KATAHDIN RAILCAR SERVICES, LLC

FREIGHT TARIFF KRS 6000

DEMURRAGE RULES AND CHARGES

STORAGE RULES AND CHARGES

Applying at all KRS stations in the United States

ISSUED: June 3, 2020

EFFECTIVE: July 1, 2020

ISSUED BY

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Table of Contents

ITEM 1 – CANCELLATION NOTICE	. 3
ITEM 5 – CURRENCY STATEMENT	. 3
ITEM 10 – LIST OF PARTICIPATING CARRIERS	.3
ITEM 15 – APPLICATION OF REFERENCE PUBLICATIONS	.3
ITEM 20 – REFERENCE TO TARIFFS, ITEMS NOTES, RULES, ETC	.4
ITEM 25 – CONSECUTIVE NUMBERS	.4
ITEM 30 – METHOD OF CANCELLING ITEMS	.4
ITEM 35 – METHOD OF DENOTING REISSUED MATTER IN SUPPLEMENTS	
ITEM 40 – GLOSSARY OF TERMS	. 5
ITEM 45 - PREPAYMENT OF CHARGES	.6
ITEM 50 – NOTIFICATION REQUIREMENTS	.7
ITEM 55 - NOTIFICATIONS TO KRS	
ITEM 60 – ALLOWANCES PERMISSIBLE FOR RELIEF OF DEMURRAGE CHARGES	.8
ITEM 65 – CARS AWAITING CUSTOMS INSTRUCTIONS PAYMENT OF DUTIES	.8
ITEM 70 – CARS SUBJECT TO DEMURRAGE	.8
ITEM 75 – RULE GOVERNING CARS HELD FOR LOADING	
ITEM 80 – RULES GOVERNING CARS HELD FOR UNLOADING	10
ITEM 85 - RULES GOVERNING CARS HELD FOR PURPOSES OTHER THAN LOADING OR UNLOADING	11
ITEM 90 – DEMURRAGE PLAN	12
ITEM 95 – STORAGE OF EXPLOSIVES, HAZARDOUS MATERIALS, SUBSTANCES OR WASTES	12
ITEM 100 – STORAGE OF PRIVATE CARS	13
ITEM 105 – STORAGE OF ASSIGNED CARS	13
ITEM 110 – STORAGE OF CARS RELEASED FROM DEMURRAGE TO STORAGE UNDER ITEM 85	14
ITEM 120 – STORAGE OF RAILWAY EQUIPMENT – MOVING ON OWN WHEELS	14

ITEM 1 – CANCELLATION NOTICE

This tariff cancels rates, rules, regulations and charges published in Demurrage Rules and Charges and Storage Provisions in the following Tariffs:

NA

ITEM 5 – CURRENCY STATEMENT

All rates and charges contained within this tariff are stated in U.S. Funds or the equivalent Canadian currency.

ITEM 10 – LIST OF PARTICIPATING CARRIERS

ABBREVIATION NAME OF CARRIER

KRS

KATAHDIN RAILCAR SERVICES, LLC.

ITEM 15 – APPLICATION OF REFERENCE PUBLICATIONS

The following publications contain rules, regulations, charges and allowances specifically referenced to herein or may apply directly or indirectly along with the terms of demurrage, storage etc. that is covered in this publication.

BOE 6000

KRS Conditions of Carriage

- KRS 8000 Accessorial Services
- RER 6411- Official Railway Equipment Register
- OPSL 6000 Official Railroad Station List
- STCC 6001 Standard Transportation Commodity Code
- UFC 6000 Uniform Freight Classification

ITEM 20 – REFERENCE TO TARIFFS, ITEMS NOTES, RULES, ETC.

Where reference is made in this tariff to tariffs, items, notes, rules, etc. such references are continuous and include supplements to and successive issues of such tariffs and reissues of such items, notes, rules, etc.

ITEM 25 – CONSECUTIVE NUMBERS

Where consecutive numbers are represented in this tariff by the first and last numbers connected by the word "to" or a hyphen they will be understood to include both of the numbers shown. If the first number only bears a reference mark, such reference mark also applies to the last number shown and to all numbers between the first and last numbers.

ITEM 30 – METHOD OF CANCELLING ITEMS

As this tariff is supplemented, numbered items with letter suffixes will be used in alphabetical sequence starting with A. Example: Item 445-A cancels Item 445, and Item 365-B cancels Item 365-Ain a prior supplement, which in turn cancelled Item 365.

ITEM 35 – METHOD OF DENOTING REISSUED MATTER IN SUPPLEMENTS

Matter brought forward without change from one supplement to another will be designated as "Reissued" by a reference mark in the form of a bracket enclosing a number (or letter, or number and letter) being that of the supplement in which the reissued matter first appeared in its currently effective form. To determine its original effective date, consult the supplement in which the reissued matter first became effective.

ITEM 40 – GLOSSARY OF TERMS

FOR THE PURPOSE OF APPLYING PROVISIONS IN THIS PUBLICATION, THE FOLLOWING ARE DEFINED AND SHALL GOVERN:

- 1. **Actual Placement**: When a car is placed in an accessible position for loading or unloading or at a point designated by consignor or consignee.
- 2. **Demurrage Day:** A twenty-four (24) hour period or fraction thereof commencing 0001 hours (Local time) after actual or constructive placement until the car is released and available to KRS.
- 3. **Closed Gate**: When a car cannot be placed on consignee's siding at time of arrival due to siding having a locked gate.
- 4. **KRS Track**: All tracks which KRS provides for its own uses and purposes and other tracks located inside its right-of-way or yards and terminals.
- 5. **Consignee**: The party to whom a shipment is consigned or the party entitled to receive the shipment.
- 6. **Consignor:** The party furnishing forwarding instructions.
- 7. Constructive Placement: When a car cannot be actually placed because of any condition attributable to the consignor or consignee, such car will be placed at an available point and notice will be given the consignor or consignee that the car is awaiting instructions, and Demurrage Days will begin subject to free time allowance.
- 8. **Forwarding Instructions**: A bill of lading or other suitable order containing all the necessary information to transport the shipment to final destination. Bill of Lading or other suitable order must be given to KRS via electronic data interchange or facsimile to the Customer Service Center at 1-800-695-3311.
- 9. **Holidays**: The following days will be considered KRS U.S. Holidays: Easter, Christmas Day, New Year's Day, Labor Day, Thanksgiving Day, Memorial Day, and Independence Day.
- 10. **Loading**: The complete or partial loading of a car in conformity with KRS loading and clearance rules, and the furnishing of forwarding instructions.
- 11. **Open Gate**: When a consignee does not place any restrictions (physical or otherwise) on KRS to place cars on their siding upon arrival.
- 12. **Private Car**: A car bearing other than railroad reporting marks and which is not a Railroad controlled car.
- 13. **Private Track**: Track(s) assigned for individual use including privately owned or leased tracks.
- 14. **Public Delivery Track**: Any accessible track open to the general public for loading or unloading.
- 15. **Railroad-Controlled Cars**: A car provided to KRS directly, by car leasing companies or others, for use by KRS in servicing any of its customers.
- 16. **Reload**: When the same car is completely unloaded and then loaded again at the same location. Reloading will be expressed from date of tender to date forwarding instructions are received.

- 17. **Stopped in Transit**: When cars are held enroute because of any condition attributable to the consignee, consignor or owner of the lading.
- 18. **Tender**: When KRS gives notification to consignor or consignee that a car is available for unloading or loading.
- 19. **Unloading**: The complete unloading of a car and notice from the consignee that the car is empty and available to KRS.
- 20. **Lessee**: A shipper who has requested and has been assigned cars to a specific pool of cars for their use.
- 21. Assigned Car: A car assigned to a specific pool of cars for an assignee's / shipper's use.
- 22. **Free Day**: A non-chargeable day.
- 23. **Storage Day:** A 24 hour period, or part thereof, commencing 0001 hours (local time).
- 24. **Time**: Local time is applicable. Time is expressed on the basis of the 24-hour clock. (EXAMPLE: 12:01 am is expressed as 0001 hours.)
- 25. **Bunching**: When cars are delivered for the purpose of loading or unloading or are otherwise gathered in quantities that exceed the capacity of loading or unloading facilities, it creates a condition known as bunching.
- 26. **Run Around**: When cars tendered to Consignee or Consignor for Loading or Unloading are actually placed ahead of cars previously tendered for Loading or Unloading.
- 27. **Empty Release**: Information given by Consignee to authorized personnel of Carriers, that car is unloaded and available to Carriers. Information given must include identity of Consignee, party furnishing data, car initial and number.

ITEM 45 - PREPAYMENT OF CHARGES

- 1. All charges under this tariff must be prepaid in the absence of approved credit privileges with KRS.
- 2. Should credit privileges be in place, all freight bills and other invoices are due and payable within 15 days of the date of issuance.
- 3. Whenever KRS issues any freight bill or invoice that remains unpaid after a period of 90 days or more from the date of the bill or invoice, KRS may, on a not less than 10 business days' notice, notify the party to whom the charges were assessed that credit privileges are suspended and that a security deposit will be required in order to avoid an y interruption in service. The security deposit shall equal the total of all past due invoicing that remains unpaid.
- 4. During the period in which credit is suspended all services provided by KRS will require prepayment.

Please refer to KRS's Conditions of Carriage, Item 300 for complete description of payment terms

ITEM 50 – NOTIFICATION REQUIREMENTS

The following notifications (including by electronic means) will be furnished as indicated.

Cars for Private Tracks

Notification of constructive placement on all cars held on KRS tracks due to any condition attributable to consignee or consignor.

Cars for Public Delivery Tracks

Notice of arrival will be given to party entitled to receive notification when car is actually placed.

Cars Stopped In Transit

Notice shall be sent or given to the consignee, consignor or owner of the lading ordering the car stopped upon arrival of car at the point of stoppage.

Refused Carload Freight

When advised of refusal of car at destination, notice will be sent or given to consignor and/or owner of the lading.

Notification information provided:

- a) Car Initial and Number
- b) If contents transferred enroute, KRS will furnish car initial and number of the original car.

Methods and procedures for notification:

Notification may be provided by telephonic means or electronic means including email and facsimile.

ITEM 55 - NOTIFICATIONS TO KRS

- a) When KRS personnel are not on duty to receive forwarding instructions, empty release information or other disposition, consignor/consignee will have until 0001 hours (See Demurrage Days, Item 200) of the next day KRS personnel are on duty to receive such instructions, and they will be considered as having been furnished at the date and time the instructions could have been furnished.
- b) When electronic or mechanical devices are used to furnish notification to KRS, the recorded date and time that instructions are received will govern.

KRS 6000

ITEM 60 – ALLOWANCES PERMISSIBLE FOR RELIEF OF DEMURRAGE CHARGES

In order to be allowed relief as indicated, a claim must be presented to KRS in writing no more than 30 days from the date the bill was issued, stating fully the conditions for which relief is claimed.

- a) Railroad Error: If through railroad error demurrage charges are assessed, demurrage will be adjusted to the amount that would have accrued but for such error. (Run around and bunching of cars will not be considered as a railroad error.)
- b) Weather Interference: When because of earthquakes, tornados, hurricanes or floods, the operations of the consignor or consignee are disrupted, the demurrage directly chargeable thereto will be eliminated at the discretion of KRS, provided the disruption exceeds two (2) days in duration.
- c) Switching Delays: When a car is ordered for placement or delivery and this is not accomplished because of no service, allowance will be given for delay in placement. This allowance will apply to the car ordered placed, when held under constructive placement on KRS tracks. The allowance day(s) will be deducted from the Demurrage days for all day(s) after actually placed.

Example: If a car incurring chargeable demurrage is ordered placed on day 3 of the month, but not actually placed until day 4 of the month, day 3 of the month will not be a chargeable Demurrage day for that car.

ITEM 65 – CARS AWAITING CUSTOMS INSTRUCTIONS PAYMENT OF DUTIES

Cars delayed on carrier's tracks awaiting completion of customs documentation or payment of duties will begin to accrue normal demurrage charges immediately. Switch charges, if applicable will apply. Provision of Item 1350 of KRS 8000 will apply.

ITEM 70 – CARS SUBJECT TO DEMURRAGE

GENERAL APPLICATION

- 1. Applicable at all stations in the United States and Canada.
- 2. The disposition of a car at its point of detention determines the purpose for which the car is held and the rules applicable thereto.

- 3. All railroad controlled cars held for or by consignors or consignees for any purpose are subject to demurrage rules and charges in this section, except as follows:
 - a. Cars moving under freight rates requiring application of special demurrage rules–when authorized in contracts or other agreements.
 - b. Private cars are not subject to demurrage rules. (See Storage, Item 1000 ff.)
 - c. Cars of railroad ownership, leased for storage of commodities, while held on lessee's tracks.
 - d. Empty cars placed and not used for loading only if rejected and found unsuitable for loading.

ITEM 75 – RULE GOVERNING CARS HELD FOR LOADING

Loading: The complete or partial loading of a car in conformity with KRS loading and clearance rules, including the furnishing of forwarding instructions.

Tender: The notification, actual or constructive placement of an empty car placed on orders of the consignor.

Release:

- a) Forwarding instructions must be provided by electronic means and the recorded date and time that instructions are given will govern.
- b) On empty cars placed on designated receiving tracks of consignor performing its own switching, time will also continue until cars are returned to a designated railroad receiving track and notice is received.
- c) On cars found to be overloaded or improperly loaded while at origin, they will not be considered released until the load has been adjusted
- d) On cars that proper forwarding instructions have not been furnished, demurrage time will continue until proper forwarding instructions have been furnished to the carrier.

Computation:

- a) Demurrage Days will be computed from the first 0001 hours (See Demurrage Days, item 40) after tender until release.
- b) On cars placed prior to date for which ordered. Demurrage Days will be computed from the first 0001 hours of the day for which car was ordered until car is released.
- c) On empty cars appropriated for loading without being ordered, will be considered as having been ordered and actually placed on the day so appropriated.
- d) If necessary, forty-eight (48) hours Free Time will be allowed for the complete or partial loading of all commodities. Free Time is calculated from the first 0001 after Actual or Constructive Placement. After expiration of Free Time, demurrage charges will be assessed for each day or portion thereof until the car is released including Saturday and Sunday. Holidays will not be included.

- e) When an empty car placed on Consignor car order is not loaded or used in transportation service, demurrage will be charged from the first 0001 after Constructive or Actual Placement until release with no free Time Allowance, intra-terminal switch charge will be assessed.
- f) When an empty car is placed on Consignor car order, is loaded and not used in transportation service, but is returned to Shipper and unloaded, a primary switch charge will apply for the return move and Free Time calculation as determined herein will be applicable for the Loading cycle.

Charge: After expiration of Free Time allowed, the following charge will be made for each day or portion thereof, until the car is released, including Saturdays and Sundays but not Holidays.

\$75.00 U.S. Funds per day, or portion thereof for rail owned or leased cars. \$50.00 U.S. Funds per day, or portion thereof for privately owned cars.

EXCEPTIONS TO CHARGE

Log cars and chip cars of KRS ownership will be charged at \$45.00 U.S. Funds per day.

ITEM 80 – RULES GOVERNING CARS HELD FOR UNLOADING

Unloading: The complete unloading of a car and advice from consignee to KRS that the car is empty and car is empty and available or a car that has been reloaded and forwarding instructions have been received by KRS.

Tender: The notification, actual or constructive placement of each loaded car.

Release:

- a. Date and time that KRS receives advice that the car is empty.
- b. Cars placed on designated tracks of a consignee doing its own switching, must be returned to the designed track for release and notice given.
- c. When cars are unloaded by KRS, those cars will be released at the time the request to unload is received by KRS from the consignee.
- d. When the same car is unloaded and reloaded, when forwarding instructions are received.

Computation:

- a. Demurrage Days will be computed from the first 0001 hours (See Demurrage Days, Item 40 after tender until release.
- b. If necessary, forty-eight (48) hours Free Time will be allowed for the complete or partial unloading of all commodities. Free Time is calculated from the first 0001 after Actual or Constructive Placement. After expiration of Free Time, demurrage charges will be assessed for each day or delay portion thereof until the car is released including Saturdays, Sundays but not Holidays.

Charge:

After expiration of Free Time allowed, the following charges will be made for each day or portion thereof, until the car is released, including Saturdays, Sundays but not Holidays.

\$75.00 U.S. Funds per day, or portion thereof for rail owned cars. \$50.00 U.S. Funds per day, or portion thereof for private cars.

EXCEPTIONS TO CHARGE

Log cars and chip cars of KRS ownership will be charged at \$45.00 U.S. Funds per day.

ITEM 85 – RULES GOVERNING CARS HELD FOR PURPOSES OTHER THAN LOADING OR UNLOADING

Applicable to Cars Held:

- a. On orders of the consignor or consignee.
- b. While awaiting proper disposition from the consignor or consignee.
- c. As a result of conditions attributable to the consignor or consignee.

Disposition: That information which allows KRS to either tender or release the car from the consignor's or consignee's account.

Tender: The notification, actual or constructive placement of a loaded car.

Release: Date and time that KRS receives advice that the car is released and on which disposition is given.

Computation:

Demurrage Days will be computed from the first 0001 hours; no free days are applicable:

(See Demurrage Days, Item 40).

- 1. After tender until release, on cars:
 - a) Partially unloaded
 - b) Released
 - c) Stopped in transit.
- 2. After tender until date of refusal on refused loaded cars (Consignee)
- 3. After refusal until loads are released. (Consignor).

ITEM 90 – DEMURRAGE PLAN

- 1. Billing will be tendered on a monthly basis for all cars released during a calendar month.
- 2. All days count including Saturdays and Sundays except applicable holidays (see Holidays, Item 40)
- 3. In the event that Shipper or Payor shall dispute the amount of a bill, Shipper or Payor shall pay to KRS within the credit period the total amount of the bill as presented. Shipper or Payer shall also notify KRS within the credit period of the disputed amount and the basis of the dispute. Any disputed amount with which KRS determined to be incorrectly billed will not prejudice Shipper's or Payor's right to seek a refund within the statutory period.

Please refer to KRS's Conditions of Carriage, Item 300 for complete description of payment terms

ITEM 95 – STORAGE OF EXPLOSIVES, HAZARDOUS MATERIALS, SUBSTANCES OR WASTES

(Subject to publication BOE 6000 – hazardous materials regulations of the Department of Transportation)

Application: This item applies to cars held on KRS tracks containing:

- a) Class A, B or C Explosives or residue thereof, named in Part 172 Commodity List, Publication BOE 6000.
- b) Hazardous materials, substances, or wastes or residue thereof requiring the use of 4-digit identification number on shipping document, placards or panels, as named in Part 11 Section 172.101, Publications BOE 6000.

Demurrage charges of \$75 for railroad-controlled cars will be in addition to charges provided in this item and Storage Charges of \$50 for private cars will be in addition to this item.

Storage Days will commence: On the date of constructive placement and on each car, two free days are given to the Consignee. Storage days commence from the third day 0001 hours (See Time, Item 40) and continue until the car is ordered placed on private tracks or released.

Storage Plan:

- a) Charges will be billed on a monthly basis, for all cars in storage during each calendar month.
- b) Charges will be assessed against the Consignee at destination or against the Consignor at origin, who will be responsible for payment.
- c) Two (2) free days are given on each car.
- d) Total Storage rate is \$150.00 per day for railroad cars and \$125.00 per day for private cars.

ITEM 100 – STORAGE OF PRIVATE CARS

NON-APPLICATION: - The storage of Private car provisions does not apply to:

a) Cars of private ownership on private or leased tracks.

APPLICATION: - This item applies to loaded or empty private cars held on KRS tracks under constructive placement after notice of arrival is given to the consignee and loaded or empty private cars held on KRS tracks waiting instructions from the consignor or consignee.

STORAGE DAYS WILL COMMENCE: - On the date of constructive placement and on each car, two free days are given to the consignee. Chargeable Storage Days commence from the third day 0001 hours (See Item 40) and continue until the car is ordered placed on private tracks or released.

STORAGE PLAN:

- a) Charges will be billed on a monthly basis, for all cars in storage during each calendar month.
- b) Charges will be assessed against the consignee at destination on cars waiting placement or the consignor at origin on cars waiting forwarding instructions.
- c) Two (2) free days are given on each loaded car being held for consignee on constructive placement. No free time is allowed to consignor for loaded cars held on KRS tracks awaiting forwarding instructions.
- d) Storage rate is \$50.00 per day.

ITEM 105 - STORAGE OF ASSIGNED CARS

NOTICE OF ARRIVAL: - Notice will be given assignee within 24 hours after arrival of car at hold point.

STORAGE DAYS: - Chargeable storage days will commence from the second 0001 hour

(See Time, Item 40) following notice of arrival and continue until the car is placed on demurrage status or is released from the assignment.

STORAGE PLAN:

- a) Storage charges will be assessed against assignee.
- b) Storage plans will be maintained individually by pool assignment number.
- c) Settlement of charges will be made on a monthly basis on all cars released from storage during each calendar month.
- d) One (1) free day is given on each car.
- e) Chargeable storage rate is \$75.00 per day for rail owned cars and \$50.00 for privately owned cars.

ITEM 110 – STORAGE OF CARS RELEASED FROM DEMURRAGE TO STORAGE UNDER ITEM 85.

APPLICATION:

This item applies to cars released from demurrage under paragraph 2 of Item 850.

STORAGE DAYS WILL COMMENCE IMMEDIATELY

- a) No free days will be allowed.
- b) Chargeable storage rate is \$75.00 per day for rail owned cars and \$50.00 per day for privately owned cars.

ITEM 120 – STORAGE OF RAILWAY EQUIPMENT – MOVING ON OWN WHEELS

APPLICATION:

This item applies to railway equipment, held on KRS tracks that will move or has moved on its own wheels, as freight subject to transportation charges.

STORAGE DAYS WILL COMMENCE: At Origin or enroute: From the first 0001 hours (See Time, Item 40) following receipt of the equipment and continuing until a document is given KRS containing all necessary information to forward the equipment.

STORAGE PLAN:

- a) Unless otherwise advised, charges will be assessed against the consignor, if storage delays occurred at origin or in route, and against the consignee if storage delays occurred at destination.
- b) Settlement of charges will be made on an individual basis for equipment released from storage during each calendar month.
- c) One (1) free day will be allowed on each equipment item released from storage.
- d) Chargeable storage rate is \$75.00 per day.

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