



Jim Young
Chairman

August 20, 2010

VIA E-MAIL

The Honorable Mary L. Schapiro
Chairman
U.S. Securities and Exchange Commission
100 F Street, N.W.
Washington, DC 20549

Re: *File No. S7-10-09*
Release No. 34-60089
Facilitating Shareholder Director Nominations

Dear Chairman Schapiro:

This letter is submitted on behalf of Union Pacific Corporation, one of America's leading transportation companies. Its principal operating company, Union Pacific Railroad, links 23 states in the western two-thirds of the country. Union Pacific serves many of the fastest-growing U.S. population centers and provides Americans with a fuel-efficient, environmentally responsible and safe mode of freight transportation. Union Pacific's headquarters are in Omaha, Nebraska, we have over 43,000 employees and for 2009 we reported total operating revenues of \$14.1 billion.

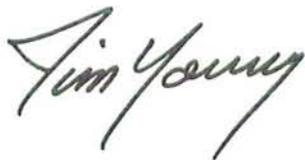
I am writing regarding the Securities and Exchange Commission's consideration of the above-referenced proposed rules regarding proxy access. I believe that a "one size fits all" proxy access rule is not in the best interests of long-term shareholders and will not lead to better governance. Proxy access also will exacerbate the short-term focus that many consider to have contributed to the financial crisis since frequent election contests could emphasize short-term stock prices rather than the creation of long-term shareholder value.

Should the Commission still determine to implement proxy access, I urge the Commission to adopt a 5% ownership threshold and two year net long holding requirement. Any lower threshold would allow special interest groups to aggregate shares to pursue their narrow agendas, rather than the creation of long-term shareholder value. At Union Pacific, a 5% threshold would assure that a mainstream investor is part of the shareholder group nominating a director. Moreover, critics of a 5% threshold ignore the concentration of ownership at the largest companies in the United States. For example, as noted in Business Roundtable's August 17, 2009 comment letter to the Commission, at the fifty largest companies, the top ten shareholders hold, on average, 27% of the outstanding shares.

Only shareholders that have a long-term economic interest in a company should be able to use any final proxy access rule to nominate directors. In this regard, shareholders should not be allowed to borrow shares to meet the eligibility threshold to nominate candidates. The Commission has articulated that one of the principles behind proxy access is that shareholders should be able “to meaningfully exercise their rights to vote for and nominate directors of the companies in which they invest.” I do not believe that allowing persons who do not have an economic investment in the company to highjack the nominations process is consistent with this principle.

Thank you for considering these comments.

Sincerely,

A handwritten signature in black ink that reads "Jim Young". The signature is written in a cursive, flowing style.

James R. Young
Chairman, President and Chief Executive Officer
Union Pacific Corporation and Union Pacific Railroad

cc: Via E-mail

Kathleen L. Casey
Commissioner

Elisse B. Walter
Commissioner

Luis A. Aguilar
Commissioner

Troy A. Paredes
Commissioner