



August 3, 2007

Watco Team:

If you have read a newspaper, surfed the internet or turned on a television in the last 24 hours, you're aware of the bridge collapse in Minneapolis, Minnesota. Without a doubt, this event will resonate with anyone who drives over a bridge anywhere in the world.

Right now, there's much speculation as to the cause of this terrible event, including accusations that the bridge was in structural dis-repair. This supposed dis-repair is sited in official inspection documents that are now being scrutinized by many. It may take months to determine the cause, but if indeed the bridge knowingly was not safe for travel, someone will be held accountable because they made an unsafe decision.

Safety is a priority for Watco and everyone has a responsibility to perform safely every day. I'm sure you've heard the cliché "If you don't have time to do it right the first time, when will you have time to do it the second time." Effectively, have you considered that what you do today will affect you or someone else tomorrow and every day after that? Many of the incidents/accidents that occur at our locations are caused by a bad decision or action such as not repairing track correctly, not returning a switch or not paying attention. We have safety and operating rules in place to make sure everyone performs their job safely and accurately the first time. There is no excuse for not being safe. You must just make the decision to be safe and focus on doing your job correctly.

Watco's success relies on our entire Team and by taking care of yourself and acting safely, you are taking care of the Watco Team. We all must ensure that the rest of our Team acts safely and takes care of us in return. We can't afford for one person to be injured by their own actions or the actions of someone else. If you see someone not working safely or notice equipment, track or something else in need of repair, don't disregard it. If someone else makes an unsafe decision, you may be the person who is hurt by it. Or if you make an unsafe decision, someone else *and* you may get hurt.

Being careless or complacent is not safe and not acceptable. Please make the immediate decision to be safe every day, and keep those affected by the bridge collapse in your thoughts and prayers.

Thanks for being a part of our Team.

A handwritten signature in black ink, appearing to be 'J. Stone' or similar, written in a cursive style.