

To: BNSF Carload Customers

October 3, 2008

SDIY Rate and Shipping Instructions Changes Effective December 1, 2008

Currently, BNSF publishes price authorities to stations served by the San Diego and Imperial Valley Railroad, or SDIY, which serves some local stations in the San Diego area and the Mexico rail interchange point of San Ysidro, CA. At the request of SDIY, BNSF will alter current pricing/route arrangements with SDIY. **Effective December 1, 2008, BNSF will no longer quote nor publish rates to/from SDIY-served stations**, including the Mexico border crossing point of San Ysidro.

For traffic originating, terminating or interchanging via the SDIY, including San Ysidro, CA, BNSF will publish "Rule 11" price authorities via SDIY. Under "Rule 11", each railroad in the route issues a separate freight bill to the customer. Due to this change, rail customers wishing to originate, terminate or interchange SDIY rail traffic need to establish commercial terms with SDIY and should contact the SDIY Marketing Representative, Jose Ramos, at (619) 239-7349.

BNSF is taking steps to amend existing tariffs and quotes to show the BNSF origin or destination as San Diego. The BNSF Rule 11 rates will become effective December 1, 2008, and existing rates will be allowed to expire effective November 30, 2008.

BNSF Marketing Representatives will contact customers regarding pricing covered under contracts.

Billing Instructions:

Effective December 1, 2008, traffic originating, terminating or interchanging at SDIY stations, including San Ysidro, CA (and including stations served by the CZRY in Baja California, Mexico), will need to include the SDIY on the billing instructions. The route on the shipping instructions provided by the shipper to BNSF must show the complete route.

For example, for a railcar originating on BNSF and shipped to a CZRY station in Tijuana, Baja California via San Ysidro, the route must show BNSF-San Diego-SDIY-San Ysidro-CZRY. In addition to including the SDIY in the route, shipping instructions must indicate that the car is moving on a "Rule 11" basis.

If you have questions regarding the above changes, please contact your BNSF Marketing Representative at 888-428-2673.