

CHANGE

ORIGINAL TITLE PAGE

**DELRAY CONNECTING RAILROAD, GARY RAILWAY,  
LAKE TERMINAL RAILROAD,  
TEXAS & NORTHERN RAILWAY, UNION RAILROAD**

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CONDITIONS OF CARRIAGE NO. 1 - C  
(CANCELS CONDITIONS OF CARRIAGE NO. 1 - B)

—————  
RULES AND RELATED PROVISIONS  
ON RAIL TRANSPORTATION  
OF COMMODITIES  
MOVING IN INTERSTATE OR INTRASTATE TRAFFIC  
VIA ANY RAILROAD LISTED ABOVE

**CONDITIONS OF CARRIAGE**

NOTICE

The provisions published herein, if effective, will not result in an effect on the quality of the human environment.

ISSUED DECEMBER 10, 2013

EFFECTIVE JANUARY 1, 2014

ISSUED BY  
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MADE IN U.S.A

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CANCELLATION NOTICE

Rates and charges in Conditions of Carriage No. 1 cancelled by this issue, and not brought forward herein, are cancelled account obsolete.

**SECTION 1  
APPLICABLE TO ALL TRAFFIC TYPES**

The rules in this Section are applicable to both Regulated and Exempt (Non-Regulated) Traffic except as otherwise provided on Exempt Traffic in Section 2 herein. The rules in Section 2 on Exempt Traffic take precedence over the rules in this Section 1.

RULE	SUBJECT	APPLICATION
100	GENERAL APPLICATION	<p>A. The provisions of this document apply to transportation when such transportation originates on a Transtar Railroad and moves under single line or single factor, joint line through rates offered by a Transtar Railroad itself, or in conjunction with a connecting railroad as an exempt rate or as a regulated common carrier rate, and to a Transtar Railroad's portion of through movements under AAR Accounting Rule 11 or other combination or proportional exempt or common carrier rates. In the absence of a separate contract specifically covering the transportation, the terms and conditions of this document constitute a unilateral offering of such terms and conditions of a bilateral contract between a Transtar Railroad and its connecting lines on the one hand, and the user of the transportation service on the other, upon acceptance by such user. Tender of shipments to the originating carrier shall constitute acceptance of the terms of service in this document, as well as the exempt or common carrier rate. When a Transtar Railroad is not the originating carrier, but does participate in the movement under single factor, joint line through rates, or through movements under AAR Accounting Rule 11 or other combination or proportional exempt or common carrier rates, these Conditions of Carriage shall only apply to the transportation performed by the Transtar Railroad, unless specified otherwise in the terms of a rate quotation, circular, or separate contract specifically covering the transportation involved. Notwithstanding any other language in this Conditions of Carriage 1-C, the Loss and Damage Liability provisions and Liability Restrictions set forth, respectively, in Rules 200 and 250, apply only to loss and damage that has occurred while the subject cargo has been in the possession of a Transtar Railroad. Loss and damage incurred while the subject cargo is in the possession of a participating non-Transtar Railroad shall be subject to the liability provisions of that carrier in accordance with the applicable tariff or contract terms.</p> <p>B. The term "Transtar Railroad" as used in this tariff includes the following Railroads: Delray Connecting Railroad, Gary Railway, Lake Terminal Railroad, Texas &amp; Northern Railway, and Union Railroad.</p>
110	APPLICATION OF REFERENCED PUBLICATIONS	<p>Except where inconsistent with a provision of this document or other contractual terms specifically agreed to by Transtar Railroads and users of transportation services or otherwise inapplicable under their own terms, the rules, regulations, charges, and allowances of the following named publications shall, along with the terms of service specified herein, apply to all rail transportation undertakings of all Transtar Railroads as specified in Rule 100 herein.</p> <p>Open and Prepay Station List OPSL 6000 Series                      Standard Transportation Commodity Code STCC 6001 Series                      Directory of Hazardous Materials Shipping Descriptions (49-Series STCC numbers)                      Official Railway Equipment Register RER 6414 Series                      Uniform Freight Classification UFC 6000 Series                      Bureau of Explosives Rules BOE 6000 Series                      Mileage Allowance and Rules RIC 6007 Series                      Demurrage Rules and Charges RIC 6004 Series</p>
120	BILL OF LADING	<p>Services provided by carrier(s) subject to the conditions of this offering shall also be subject to the terms of the Uniform Bill of Lading as contained in the Uniform Freight Classification Tariff UFC 6000 Series referred to here in Rule 110, subject to such modifications as may from time to time be established under separate agreement and irrespective of whether a Bill of Lading is actually executed pursuant to Rule 140. Where provisions specifically provided in this offering conflict with Bill of Lading provisions themselves as contained in the said Uniform Freight Classification, provisions of this offering shall apply.</p>
130	ABSORPTION OF CONNECTING LINE SWITCHING	<p>Rates making reference to this document will not include absorption of connecting line reciprocal switching, unless otherwise specifically provided in separate contracts, tariffs, circulars, or quotations.</p>

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RULE	SUBJECT	APPLICATION
140	TRANSPORTATION SERVICES	Shipper will notify Transtar Railroad when loading of equipment is completed. Unless otherwise mutually agreed upon by the Shipper and Transtar Railroad, the Shipper shall prepare and both parties shall execute bill of lading specified in Rule 120 herein, to cover the linehaul transportation service requested by Shipper. The Transtar Railroad will arrange for transportation and delivery in accordance with instructions shown on the bill of lading and other conditions mutually agreed upon by the parties. Shipper will arrange separately with Transtar Railroad independent of the bill of lading for weighing, switching, or other services to be performed by Transtar Railroad, or by or on the lines of a carrier other than Transtar Railroad. Unless specifically agreed to by a Transtar Railroad, Transtar Railroad will not be liable for any loss, damage, cost, or expense arising in connection with services performed by others. Exceptions: See Item 510
150	UNLOADING AND RELEASE OF EQUIPMENT AT DESTINATION	Upon arrival and placement of equipment for unloading at destination, consignee will be responsible for unloading equipment in a manner that does not damage equipment, and for releasing equipment in a condition suitable for reloading by another shipper. If consignee refuses or fails to remove all lading, dunnage blocking, bracing, strapping, debris, or other material that were part of the inbound shipment, secure interior loading devices, and close doors, the railroad which discovers such failure may undertake to remedy such failure, and the consignee will be responsible for reimbursing the railroad which performs such work for the cost thereof, including without limitation the cost of any switching associated with such work. Otherwise, applicable demurrage, detention, and storage charges shall continue to apply until equipment is released to delivering carrier in clean condition or upon completion of any action by the delivering carrier to remedy the consignee's failure. In order for cars to be considered released, consignee must advise the agent of the delivering railroad by telephone, fax, or on such form mutually agreed upon by the delivering railroad and consignee that equipment is unloaded and available for release. Information provided by consignee must include identity of consignee, name of person furnishing data, and car initial and number. Delivering carrier will maintain the record of such information and shall also note on said record the date and time of receipt and identity of the person receiving the information. Equipment will be considered released on the date and time advice is received from the consignee.
160	TRANSPORTATION CHARGES TO APPLY	The charges applicable to the transportation from origin to destination will be those agreed upon by contract, circular, or quotation, or contained in existing tariff in effect on the date the loaded car is tendered to the railroad and the bill of lading issued. Any alteration, addition, or erasure in the bill of lading made without special notation thereof of a Transtar Railroad agent shall be without effect, and the rate agreed upon by contract, circular, or quotation, or contained in existing tariff as originally reflected in the bill of lading shall be the applicable rate. If upon inspection it is ascertained that the commodity shipped is not as described on the bill of lading or other shipping document, a Transtar Railroad at its option may return such shipment to shipper at origin at a charge equal to the charge that would have applied had the commodity been properly described and transported to the destination named in the bill of lading; or a Transtar Railroad may choose to move said shipment to the destination named in the bill of lading or other shipping document at the transportation rate applicable to the commodity actually shipped.
170	TRANSIT, DIVERSION, RECONSIGNMENT	Unless specifically provided for in individual rate publications, Transtar Railroads will not provide transit, diversion, or reconsignment.

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RULE	SUBJECT	APPLICATION
180	PAYMENT OF TRANSPORTATION CHARGES/CREDIT	<p>Shipper or consignee shall be liable for payment of the transportation charges accruing on a shipment, and nothing herein shall limit the right of the Transtar Railroad to require at time of shipment the prepayment or guarantee of charges. If transportation charges have not been prepaid, or shipper or consignee has not entered into an agreement for credit with Transtar, Transtar Railroad shall not make delivery of the shipment without payment or guarantee by shipper or consignee of all charges. Placement of equipment by Transtar Railroad under credit agreement for unloading shall be deemed acceptance of shipment. Acceptance of shipment by consignee or beneficial owner shall be deemed acceptance of responsibility for payment of all charges accruing on the shipment, including detention and switching services performed at destination.</p> <p>A. Prepaid Shipments: Originating carrier may require that tender of a shipment be accompanied by full payment of charges, unless consignor has established credit to the satisfaction of the originating carrier. For purposes of this item, "prepaid" shipments shall mean shipments for which the originating carrier bears the billing and collection responsibilities.</p> <p>B. Collect Shipments: Delivering carrier may require full payment of all charges prior to delivery of shipments, unless consignee has established credit to the satisfaction of the delivering carrier. For purposes of this item, "collect" shipments shall mean shipments for which the delivering carrier bears the billing and collection responsibilities.</p> <p>C. Payment: All credit patrons must pay charges in accordance with the terms established by the billing carrier. Where Transtar is the billing carrier, the credit period is fifteen (15) days, including Saturdays, Sundays, and legal holidays, and shall begin on the day following presentation of the freight bill. The term "freight bill" as used in this item includes paper documents, billing by electronic data interchange (EDI), and invoiceless procedures. Presentation of the freight bill shall be deemed to have been made: (a) upon mailing when mailed, (b) upon sending by carrier of a transmission when EDI billing is used, and (c) unless otherwise agreed, upon waybill date when invoiceless procedures are utilized. Payment shall be deemed to have been made: (a) upon mailing of an acceptance check, draft, or money order when paying by mail, and (b) upon receipt of funds in the carrier's bank account when paying via electronic transmission.</p> <p>D. Finance Charges: Transtar may assess a finance charge of 1.5% per month on unpaid bills for freight and miscellaneous charges, including demurrage, switching, and weighing, which are past our credit terms. Any invoice not paid within ten (10) calendar days after its respective due date will be considered late, and the party responsible for payment shall pay a finance charge as described herein.</p> <p>E. Offset Prohibit: In no event shall any amount(s) claimed against Transtar Railroad, including without limitation claims for freight loss or damage or overpayment of freight or other charges, be deducted from or offset against freight or other charges due hereunder. Freight charges due must be paid in full, and any claim against Transtar Railroad must be asserted separately in accordance with the applicable procedure.</p> <p>F. Errors: Errors discovered in bills by customers should be corrected by them and paid accordingly. Payment of all bills, including those corrected by customers, must be made within the credit period. Payment of bills alleged to be incorrect will not prejudice patron's claims, filed within the statutory period, for refund of overcharges. If customers receive bills that they feel they are not responsible for paying, they must notify the carrier within the credit terms that they are not responsible for paying the bills. Payment of an amount less than stated on a Transtar invoice will be considered as payment on account and not as payment in full, notwithstanding any notation to the contrary as payment on the payor's remittance. Acceptance by Transtar of the lesser amount will not constitute an accord and satisfaction. The payor will be advised of any remaining balance deemed due after application of the remitted funds.</p>

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RULE	SUBJECT	APPLICATION
190	OVERCHARGE, OVER COLLECTION, OR DUPLICATE CLAIM PROVISIONS	<p><b>A. Claim Requirements, Time Limits</b> Transtar will accept a whole or partial claim for overcharge, over collection, or duplicate payment, only if the claim is in writing and contains sufficient information for Transtar to conduct an investigation, including the name of the claimant which must be the payor, his claim number, the amount of the claim, the original freight bill, freight bill payment information, and supporting documents which show, among other things, that Transtar collected all of the charges at issue, and, in the case of overcharges, the rate, weight, commodity, description and supporting authority (quotation, etc.) claimed to be applicable. The claim must be filed within three (3) years of the date of delivery or tender of delivery by the Transtar Railroad or delivering rail carrier of the subject shipment.</p> <p><b>B. Time Limits for Through Movements</b> Where movements over a Transtar Railroad form a segment of a through movement involving other carriers and time limitations for filing overcharge claims differ among the carriers involved in the through movement, the time limitation contained in the comparable offering of the origin carrier will apply for overcharge claims against that Transtar Railroad.</p>
200	CARRIER LIABILITY – LOSS AND DAMAGE TO LADING	<p>The following provisions will apply unless Transtar Railroad and shipper agree in writing to different liability provisions:</p> <p>1. Carriers will assume liability for loss and damage under the terms of 49 USCA, Section 11706, and the terms of the Uniform Bill of Lading as specified in Rule 120 herein. Where provisions maintained by other railroad parties to the through route differ from those provided herein, the liability assumed by the Transtar Railroad shall be limited by the terms of this Conditions of Carriage, and the liability assumed by any participating non-Transtar Railroad in connection with its provision of service will be pursuant to the liability terms of that carrier. Except where inconsistent with the liability assumed by the originating carrier on a through route as provided for in the first paragraph of this Rule 200, no party shall file with a participating Transtar Railroad, and no participating Transtar Railroad shall be responsible for any claim for loss or damage to lading having a value of less than Two Hundred and Fifty dollars (\$250.00) per claim.</p> <p>2. On moves that originate on a Transtar Railroad, shipper may, at its option, select freight loss and damage liability provisions set forth in 49 USCA, Section 11706 (Carmack) as explained in this Rule. If 49 USCA Section (Carmack) is not selected, the liability provisions of this Rule will govern.</p> <p>3. The shipper agrees to indemnify and hold harmless the rail carriers from any loss, damage, personal injuries, or death resulting from shipper's failure to comply with the provisions contained herein. Acceptance of a shipment by the rail carrier for transportation shall not be considered as a waiver of shipper's liability.</p> <p>4. Any loss or damage(s) that arise out of shipments that are delayed in transit are limited to the specific amount of actual cargo loss or damage occurring to the product.</p>
210	CHARGES PAYABLE IN UNITED STATE FUNDS	Except as otherwise provided, rates and charges in this document, and those making reference to this document, are stated in money of the United States and are payable in United States' dollars or its equivalent.
220	RETURN OF REFUSED OR REJECTED SHIPMENTS	When a shipment has reached destination but is refused or rejected and not unloaded and is returned to the origin point, the return movement will be subject to: (a) the rate applicable to the weight of the shipment, but not less than the minimum weight, and route from the origin point in effect on date shipment is tendered for return, or (b) the rate, minimum weight, and route applicable for such return movement, if lower.
230	ALTERNATION OF RATES WITH VARYING MINIMUM WEIGHTS	Where a rate authority contains more than one carload rate at varying minimum weights for the same movement, the rate at the actual or minimum weight, whichever is higher, that produces the lowest charges for that authority will apply.
240	PRIVATE EQUIPMENT	If equipment used for transportation is owned or leased and provided by or on behalf of User ("Private Equipment"), such equipment shall comply with all applicable laws, rules and regulations, including, but not limited to, applicable hazardous materials regulations of the United States Department of Transportation as published in Title 49 of the Code of Federal Regulations, as amended, supplemented and revised from time to time, provided that such compliance shall not relieve User of other obligations and duties under this provision. Such Private Equipment shall be in serviceable condition for the safe transportation of Commodity over rail lines.

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RULE	SUBJECT	APPLICATION
245	LOADING AND PACKING PROVISIONS	<p>All loading, bracing, and blocking must comply with the applicable Association of American Railroad's pamphlet or general information series publication or modifications approved by a Transtar Railroad. Shippers are required to take all necessary additional steps to protect their product during rail transportation. In the event of a load shift, when it is determined by Carriers that there was insufficient or improper blocking or bracing, the shipper shall be responsible for all expenses, including the repair of damaged equipment, loss or damage to cargo, and transfer services. In addition, all charges, administrative, civil fines, storage, and demurrage are due and payable in full before the railcar is released.</p>
250	LIABILITY RESTRICTIONS	<p>The rail carrier/party in possession will be liable as at common law except provided herein. Rail carrier's liability will not exceed the actual amount of physical loss or damage sustained by the cargo plus any costs incurred through efforts to mitigate the loss or damage. Rail carrier will not be liable for special damages (including but not limited to lost profits, business interruption expenses and shipper or consignee's liability to their own customers for liquidated damages or other damages), consequential damages, indirect loss or punitive damages arising from loss, damage, suspected contamination, or delay to cargo, nor will rail carrier be liable for any losses attributable to fluctuation in the market value of the cargo. Furthermore, rail carrier will not be liable for any loss, direct or indirect, which results from an interruption of rail service, nor does rail carrier guarantee rail service on any scheduled time frame. Rail carrier will not be responsible for interest or attorney fees.</p> <p>Subject to the terms of General Application as set forth in Rule 100, above, and unless amended by written agreement prior to shipment, a Transtar Railroad's liability for the contents of any rail car will be limited to the destination value of cargo or \$10,000.00, whichever is the lesser of the two amounts. Loss and damage incurred while the subject cargo is in the possession of a participating non-Transtar Railroad shall be subject to the liability provisions of that carrier in accordance with the applicable tariff or contract terms.</p> <p>Claims or lawsuits for less than \$250.00 shall not be filed and no claim shall be paid if the amount of the loss or damage is found to be under \$250.00 per shipment.</p> <p>In the event of an act or omission of any party involved in the transportation process; (shipper, rail carrier, receiver) is not the sole cause but contributes to any loss or damage, each party will be liable for only that portion of the loss or damage caused by its negligence.</p> <p>Rail carrier is not liable for temperature, corrosion, or humidity related losses unless mechanical protective service is requested, paid for and carrier owned or leased equipment is used. Rail carrier is not liable for loss or damage caused by defective equipment when such equipment is not owned, or leased by rail carrier.</p> <p>Cargo loss and damage claims presented to a Transtar Railroad will be resolved for the account of all domestic U.S.A. carriers involved in the transportation of shipments moving under the authority of this publication, unless connecting rail carriers' liability conflicts with the liability stipulated in this publication. In cases of such conflicts, the Transtar Railroad reserves the right to resolve claims solely on behalf of itself.</p> <p>When the rail carrier provides railcars, consignor/shipper has the responsibility for inspecting the equipment, and rejecting any which is not in suitable condition to protect and preserve the lading during transportation.</p> <p>In the absence of any other evidence, a seal breach will not create a presumption of loss or contamination.</p>

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RULE	SUBJECT	APPLICATION
255	LOSS OR DAMAGE VERIFICATION AND DISPOSITION PROVISIONS	<p>Rail carrier has the right to inspect, weigh, or reject shipments at origin, en route or at destination for non-compliance with the provisions contained in the applicable publications. Rail carrier reserves the right to inspect damages or shortages to shipment. As a condition precedent to payment of any claims against carrier for loss or damage, the consignee must within twenty-four (24) hours of shipment's placement, notify the destination carrier (shown on the waybill), of any claimed damages or shortages and allow destination carrier or its agent to inspect. Failure of the rail carrier to inspect damaged cargo, for whatever reason, will not relieve the burden of the claiming party to establish that cargo was received in a damaged condition nor will it be considered an admission of liability by the rail carrier.</p> <p><b>IMPORTANT INFORMATION TO PROVIDE:</b></p> <ul style="list-style-type: none"> <li>A. Contractor or reporting party's name, address, and phone number</li> <li>B. Railcar initial and number</li> <li>C. Dates: waybill, shipped, placed, unloading</li> <li>D. Shipment details including Shipper, Consignee, Origin, and Destination</li> <li>E. Seals: note condition and number</li> <li>F. Possible cause of the damage</li> <li>G. How the produce was secured in the railcar</li> <li>H. Value of the loss if possible</li> <li>I. Disposition of the damaged lading</li> <li>J. In all cases make detailed damage or shortage notations on receiving record and take photographs (digital if possible)</li> </ul> <p><b>PHOTOGRAPHS SHOULD INCLUDE:</b></p> <ul style="list-style-type: none"> <li>A. Outside picture of railcar showing railcar initial and number</li> <li>B. Intact face of lading adjacent opened side door(s) to show arrival condition</li> <li>C. Locations of holes or leaks</li> <li>D. Blocking and bracing used to secure load</li> <li>E. Other photos to substantiate damage to containers/product remaining intact in lading to include full view of lading in ends of railcar</li> </ul> <p><b>NOTE – In the case of:</b>                      Gary Railway, Delray Connecting Railroad, Lake Terminal Railroad, OR Union Railroad                      Notification should be made to:                      Manager Marketing                      1200 Penn Avenue, Suite 300                      Pittsburgh, Pennsylvania 15222</p> <p><b>In the case of:</b>                      Texas &amp; Northern Railway                      Notification should be made to:                      Marketing Analyst                      6200 E. J. Oliver Boulevard                      Fairfield, Alabama 35064</p> <p><b>IN SOME CASES, WE MAY REQUIRE AN INSPECTION, BUT IN OTHER CASES OUR RIGHT TO INSPECT MAY BE WAIVED.</b></p> <p>Shipper and/or consignee must mitigate damage by accepting the damaged cargo unless it is without salvage value. Shipper and/or consignee may not abandon damaged or partially damaged shipments to the rail carrier when the damaged shipments retain any value. The rail carrier may offer customers who retain damaged cargo an allowance in order to minimize the losses. Such allowances are granted for the purpose of minimizing losses and do not establish rail carrier liability. Product that is abandoned to the rail carriers in an undamaged condition shall be sold for account of the beneficial owner and salvage proceeds only, less any salvaging expenses incurred, shall be remitted to the beneficial owner.</p>



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RULE	SUBJECT	APPLICATION
260	CLAIMS	<p>As a condition precedent to payment of a claim, claims must be filed in writing, via FAX or via email within nine (9) months of the delivery date or in the event of non-delivery, within nine (9) months of the expected delivery date. Such written or electronic communication shall comply with the minimum requirements contained in 49 C.F.R. 1005.2(b). Claims may only be submitted by the beneficial owner or a party to the transportation agreement.</p> <p>In addition to the requirements of 49 C.F.R. 1005.2(b), all written claims must include the following documentation:</p> <p>A. A demand for payment of a specific amount, with a statement of the formula or basis on which the damages are calculated, plus evidence/documentation in support of the calculation.</p> <p>B. Information identifying the rail shipment including equipment initials and numbers, shipper's, consignee's and receiver's names, address and telephone number, shipping date and commodity.</p> <p>C. Origin records or certification as to the condition and quantity of the lading at the time the goods were tendered to the origin rail carrier. If shortage is involved, origin seal records must be furnished. Bill of lading, shipping manifest, or purchase or sales agreement.</p> <p>D. Destination records or certification as to the condition and quantity of the lading at the time the goods were received from the destination rail carrier. If shortage is involved, destination seal records must be furnished.</p> <p>E. Verification of the amount claimed such as certified invoices or repair bills.</p> <p>F. Documentation as to the disposition of the damaged lading and salvage proceeds therefrom.</p> <p>G. Documentation that shipment was loaded in compliance with the provisions herein or applicable AAR loading specifications if no specific provisions apply.</p> <p>H. Supporting photos (see Item 255 for specific requirements)</p> <p>I. Carrier reserves the right to summarily deny any and all claims submitted that do not contain all or part of the aforementioned documentation.</p> <p>1) A freight loss or damage claim filed with any of the following: Gary Railway, Union Railroad, Delray Connecting Railroad, OR Lake Terminal Railroad</p> <p>Is to be mailed to: Manager Marketing 1200 Penn Avenue, Suite 300 Pittsburgh, Pennsylvania 15222</p> <p>2) A freight loss or damage claim filed with any of the following: Texas &amp; Northern Railway</p> <p>Is to be mailed to: Marketing Analyst 6200 E. J. Oliver Boulevard Fairfield, Alabama 35064</p>

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RULE	SUBJECT	APPLICATION
265	CARMACK LIABILITY	49 U.S.C. Section 11706 provides for full value liability and other liability terms for the rail carriers and the shipper. To make a shipment pursuant to the terms of 49 U.S.C. Section 11706, the shipper must comply with all of the following provisions: A. Shipper must notify rail carrier no less than seventy-two (72) hours before the rail car is released for transportation that the shipper chooses Carmack Liability protection. B. The shipper must have prepaid the Carmack Liability rate obtained from the Transtar Railroad's Marketing Department. C. The shipping instructions are subject to a specific pricing authority, which shall be specifically noted.
270	FREIGHT LOSS AND DAMAGE LAWSUITS	All lawsuits must be filed within eighteen (18) months from the actual loss or damage or in the event of non-delivery from the expected date of delivery by rail carrier.
275	SEALS	It is the sole responsibility of the shipper to determine the type of protection necessary to protect the cargo, including but not limited to the use of seals and security devices. Transtar Railroads do not apply or determine if seals or security devices are appropriate or adequate. Nor do Transtar Railroads, in all cases, inspect shipments for seal integrity. In the event that a seal or security device is broken or missing, the absence or breach of seal will not create a presumption of contamination or theft without actual physical evidence. Documentation of the application of seals or security devices at origin is the responsibility of the shipper and the seal number(s) must be included on the bill of lading or shipping instructions and in any claim application.

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The rules in this Section are applicable to both Regulated and Exempt (Non-Regulated) Traffic except as otherwise provided on Exempt Traffic in Section 2 herein. The rules in Section 2 on Exempt Traffic take precedence over the rules in this Section 1.

RULE	SUBJECT	APPLICATION																																
280	FUEL SURCHARGE	<p>Shipments made under pricing documents referring hereto may be subject to a fuel surcharge, if applicable. When the U. S. Average Price of Retail On-Highway Diesel Fuel (HDF) for the month (Time Period) equals or exceeds \$1.25 per gallon a surcharge may be applied to the total freight charges for each shipment waybill dated on or after the 1st of the second following month. Such fuel surcharge shall be included on the bill for freight charges for each shipment.</p> <p>Fuel Surcharge Rates (shown on the table below) will be adjusted monthly. The Fuel Surcharge Table will be subject to periodic review.</p> <p>The source for the price of HDF will be the U.S. Department of Energy's EIA Retail On-Highway Diesel Prices Report, whose average price is available on their Web Page at: "<a href="http://www.eia.doe.gov">http://www.eia.doe.gov</a>". Select "Gasoline and Diesel Fuel Update." Then select "On Highway Diesel Prices" and the HDF prices are displayed.</p> <p align="center"><b>FUEL SURCHARGE TABLE</b></p> <table border="0"> <thead> <tr> <th align="center">Prior Time Periods U.S. Average Price of On-Highway Diesel Fuel</th> <th align="center">Applicable Fuel Surcharge</th> </tr> </thead> <tbody> <tr><td align="center">\$1.25 to \$1.299</td><td align="center">0.5%</td></tr> <tr><td align="center">\$1.30 to \$1.349</td><td align="center">1.0%</td></tr> <tr><td align="center">\$1.35 to \$1.399</td><td align="center">1.5%</td></tr> <tr><td align="center">\$1.40 to \$1.449</td><td align="center">2.0%</td></tr> <tr><td align="center">\$1.45 to \$1.499</td><td align="center">2.5%</td></tr> <tr><td align="center">\$1.50 to \$1.549</td><td align="center">3.0%</td></tr> <tr><td align="center">\$1.55 to \$1.599</td><td align="center">3.5%</td></tr> <tr><td align="center">\$1.60 to \$1.649</td><td align="center">4.0%</td></tr> <tr><td align="center">\$1.65 to \$1.699</td><td align="center">4.5%</td></tr> <tr><td align="center">\$1.70 to \$1.749</td><td align="center">5.0%</td></tr> <tr><td align="center">\$1.75 to \$1.799</td><td align="center">5.5%</td></tr> <tr><td align="center">\$1.80 to \$1.849</td><td align="center">6.0%</td></tr> <tr><td align="center">\$1.85 to \$1.899</td><td align="center">6.5%</td></tr> <tr><td align="center">\$1.90 to \$1.949</td><td align="center">7.0%</td></tr> <tr><td align="center">Above \$1.90</td><td align="center">See Note</td></tr> </tbody> </table> <p>Note: Each \$0.05 per gallon increase thereafter, apply an additional 0.5%.</p> <p>Example: For the fuel surcharge applied on shipments in the month of January 2011, the prior Time Period's (November 2010) average monthly price of HDF was \$3.140 per gallon, therefore the Fuel Surcharge will be 19.0%.</p> <p>The Fuel Surcharge to be applied under this authority will be removed or reduced when the U.S. Average Price of On-Highway Diesel Fuel remains below the price which triggers a specific Surcharge amount for the prior Time Period. In no case will the freight charge(s) be reduced below the Base Freight Charge(s) (the freight charge in effect on the date the Fuel Surcharge is applied), nor will the application or removal of the Fuel Surcharge be retroactive.</p> <p>This Fuel Surcharge will apply on the following traffic:</p> <ol style="list-style-type: none"> <li>1. All Transtar Railroad local traffic, including switching and locomotive service rates and proportional switching rates, unless specifically exempted.</li> <li>2. Transtar Railroad joint-line traffic where the pricing document containing the applicable rate(s) makes specific reference to the application of Transtar's Fuel Surcharge.</li> </ol> <p>Shipments subject to these provisions will only be subject to one carrier's fuel surcharge. If a pricing document referring hereto is specifically subject to the Fuel Surcharge Provisions of another carrier, the provisions of this Transtar Fuel Surcharge will not apply.</p>	Prior Time Periods U.S. Average Price of On-Highway Diesel Fuel	Applicable Fuel Surcharge	\$1.25 to \$1.299	0.5%	\$1.30 to \$1.349	1.0%	\$1.35 to \$1.399	1.5%	\$1.40 to \$1.449	2.0%	\$1.45 to \$1.499	2.5%	\$1.50 to \$1.549	3.0%	\$1.55 to \$1.599	3.5%	\$1.60 to \$1.649	4.0%	\$1.65 to \$1.699	4.5%	\$1.70 to \$1.749	5.0%	\$1.75 to \$1.799	5.5%	\$1.80 to \$1.849	6.0%	\$1.85 to \$1.899	6.5%	\$1.90 to \$1.949	7.0%	Above \$1.90	See Note
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ISSUED DECEMBER 10, 2013

EFFECTIVE JANUARY 1, 2014

Issued by William F. Bojalad, 1200 Penn Avenue, Suite 300, Pittsburgh, PA 15222

**SECTION 2  
APPLICABLE ONLY ON EXEMPT TRAFFIC**

The rules in this Section are applicable only on Exempt (Non-Regulated) Traffic. The Rules in Section 1 also apply on Exempt Traffic, except where in conflict with the rules in this Section. Where a conflict exists between the rules in Section 1 herein and the rules in Section 2, the rules in Section 2 take precedence.

RULE	SUBJECT	APPLICATION
500	JOINT LINE TRAFFIC	As specified in Rule 120 herein, the exempt circular or rules document of the originating carrier for movements under joint single factor through rates applies. When the originating carrier does not issue or have in effect an exempt circular or rules document, the rules of this document shall apply, except: Rules 200 and 250 will apply in all cases to joint line traffic.
510	SHIPPING DOCUMENT	<p>A. Except as otherwise provided in applicable exempt circulars, contracts, or exempt quotations, shipments shall be subject to terms and conditions of the Uniform Bill of Lading published in Uniform Freight Classification UFC 6000 Series, and shipments shall be tendered to a Transtar Railroad with such a bill of lading or such shipping documents as a Transtar Railroad customarily employs. Notwithstanding the use of an alternate shipping document, the provisions of Uniform Straight Bill of Lading shall apply in their entirety.</p> <p>B. Nothing in the bills of lading shall be construed to obligate a Transtar Railroad to verify the rates specified on such bills of lading, to notify shippers of inaccuracies in those rates, or to reject bills of lading tendered by shippers containing inaccurate rates, including rates which have application but not via routing shown on the bill of lading.</p> <p>C. Transtar Railroads reserve the right at all times to apply the published rate then in effect with respect to the route designated. Should no route be designated by the bill of lading, a Transtar Railroad shall be under no obligation to obtain more specific routing instructions from the shipper. In such case, a Transtar Railroad will transport the traffic via available route at its discretion between origin and destination.</p>
520	CONTRACT CARRIAGE	Carrier(s) are not common carriers of exempt commodities hereunder and do not hold themselves out as such. Carrier(s) provide transportation under this Section 2 as contract carrier(s) only.