted by the Board. This was true for the Special Meeting, and it is also true for the forthcoming meeting on March 19.

Union Pacific Has No Authority to Control Norfolk Southern or TRRA in the Disposal of Norfolk's Southern's Shares. Union Pacific has not made its discussion contingent on the Board approving its control of TRRA. Union Pacific does not own Norfolk Southern, nor Norfolk Southern's shares in the TRRA, and so Union Pacific cannot make an offer to sell such shares. And Union Pacific does not control the TRRA. In these circumstances, CN continues to be concerned about premature coordination and control of a target company (whether Norfolk Southern or TRRA) prior to a merger's closing. Norfolk Southern has not expressed any interest or intent in transferring its TRRA shares.

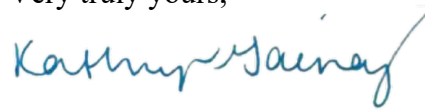
³ See *Witte v. Beverly Lakes Inv. Co.*, 715 S.W.2d 286, 294 fn. 4 (Mo. Ct. App. 1986) (noting that the general standard for reasonableness of a share transfer restriction is whether it is "sufficiently needed by the particular enterprise to justify overriding the general policy against restraints on alienation").

⁴ The first Notice was procedurally defective because it was served via Union Pacific and not the Secretary, as required under the TRRA By-Laws. See The Amended and Restated By-Laws of the TRRA as amended and restated on June 21, 2013 (requiring that a "notice of a special meeting 'shall be given by the Secretary to each Director'").

* * *

CN strongly disagrees with the statement that its conduct has been “disingenuous and contradictory.” CN has, at all times, had the best interests of the TRRA in mind. And TRRA is best served by adherence to the rules and regulations that have applied to it for the past 137 years. Should Union Pacific want to discuss a plan for reallocating Norfolk Southern’s shares, contingent on Board approval of its proposed merger, it should do so within the boundaries prescribed in the TRRA Share Certificates, Operating Agreement, and By-Laws. CN remains willing to have discussions with Union Pacific within those boundaries.

Very truly yours,



Kathryn J. Gainey

cc: Kelly Gibbons, TRRA Corporate Secretary
Elie Dakhoul, CN Representative
Sara Johnson, BNSF Representative
Jeff Exline, CSX Representative
Ed Boyle, NS Representative