

Freight Tariff MRL 8000

Naming Local Rates and Distances and Miscellaneous Rules and Charges Applying at and between Stations on Montana Rail Link, Inc.

Local Tariff

This tariff is also applicable on intrastate traffic, except where expressly stated otherwise provided to the contrary in connection with particular rates and provisions contained herein.

Issued: December 1, 2021

Effective: January 1, 2022

Issued By: Montana Rail Link, Inc. P.O. Box 16390 101 International Drive Missoula, MT 59808

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ITEM 1

CANCELLATION NOTICE

This tariff cancels and supersedes all previous versions of Freight Tariff MRL 8000, which was effective July 1, 2021, and all supplements issued thereto, as well as the RIC 6004.

Provisions formerly contained in previous versions of Freight Tariff MRL 8000 and not carried forward in this version of Freight Tariff MRL 8000 are hereby canceled.

ITEM 2

EXEMPT FROM REGULATION

Except as otherwise provided herein, prices, rules and regulations in connection with transportation of commodities contained herein, to the extent exempted from regulation by the STB or former ICC under Orders in Ex Partes 346 and 394, have application for account those carriers parties to this tariff.

ITEM 4

CAPACITIES, LENGTHS, AND DIMENSIONS OF CARS

For marked capacities, lengths, dimensions and cubical capacities of cars, see Official Railway Equipment Register, The Railway Equipment and Publishing Company, Agent, RER 6414-Series.

ITEM 5

DESCRIPTION OF GOVERNING CLASSIFICATION

This tariff is governed by the Rules in Tariff UFC 6000- Series, Uniform Freight Classification, National Railroad Freight Committee, Agent.

ITEM 8

APPLICATION OF INCREASES

Except as otherwise provided herein, rates and charges shown herein are subject to selective increases.

PART 1 RULES AND OTHER GOVERNING PROVISIONS SECTION 1 – GENERAL

ITEM 9

DISPOSITION OF FRACTIONS

- 1. Fractions resulting from the application of percentage increases or reductions will be dropped if less than a half cent and increased to the next whole cent if a half-cent or more.
- When carload rates or charges expressed in whole dollars are increased or reduced under percentage increases or reductions, fractions of dollars resulting from the application of such percentage increase or reduction will be dropped if less than fifty (50) cents and increased to the next whole dollar if fifty (50) cents or more, except as provided in Paragraph (3).
- On carload rates or charges expressed in whole dollars or in dollars and cents per carload in an amount of fifty (50) dollars or less, charges will be determined as provided in Paragraph (1) and the provisions of Paragraph (2) will not apply.

ITEM 10

STATION LISTS AND CONDITIONS

This tariff is governed by the Official Railroad Station List OPSL 6000-Series, Station List Publishing Company, Agent, to the extent shown below:

PREPAY REQUIREMENTS AND STATION CONDITIONS

For additions and abandonment's of stations, and, except as otherwise shown herein, for prepay requirements, conditions as to acceptance or delivery of freight, and changes in station facilities. When a station is abandoned as of a date specified in the above named tariff, the rates from and to such station as published in this tariff are inapplicable on and after that date.

ITEM 15

EXPLOSIVES AND OTHER DANGEROUS ARTICLES

For rules and regulations governing the transportation of explosives and other dangerous articles by freight, also specifications for shipping containers and restrictions governing the acceptance and transportation of explosives and other dangerous articles, see Bureau of Explosives Series 6000.

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

TERMINAL OR TRANSIT PRIVILEGES OR SERVICES

Shipments made under the rates contained in this tariff are entitled also to terminal and transit services and privileges, and are subject to the charges, allowances, rules and regulations legally applicable thereto, as provided in separate lawfully published tariffs or other instruments.

ITEM 40

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 all numbers in that range. 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 50

METHOD OF CANCELING ITEMS

As this tariff is supplemented, numbered items with letter suffixes cancel corresponding numbered items in the original tariff or in a prior supplement. 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-A in a prior supplement which in turn canceled Item 365.

PART 1 RULES AND OTHER GOVERNING PROVISIONS SECTION 1 – GENERAL

ITEM 75

ROUTING INSTRUCTIONS

Except when otherwise handled at carrier's convenience, traffic while on the rails of the MRL moving under rates named in this tariff will be handled via the most direct route from point where received from consignor or connecting line to point where delivered to consignee or connecting line.

ITEM 76

RULES GOVERNING CARS FOR LOADING

Loading is the complete or partial loading of a car within the confines of the same industry or public delivery yard and must be completed in conformity with railroad loading and clearance rules. Loading includes the following:

- 1. Advice that car is ready for forwarding.
- 2. Furnishing of forwarding directions.
- 3. Advice that car is ready for forwarding after being held to finish loading.
- Advice that car is ready for railroad inspection and/or measurement to obtain final clearance for movement via route shown on forwarding directions.

The term "including the furnishing of forwarding directions" means the actual date and time such forwarding directions are received from the consignor. See definition of forwarding directions in Item 77.

ITEM 77

FORWARDING DIRECTIONS

The term "forwarding directions" means a bill of lading or other suitable order, given to this railroad and containing all of the necessary information to transport the shipment, which authorizes:

- 1. The immediate delivery of a car to a connecting line for further movement, or
- 2. The immediate forwarding of a car to a consignee at another location at the same station or to a consignee at another destination.

Instruction to move a car to railroad-controlled track to be held for "forwarding directions", whether furnished by the party loading the car or another party, or a bill of lading or an order consigning the car to the agent of this railroad, which has no beneficial interest in the lading, does not constitute "forwarding directions" under this section.

A bill of lading or other suitable order covering car(s) requiring clearance from all carriers in the routing will not constitute "forwarding directions" under this section until clearance is received from all carriers in the routing.

When "forwarding directions" are furnished covering line haul movement, this information must include the consignee, the destination, the commodity description, whether prepaid or collect, and full instructions relative to stop-offs.

PART 1 RULES AND OTHER GOVERNING PROVISIONS SECTION 1 – GENERAL

ITEM 78

RULES GOVERNING CARS FOR UNLOADING

Unloading, as required under Rule 27 of Uniform Freight Classification Tariff ICC UFC 6000-Series, or partial unloading shall include:

- 1. Payment of lawful charges when required prior to delivery of the car.
- 2. Advice that the car is ready for forwarding, accompanied by forwarding directions when necessary, after being held to partly unload and partly reload.
- Advice by consignee given to authorized personnel of railroad that the car is unloaded and available to railroad. Information given must include identity of consignee, party furnishing data and car initial and number.

ITEM 80

CAR DELIVERY

Delivery of car(s) to a consignor/consignee shall be at the MRL's ordinary operating convenience. Ordinary operating convenience is defined as the time which is most advantageous to MRL in relation to its coordinated and harmonious switching activities in a particular switching limits.

ITEM 85

PACKAGE AND LOADING REQUIREMENTS

Shipper is responsible for loading railcar, including private railcars, so that lading will not be released, discharged or inadvertently removed from railcar during rail carrier handling, and shipper is responsible for the removal and/or remediation of lading released on MRL property, including indemnifying MRL from any and all associated and related costs, expenses, levied fines, and/or penalties.

MRL incorporates the AAR Loading Rules, Pamphlets and General Information Series into our Loading Rules.

For Closed Cars (box cars) the safety rules that apply are "General Rules Covering Loading of Carload Shipments of Commodities in Closed Cars – Circular 42 Series."

For Hazmat Shipment, Bureau of Explosives Series 600 applies.

For Open Top Equipment (e.g. flatcars, gondolas and hoppers) the rules are governed by the Association of American Railroads Open Top Loading Rules Manual.

ITEM 110

INDUSTRY NAME CHANGE

When a firm or industry changes its name or a change in ownership occurs, applicable charges as shown in this tariff will apply in connection with the successor at the same location.

PART 1 RULES AND OTHER GOVERNING PROVISIONS SECTION 1 – GENERAL

ITEM 220

REFUSED OR UNCLAIMED FREIGHT NONPERISHABLE FREIGHT

The following practice will be followed in the handling of freight, which is refused or unclaimed.

- Non- Perishable Freight Consignee as described in the waybill, and /or the party receiving the railcar, will be notified promptly of the arrival of shipments at destination. In case of refusal by the consignee as described in the waybill, and/or the party receiving the railcar, to accept the freight, or if freight is unclaimed five days after notice of arrival has been duly sent or given, consignor will be sent a notice showing:
 - Name of consignee as described in the waybill, and/or party receiving the railcar
 - Description of freight
 - Point of origin and date of shipment whether property has been refused or remains unclaimed:

Which notice should also state substantially that if disposition is not arranged for, the property will be subject to sale as provided in Section 4, Paragraph (b) of the Uniform Bill of Lading as published in Tariff UFC 6000 – Series.

 Perishable Freight Consignee will be notified promptly of the arrival of perishable freight, but whenever necessary to prevent loss or waste, perishable freight which is refused, unclaimed or undelivered may be sold at the discretion of the carrier, without advertising and without further notice, as provided in Section 4, Paragraph (c) of the Uniform Bill of Lading as published in Tariff UFC 6000 – Series.

ITEM 225

DIVERSIONS OR RECONSIGNMENTS

Diversions or reconsignments must be placed through Montana Rail Link in Missoula, MT. Telephone 1-800-338-4750, ext. 1422.

PART 1 GENERAL RULES AND OTHER GOVERNING PROVISIONS SECTION 2 - FREIGHT

ITEM 450

CALCULATION OF DISTANCES ON MRL

In calculating mileage to be used in connection with distance rates in Part 2, Section 2, the mileage between stations shown in Part 2, Section 4 shall apply.

Pages 15 and 16 contain matrices indicating the distance in miles between key points on the MRL computed over the shortest route. To use this table, first locate one station in the heading column and then the other station in the sideline column. The number at the intersection will be the distance that governs.

Pages 17 and 18 contain the distances between Branch Lines and Industrial Spurs. The distances shown on these tables may be used in conjunction with the mileage matrix on Pages 15 and 16 or may be used to calculate the entire distance.

In computing mileage, all fractions should be retained until final result is obtained, then fractions of less than five tenths (0.5) shall be dropped and fractions of five tenths (0.5) or more shall be treated as one mile

PART 2 LOCAL RATES AND DISTANCES SECTION 1 – SPECIFIC COMMODITY RATES

ITEM 500

CARLOAD FUEL SURCHARGE

A fuel surcharge may be applied to price authorities subject to MRL 8000. The surcharge for the following month will be determined on the U.S. average price of Retail On Highway Diesel Fuel for the second prior month. To view Fuel Surcharge click the link below:

https://www.montanarail.com/fuel-surcharge/

Or type www.montanarail.com/fuel_surcharges in your web browser.

Carload Fuel Surcharge Rate Based on Retail On-Highway Diesel Fuel (HDF). HDF = Prior Period's monthly average of the U.S. average price of Retail On-Highway Diesel Fuel as reported on the U.S. Department of Energy. *EIA Retail On Highway Diesel Prices* can be found on-line at: http://www.eia.gov/petroleum/gasdiesel/

ITEM 510

COMMODITY:

FREIGHT, ALL KINDS

BETWEEN: Laurel and one of the following stations: Billings, East Billings, Huntley, or Lockwood, MT.

RATES: \$776.62 per car

- Railroad will not pay mileage for private cars used under this item.
 - Subject to Item 500(FSC).

PART 2 LOCAL RATES AND DISTANCES SECTION 2 – DISTANCE COMMODITY RATES

ITEM 600

COMMODITY:

FREIGHT, ALL KINDS

BETWEEN: All MRL-served Stations, exclusive of ITEM 510

	NON-	DOT111	DOT117/DOT117R/
DISTANCE	HAZARDOUS	HAZARDOUS	CPC1232
	RATES	RATES	HAZARDOUS
	_	_	RATES
1-250	\$2,285.57	\$2,547.19	\$2,410.20
251-500	\$2,896.36	\$3,248.62	\$3,085.88
501 and	\$3,816.15	\$4,324.97	\$4,108.67
over			

Note 1 - Rates in this item have no application on commodities for which rates are provided in this tariff for a line-haul movement.

- Distance in miles.
- Rates in Dollars per Car.
- Railroad will not pay mileage for private cars used under this item.
- Subject to Item 500 (FSC)

Note 2 – Hazardous Rates shall apply to any car carrying a commodity with a STCC beginning with 48 or 49. Non-hazardous rates shall apply to any car with a STCC not beginning with 48 or 49

PART 2 LOCAL RATES AND DISTANCES SECTION 2 – DISTANCE COMMODITY RATES

ITEM 730

COMMODITY:

RAILWAY PASSENGER CARS, moved on own wheels (baggage, dining, chair, coach, parlor, power, or sleeping cars, used) (STCC 37 421) RAILWAY CABOOSE CARS, used (STCC 37 422 33)

BETWEEN: All MRL served Stations.

RATES: \$1,940.00 plus an additional \$10.15 per rail mile.

• Subject to Item 500 (FSC)

ITEM 740

COMMODITY:

RAILWAY FREIGHT CARS, NEC, moving on own wheels

(STCC 37 422, Except 37 422 19, 37 422 51, 37 422 95)

(STCC 37 424, 41 113, Except 41 113 56)

RAILWAY MAINTENANCE EQUIPMENT (STCC 37 424)

BETWEEN: All MRL served Stations.

RATES: \$2.50 per rail mile or minimum rate of \$875.00 per car.

• Subject to Item 500 (FSC)

PART 2 LOCAL RATES AND DISTANCES SECTION 3 – SPECIAL TRAIN SERVICE

ITEM 780

SPECIAL TRAIN SERVICE

A. Definition:

- 1. A train which is operated on an expedited schedule or under special service or transportation requirement specified by the consignor, consignee or the agent of either.
- 2. A train which is assembled in accordance with instructions given to a rail carrier by the consigner, consignee or the agent of either.
- A train which is necessary in order to comply with service or other transportation requirements specified by any party to the movement.
- 4. If the special train has cars for more than one destination, each stop will constitute a special run and charges for the special movement will be assessed from shipping point to first destination, from first destination to second destination, each as a separate and complete transaction.
- B. Requirements for Special Train Service:

Consignee, consignor or the agent of the consignee or consignor must request this service in writing or by electronic device to an MRL Marketing representative. Requests must be made in sufficient time to enable MRL and all other carriers to consummate whatever arrangement or agreement which may be necessary to facilitate the movement of such trains. Requests should include, but are not limited to the following information:

Date service is required or service window, if applicable; routing, including origin and destination; Car initials(s) and number(s); Letter of Authorization to bill charges, including appropriate patron codes, etc.

Upon request, service will be provided at the convenience of all carriers involved in the movement.

C. MRL Charges

MRL charges are as follows and will be calculated over the actual distance (route) operated by the special train at a charge of \$78.78 per mile subject to a minimum charge of \$8,837.00 per train. This charge is in addition to published or contract freight rate.

ITEM 900

APPLICATION AND DEFINITIONS

Except as otherwise provided, switching charges described herein shall apply for handling loaded cars one way and empty the other. Customers are allowed one free switch into their facility, lease track, etc. on an inbound move and one free switch from their facility, lease track, etc. on an outbound move, per car. Any subsequent switch movements to/from customer's facility, lease track, etc. will be chargeable.

If cars moved empty in both directions, a switch charge will be assessed on the second empty movement. If cars are moved loaded in both directions, no switch charge will be assessed on either movement, as long as the second loaded movement is supplied with forwarding directions. If forwarding directions are not supplied, a switch charge will be assessed on subsequent loaded movement. A car may be subject to multiple switch charges based on designated car movement. Extra switch service requested outside of the regular schedule is subject to written approval and additional charges.

INTRA-TERMINAL AND INTRA-PLANT SWITCHING

At: All stations on MRL

Intra-Terminal	(a)	\$375.00	per car
	(b)	\$596.00	per car
	(c)	\$500.00	per car
Intra-Plant	(a)	\$175.00	per car

- (a) Applies on all Intra-Terminal Switching movements, except as provided for in (b) below.
- (b) Applies on Intra-Terminal Switching movements within the Billings switching boundaries, or from Laurel to Yegen, MT.

Also applies when shipment under refrigeration is stopped for any reason including, but not limited to, refueling or repair of refrigerator unit. Applies for switch to remove car from train and a switch to place the car back into train. Weighing and demurrage charges may apply, see Part 4 and 6.

(c) - Applies on Intra-Terminal Switching movements on cars with Oversized Dimensions or Weight.

PART 3 SWITCHING RULES AND CHARGES

ITEM 900 (Cont'd)

APPLICATION AND DEFINITIONS

DEFINITIONS

Switching Limits: Boundaries within which switching rules and charges apply

Terminal	Switching Boundaries
Billings	Billings, East Billings, Lockwood, and
	Huntley
Laurel	Laurel and Yegen
Laurel	Laurel and Mossmain
Livingston	Livingston
Helena	Helena, East Helena, and Montana City
Missoula	Missoula, Bonner, and DeSmet

Intra-Plant Switching: A switching movement of cars, loaded or empty, from one track to another track or between two points on the same track, within the same plant or industry without leaving the tracks of said plant or industry.

Note: Required movement of cars located on industry track(s) to complete requested service and all subsequent movements will be subject to the per car intra-plant switch rate.

Intra-Terminal Switching: A switching movement (other than intra-plant switching) from one track to another track of the same carrier, within the yard limits of MRL's terminals at Helena, Missoula, Livingston, Laurel, and Billings.

ITEM 905

APPLICATION OF SWITCH CHARGES FOR LEASE TRACK

If cars are designated to lease track on the inbound move, the initial movement of inbound car to the lease track shall be free of charge. Subsequent movement from the lease track shall be subject to switch charges. Demurrage charges may apply, see Part 6.

If cars are designated to lease track on the initial outbound move, a switch charge will apply. Subsequent car movements shall not be assessed a switch charge, unless the car moves back to the customer's facility. Demurrage charges may apply, see Part 6.

ITEM 915

EMPTY CARS FURNISHED BY CARRIER AND RETURNED WITHOUT LOAD

When an empty car is requested for loading and the service of switching or placing has been performed and the car is not loaded but returned to the MRL empty, or when an empty car arrives on MRL and is billed offline as an empty, an intra-terminal switch charge will be assessed. This charge will be collected from the person, firm or corporation ordering or billing such car. When a railroad controlled car is rejected for mechanical reasons a switch charge will not apply. Demurrage charges may apply, see Part 6.

ITEM 920

SERVICE REQUESTED BUT NOT UTILIZED BY CUSTOMER

- When service is requested and cars are determined unable to be pulled because the loading or unloading of the car has not been completed, or for some other reasons not attributable to MRL, and no other service is to be performed, an intra-terminal switch will be assessed. Demurrage charges may apply, see Part 6.
- When service is requested and cars are determined unable to be spotted and/or pulled because the loading or unloading of the car has not been completed, or for some other reasons not attributable to MRL, and alternate cars cannot be spotted, an intra-terminal switch will be assessed for each car not able to be spotted. Demurrage charges may apply, see Part 6

ITEM 925

CHARGES ON IDLER CARS

When an idler car is required, each car shall be considered a separate shipment. Demurrage charges shall be applied in the same manner as the associated loaded car. See Part 6.

PART 3 SWITCHING RULES AND CHARGES

ITEM 930

CHARGES FOR CARS HELD

1. Pending Forwarding Directions

When on shipper's instruction, loaded cars, or empty cars moving at tariff rates, are removed from spot on MRL, and are held by MRL for more than 12 hours awaiting forwarding directions, a hold charge of \$375.00 per car will be assessed. This charge will be assessed against the MRL on-line customer / shipper. If a car is subsequently ordered returned to consignor's tracks, the applicable intra-terminal switching charge will be assessed to return to consignor's tracks. Demurrage charges may apply, see Part 6 - Section 2 and 3.

2. Shipper's Order

Loaded cars that are held for shipper's order will be assessed a hold charge of \$375 per car. The charge will be assessed against the authorized party requesting the hold. Switching and demurrage charges may apply, see Part 3 and Part 6 – Section 2 and 3.

3. In Transit

Loaded or empty cars that are held in transit will incur a switch charge to remove car from train and a switch charge to place back into train per Item 900. Cars found to be overloaded may be subject to this Item. The charge will be assessed against the authorized party requesting the hold. Weighing and demurrage charges may apply, see Part 4 and 6.

ITEM 935

STOPPED IN TRANSIT

Carload shipments stopped in transit, at Customer's request, will incur a switch charge to remove car from train and a switch charge to place back into train per Item 900. Weighing and demurrage charges may apply, see Part 4 and 6.

A. GENERAL RULES

- Bill of lading must show the station or stations at which the shipment is to be stopped to complete loading or to partly unload and the party to be notified at each station where shipment is stopped.
- 2. The stopover station or stations must be in direct line of movement from origin to destination.
- When shipment is stopped to complete loading, no freight may be removed at the stopover station. When shipment is stopped to partly unload, no additional freight may be loaded at the stopover station.
- The freight remaining in car at stopover station must be properly braced and stowed by the party doing the loading or unloading to prevent loss or damage.

B. EXCEPTION

The provisions of this Item will not apply to shipments having origin and destination within the same switching boundaries.

PART 3 SWITCHING RULES AND CHARGES

ITEM 960

SWITCHING CHARGES FOR TURNING CARS TO PERMIT LOADING OR UNLOADING AT STOP-OFF POINTS OR DESTINATIONS FROM A PARTICULAR SIDE OR END

 In instances where it is desired that freight in carloads be placed on delivery tracks for loading at stop-off points or unloading at stop-off points or destinations from one particular side or end of car, cars must be properly placarded on both sides and notations made on bills of lading and waybill substantially as follows:

NOTICE TO CARRIER

Deliver car for loading or unloading from door or end specified by placard.

2. On freight in carloads, not properly placarded on both sides of car to load or unload from one particular side or end of car, which shipper or consignee after initial placement of car, directs carrier to turn and return to the same track for loading or unloading from opposite side or end of car, the following shall apply:

CHARGES (See Note)

- If the car is turned at a "Y" or turn-table within the confines of an industry, apply the intra-plant switching charges to and from the point turned.
- If the car is turned at a "Y" or a turntable within the same switching district, but outside the confines of the industry apply intra-terminal switching charges to and from the point turned.
- If the car is turned at a "Y" or turntable located outside the switching district and the round-trip distance to and from the "Y" or turn-table, the charge assessed is based on the mileage rate in Item 600 (Freight All Kinds).

Note - If bill of lading carries notation that car has been placarded, and placard has disappeared before placement, the charge named herein will not apply.

ITEM 965

MISCELLANEOUS HANDLING OF SYSTEM AND PRIVATE COAL AND PETROLEUM COKE CARS

MRL will provide the following services at no charge to the Shipper: (a) Switching required to remove Cars for routine repairs performed pursuant to the AAR Interchange Rule, including both switching out of Cars needing such repair and/or switching in of spare empty Cars in substitution for Cars in need of such repair and (b) Switching of Cars that MRL placed in a Unit Train with the rotary end misaligned. All other miscellaneous service performed that are not required for normal Train operation (including but not exclusive of; stripe alignment of Car(s) when misalignment is not due to MRL, connecting and disconnecting dump line hoses, gagging and ungagging rapid discharge Car hot shoes, etc.) shall be subject to a charge of \$375.00 per car.

PART 4 WEIGHING, REWEIGHING AND FUEL SURCHARGE

ITEM 1000

APPLICATION OF WEIGHING

Weighing charges may be assessed when customer requests loaded or empty cars to be weighed or reweighed by MRL. See Item 1015 for rules.

MRL scales are located in Missoula and Billings.

Only cars originating and / or terminating at MRL-served stations will be weighed.

CHARGES FOR WEIGHING AND OVERLOADS

WEIGH - for cars originating or terminating within switching boundaries of track scale (see Notes 2 and 3)	\$375.00
WEIGH - for cars not originating or terminating within switching boundaries of track scale (see Notes 2 and 3)	\$575.00
OVERLOAD- for cars originating or terminating within switching boundaries of track scale (see Notes 1,2, and 3)	\$750.00
OVERLOAD - for cars not originating or terminating within switching boundaries of track scale (see Notes 1, 2, and 3)	\$950.00

Note 1 – The overload charge includes a switch and a reweighing charge. Additional charges and tolerances may apply as provided in BNSF Weighing Book 9300.

Note 2 - When a car is requested to be weighed, prior to loading or unloading, and actual placement has already occurred, an intra-terminal switch (see Item 900) charge or line haul freight charge will be assessed for the round-trip movement, and will be in addition to the weighing charge.

Terminal	Switching Boundaries
Billings	Billings, East Billings, Lockwood, and Huntley
Missoula	Missoula, Bonner, and DeSmet

PART 4 WEIGHING, REWEIGHING AND FUEL SURCHARGE

ITEM 1015

RULES FOR WEIGHING AND REWEIGHING

- When weights are obtained for the assessment of freight charges, no charge will be made by the MRL for the service.
- When weighing and reweighing of cars, either empty or loaded, is at the request of either the consignor or consignee, the other provisions of this item will govern and Paragraph 1 has no application.
- 3. When a car is weighed or reweighed, either empty or loaded, at the request of either consignor or consignee, the service and charges will be in accordance with this tariff, subject to the rules and carload minimum weights prescribed in lawfully published tariffs or other instruments.
- Except as otherwise provided, a charge, as provided in Item 1000, will be made each time a car is weighed or reweighed either empty or loaded at the request of either consignor or consignee.

ITEM 1045

CERTIFICATION OF SCALES

Railroad scales shall be maintained, tested and operated in accordance with track scale specifications and rules approved by the State of Montana.

ITEM 1050

RULES GOVERNING OVERLOADED CARS DISCOVERED AT ORIGIN OR FIRST AVAILABLE SCALE

When car is discovered to be overloaded at point of loading or first available scale, shipper will be required to unload the excess and a combined switching and reweighing charge per Item 1000 will be assessed. Railroad will have final ruling on car movement after overload is determined in order to ensure safety.

RETURN TO SHIPPING POINT

When the excess from an overloaded car is returned to the point of origin, freight charges will be assessed based on the distance between the point where overload is discovered and the original station.

PART 4 WEIGHING, REWEIGHING AND FUEL SURCHARGE

ITEM 1121

CARLOAD FUEL SURCHARGE

This item has been moved to Item 500.

PART 5 HAZARDOUS MATERIAL – INHALATION HAZARD AND EXPLOSIVES

Part 5 covers hazardous commodities that are designated toxic/poison inhalation hazard and explosives. For list of applicable STCC numbers for commodities covered by this Part, see Item 1150-Series of BNSF Rules Book 6100A-Series.

ITEM 1122

STORAGE OF HAZARDOUS MATERIALS

MRL does not hold itself out to provide storage of cars containing hazardous materials; however, when it does so as a necessary accommodation, such cars will be held subject to the rules and charges contained in Part 5 and Part 6 of this tariff, or as may otherwise be agreed to.

ITEM 1124

LOADED PRIVATE OR RAILROAD CONTROLLED CARS HELD FOR INITIAL PLACEMENT ON PRIVATE TRACKS

Loaded railroad or private controlled cars, consigned or ordered for delivery on private tracks, which first must be held on railroad tracks are subject to charges provided herein.

Consignees or consignors will be liable for all Federal, State and Local penalties or fines which may be assessed for the holding of private or railroad cars on railroad controlled tracks when party to the bill-oflading has impeded delivery of the car. Consignees or consignors will be responsible for any cost incurred by MRL for providing protection or surveillance of any commodity listed in this section while held on Railroad property.

ITEM 1125

LOADING OR UNLOADING OF RAILROAD OR PRIVATE CARS

MRL will not allow the loading or unloading of any commodity listed in this Part on any team track or other track owned or leased by MRL.

PART 5 HAZARDOUS MATERIAL – INHALATION HAZARD AND EXPLOSIVES

ITEM 1126

REMOVAL OF REFUSED OR REJECTED PRIVATE OR RAILROAD LOADED CARS

Loaded private cars refused or rejected will not be removed from private tracks until proper forwarding instructions, or other disposition, is received.

Railroad-controlled cars will not be removed from private tracks, and will remain on demurrage until proper forwarding instructions, or other disposition, is received, per Part 6.

ITEM 1130

NON-ACCIDENT RELEASE (NAR) OF HAZARDOUS MATERIAL

If a Non-Accident Release (NAR) on a car loaded with or containing residue of a Hazardous Material occurs while in MRL's possession, a charge of \$5,000.00 will be assessed for the first occurrence, \$10,000.00 for the second occurrence and \$20,000.00 for third or more occurrences over a 12-month period. Charges will be assessed to and are the responsibility of the Shipper identified on the applicable bill of lading.

The charges include the switching required to move the car from the track where the NAR occurred or was first identified to a track where repairs and clean-up can safely be performed. The charge does not include any demurrage or other securement related charges. These charges will be invoiced separately. The shipper will be liable for all expenses related or associated with the securement, clean-up and handling of the NAR.

For this Item, a Non-Accident Release is defined as any unintentional release of Hazardous Material during transportation not caused by a rail related accident or derailment. A NAR includes splashes, leaks, venting of hazardous gases or vapors from pressure relief devices or other releases from improperly secured or defective valves, fittings, or tank shells.

PART 5 HAZARDOUS MATERIAL – INHALATION HAZARD AND EXPLOSIVES

ITEM 1135

RAILCARS NON-COMPLIANT WITH HAZARDOUS MATERIAL SECUREMENT REQUIREMENTS

Railcars loaded or carrying only residual amounts of Hazardous Materials or Environmentally Sensitive Material on MRL that are found to not comply with all applicable safety standards or requirements or are deemed unsafe by regulators for proper transport may be moved to an isolated track for securement and correction of the concerned issue. Non-compliance may include but is not limited to a secondary means of closure such as shipping plugs, loose swing bolts on manways, safety chains and improper markings other than placards lost in transit from the pickup location. A charge of \$1,500.00 will be assessed for the first occurrence, \$3,000.00 for the second and \$6,000.00 for the third or more occurrences over a 12-month period. Charges will be assessed to and are the responsibility of the Shipper identified on the applicable bill of lading.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 1 - APPLICATION AND DEFINITIONS

ITEM 1200

DEMURRAGE APPLICATION AND DEFINITIONS

Demurrage is the detention of a railcar which may lead to an assessment of charges. Demurrage is calculated based on a debit and credit system and is billed monthly. Demurrage will be assessed against the party who receives the railcar for loading or unloading, or the party is determined to be a cleaning / repair facility. Redistribution of the costs to third parties shall remain the responsibility of the actual party receiving the car.

DEMURRAGE RATE TABLE

Demurrage Debit Rate	\$90 / per day or fraction thereof
Loaded Hazardous Material Demurrage Debit Rate	\$150 / per day or fraction thereof
Loaded Oversized Dimensions or Weight Debit Rate	\$150 / per day or fraction thereof
Poisonous/ Toxic Inhalent Debit Rate	\$500 first day, \$1,000 for each subsequent day, or fraction thereof
Demurrage Credit rate	\$90 per car
Loaded Hazardous Material Demurrage Credit Rate	\$150 / per day or fraction thereof
Loaded Oversized Dimensions or Weight Credit Rate	\$150 / per day or fraction thereof
Credits per Qualifying Car	2 - *see exception below
Demurrage Day	7:00 am to 6:59 am the following day, or fraction thereof.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 1 - APPLICATION AND DEFINITIONS

ITEM 1200

DEMURRAGE APPLICATION AND DEFINITIONS

*Exception – For customers whose scheduled service plan is less than 7 days per week, exceptions will apply as follows:

Service Plan	Additional Credits/Car
5 consecutive days per week; demurrage begins on 5th service day	2 additional credits
5 consecutive days per week; demurrage begins on day after 5th service day	1 additional credit
3 or 4 day per Week	2 additional credits
2 day per Week	4 additional credits
1 day per Week	5 additional credits

DEFINITIONS

Credit: A credit is a unit of value applied to each car to offset any accumulated demurrage charges. Credits cannot decrease accumulated demurrage charges per car to an amount less than \$0, nor can credits decrease the total monthly invoice computation to an amount less than \$0. Credits can only be used to offset debits on the car under which they were earned.

Debit: A debit is a unit of liability that is chargeable to a car for each demurrage day or fraction thereof.

Loaded Hazardous Material Car: A loaded car that contains a commodity associated with a STCC of which the first two digits are 48 or 49.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 1 - APPLICATION AND DEFINITIONS

ITEM 1200 (Cont'd)

DEMURRAGE APPLICATION AND DEFINITIONS

Oversized Dimensions or Weight: A loaded car on which the load height is more than 17 feet above top of rail, width is more than 11 feet at any point, or the load extends beyond the end sills of car. 128,000 lbs. on a 4 axle car, 480,000 lbs. on an 8 axle car or a 12 axle or greater car are also considered oversized as they may require clearance and typically need empty buffer cars for weight distribution.

Private Car: A car which is not a railroad owned or controlled car.

Railroad Controlled Car: A car owned or controlled by a railroad including those bearing other than railroad reporting marks provided to a railroad directly by car companies or others for use by a railroad in serving any of its customers.

Spot on Arrival Customer: A customer who, by prior arrangement has notified MRL that cars arriving serving yard shall be placed for loading or unloading when there is available capacity at their facility. If capacity is not available, cars will be on constructive placement.

Order In Customer: A customer who, by prior arrangement, has notified MRL that cars shall not be placed, or considered to be placed, for loading or unloading, until MRL has received an order for placement from said customer. Until such order for placement is received, cars will be on constructive placement.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 1 - APPLICATION AND DEFINITIONS

ITEM 1205

DEMURRAGE HOLIDAYS

If a holiday falls within the calculated range for demurrage charges, one credit will apply to each car cycle. As noted previously, a demurrage day is from 7:00 am to 6:59 am the following day. A credit for a holiday will follow the same time schedule as that of a demurrage day. Example 1: If a car is released on 6:59 am on the day of the holiday, no credit will be given, as demurrage charges for that day would not have started until 7:00 am. Example 2: If a car is released at 7:01 on the day of a holiday, one credit will be given for that day as demurrage charges would have started at 7:00 am. MRL demurrage holidays are as follows:

- New Year's Day
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving Day
- Christmas Day

PART 6 DEMURRAGE RULES AND CHARGES SECTION 1 - APPLICATION AND DEFINITIONS

ITEM 1210

CARS NOT SUBJECT TO DEMURRAGE

- 1. Cars Under Load With Company Material.
- 2. Empty Cars Held For Loading Company Material.
- 3. Empty railroad-controlled cars that are supplied but not used, due to rejection for mechanical reasons, when MRL is notified within 24 hours of actual placement of car - Item 1710 (1).

ITEM 1220

CARS THAT DO NOT QUALIFY FOR CREDITS

- 1. Inhalation hazard and explosives see Part 5.
- 2. Empty cars supplied for loading, but not used Item 1700.
- Empty railroad-controlled cars supplied for loading, but not used - rejected for mechanical reasons – Item 1710.
- Cars that are released to the yard and brought back into the facility - L/L or E/E – Item 1800 (2).
- 5. Overloaded cars that have left origin Item 1810.
- 6. Improperly loaded cars that have left origin Item 1815 (2).
- 7. Cars held for reconsignment or diversion Item 1820.
- Cars interchanged under load and held for forwarding directions to off-line customers – Item 1830.
- 9. Cars held for other reasons Item 1840.
- 10. Cars not released in condition for loading by another shipper Item 1850.
- 11. Refused or unclaimed carload freight Item 1930.
- 12. Unit trains that do not originate or terminate on MRL.

ITEM 1230

BUNCHING

There will be no adjustments given for bunching.

ITEM 1240

RUN-AROUNDS

There will be no adjustments given for run-arounds.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 2 - DEMURRAGE FOR RAILROAD-CONTROLLED CARS

ITEM 1300

LOADED RAILROAD-CONTROLLED CARS FOR UNLOADING

Application:

Demurrage charges will apply to all cars on railroadcontrolled tracks while awaiting placement at facility and /or industry tracks.

Computation:

- Demurrage will be assessed per car, per day, or a fraction thereof. See Item 1200 for the Demurrage Rate Table.
- Time will be computed from the first 07:00 a.m. after Constructive or Actual Placement, whichever is earlier. Spot on arrival customers will have cars on constructive placement if capacity is not available at their facility and/or industry tracks. Each 07:00 a.m. will be considered one day.
- On loaded cars for delivery on interchange tracks of industrial plants performing the switching service for themselves, or for other parties, cars will be considered placed to industry when cars are placed to industry service track.
- Demurrage charges will not accrue when cars are in bad order status while on railroadcontrolled tracks.
- Demurrage charges will end when the car is released empty, properly cleaned, and in position for pick up or lading is refused with proper forwarding directions.
- If a car is billed to another party, without placing into the facility, demurrage continues until forwarding directions are provided.
- 7. Credits will be applied in accordance with Item 1200 and 1220.
- 8. See Item 1500 for demurrage computation for reloads.
- 9. See Item 1850 for demurrage computation for MRL-owned or leased equipment not properly unloaded.
- 10. A hold charge may apply see Part 3.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 2 - DEMURRAGE FOR RAILROAD-CONTROLLED CARS

ITEM 1305

ORDERING EMPTY RAILROAD-CONTROLLED EQUIPMENT

BNSF Equipment

BNSF guidelines will govern
MRL Equipment

• To create, reduce, or decrease orders for MRL equipment, will be at the discretion of MRL, and must be done at least 2 days in advance. Increasing orders 2 days in advance will be done based off car availability. Demurrage charges may apply. See Item 1310.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 2 - DEMURRAGE FOR RAILROAD-CONTROLLED CARS

ITEM 1310

EMPTY RAILROAD-CONTROLLED CARS FOR LOADING

Application:

Demurrage charges will apply to all cars on railroadcontrolled tracks while awaiting placement at facility and/or industry tracks.

Computation:

- Demurrage will be assessed per car, per day, or a fraction thereof. See Item 1200 for the Demurrage Rate Table.
- 2. Time will be computed from the first 7:00 a.m. after the Car Order Date or Constructive Placement Date, whichever is later. If no Constructive Placement Date, time will be computed utilizing Order Date or Actual Placement, whichever is later. If Order Date is utilized, demurrage will be computed from 7:00 a.m. on Order Date. If Actual Placement Date is utilized, demurrage will be computed from the first 7:00 a.m. after Actual Placement Date.
- Designated pool cars that do not have a Car Order Date or Constructive Placement Date, demurrage will start upon arrival into servicing yard. Each 7:00 a.m. is considered one day.
- 4. On empty cars for delivery on interchange tracks of industrial plants performing the switching service for themselves, or for other parties, cars will be considered placed to industry when cars are placed to industry service track.
- Demurrage charges will not accrue when cars are in bad order status while on railroadcontrolled tracks.
- Demurrage charges will end when the car is released load, proper billing is received, and in position for pick up or car is released not used or car is rejected for mechanical reasons.
- 7. Credits will be applied in accordance with Item 1200 and 1220.
- 8. See Item 1500 for demurrage computation for reloads.
- 9. A hold charge may apply, see Part 3.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 3 - DEMURRAGE FOR PRIVATE CARS

ITEM 1400

PRIVATE CARS FOR LOADING OR UNLOADING

Application:

Demurrage charges will apply to all private cars on railroad-controlled tracks awaiting placement at facility and/or industry tracks.

Computation:

- Demurrage will be assessed per car, per day, or a fraction thereof. See Item 1200 for the Demurrage Rate Table.
- 2. Inhalation hazard and explosive loads or empties will be assessed per car, per day, or a fraction thereof (see Part 5). See Item 1200 for the Demurrage Rate Table.
- 3. Time will be computed upon the first 7:00 a.m. following arrival into the serving yard.
- Demurrage charges will continue to accrue when cars are in bad order status while on railroadcontrolled tracks.
- 5. Demurrage charges will end when the car is placed into the facility to a private track. If track is NOT private, charges stop when car is released load/empty, properly cleaned, proper billing is received and in position for pick up, or car is released not used, or lading is refused.
- 6. If a car is billed to another party, without placing into the facility, demurrage continues until forwarding directions are provided.
- On loaded cars for delivery on interchange tracks of industrial plants performing the switching service for themselves, or for other parties, cars will be considered placed to industry when cars are placed to industry service track.
- 8. Credits will be applied in accordance with Item 1200 and 1220.
- 9. See Item 1500 for demurrage computation for reloads.
- 10. A hold charge may apply, see Part 3.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 4 - RELOADS AND LEASED TRACK

ITEM 1500

DEMURRAGE FOR RELOADS

When loaded cars are placed at the Customer's facility, are unloaded, and requested to be reloaded, demurrage will apply. Demurrage will be charged on the initial inbound loaded movement per Items 1300 and 1400. Demurrage on the reload will be based on the following:

- If the reload is for rail-controlled equipment, demurrage will start when the car is released to reload, and will end when proper billing instructions are received. Switch and hold charges may apply per Part 3.
- If the reload is for private equipment on nonprivate track, demurrage will start when the car is released to reload, and will end when proper billing instructions are received.

If the car is designated to lease track, after being held on railroad-controlled tracks, demurrage will end when car is designated to lease track. Switch and hold charges may apply to both scenarios, per Part 3.

3. If the reload is for private equipment on private track, demurrage will start when the car is removed from Customer's facility, and will end when proper billing instructions are received or when car is placed back to customer's facility. If proper billing instructions are received before the car is removed from Customer's facility, there will be no demurrage.

If the car is designated to lease track, after being held on railroad-controlled tracks, demurrage will end when car is designated to lease track. Switch and hold charges may apply to both scenarios, per Part 3.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 4 - RELOADS AND LEASED TRACK

ITEM 1510

DEMURRAGE / LEASE TRACK CHARGES

Cars will be subject to demurrage if held on railroadcontrolled tracks, prior to receipt of instruction to place cars on lease track. Once cars are on lease track, demurrage will stop. Switch and hold charges may apply per Part 3.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 5- MONTHLY COMPUTATION OF DEMURRAGE CHARGES

ITEM 1600

MONTHLY COMPUTATION OF DEMURRAGE CHARGES

At the end of each month, debits and credits are accumulated and totaled for qualifying car cycles. Total debit amounts minus total credit amounts will equal monthly demurrage charges. If total credits exceed total debits, no charges are assessed. See demurrage rate table for current rates.

- 1. Demurrage credits do not carry over to the next month.
- 2. Credits can only be used to offset debits on the car and cycle under which they were earned.
- 3. Cars for loading and unloading are calculated separately.
- 4. See Item 1220 for non-qualifying car cycles related to credits.
- 5. When the same car is both unloaded and reloaded, each transaction will be treated as independent of the other and credits shall apply for reloading.

COMBINING PLANTS AND STATIONS

Debits and credits applying to cars released by one consignor or consignee within the jurisdiction of the same station must be combined. However, in no case shall debits and credits be combined among two or more customers or two or more stations. Each station as listed in The Official Railroad Station List, OPSL 6000-Series, shall be considered a separate station in the application of this Section.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 6 - DEMURRAGE RULES RELATED TO EMPTY CARS SUPPLIED FOR LOADING, BUT NOT USED

ITEM 1700

EMPTY CARS SUPPLIED FOR LOADING BUT NOT USED

When empty railroad-controlled or empty private cars are requested, but not used in transportation service, general demurrage rules apply, without credits. This item does not apply to cars rejected for mechanical reasons – see Item 1710. See Part 3 for applicable switching charges.

ITEM 1710

EMPTY RAILROAD-CONTROLLED CARS SUPPLIED FOR LOADING, BUT NOT USED -REJECTED FOR MECHANICAL REASONS

Railroad-controlled cars not suitable for loading can be rejected:

- 1. The party rejecting the car has 24 hours after actual placement to advise MRL of rejection and reason. Demurrage will not apply.
- If advice of rejection is not received within 24 hours of actual placement, demurrage will apply without credits.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 7 - DEMURRAGE RULES RELATED TO CARS FOR PURPOSES OTHER THAN LOADING OR UNLOADING

ITEM 1800

EMPTY AND LOADED CARS RECEIVED FROM CUSTOMER TRACK AND HELD AWAITING FORWARDING DIRECTIONS

Empty, loaded or partially loaded cars removed from customer tracks, per customer instructions, to railroad premises are subject to demurrage. Charges begin upon release /removal of car and continue until forwarding directions are furnished or until the cars are returned to shipper's loading or lease track per customer instructions.

- 1. Cars furnished with forwarding directions will receive credits.
- 2. Cars returned to shipper's loading or lease track will receive credits.

See Part 3 for applicable hold and switch charges.

ITEM 1810

CARS FOUND TO BE OVERLOADED

When cars are found to be overloaded, the following will apply unless otherwise provided in individual railroad tariffs lawfully published:

If, after having left origin station, a car found to be overloaded, is held in transit on MRL, demurrage and two switch charges will apply. Time will be computed from the first 7:00 a.m. following notice that the car is overloaded and credits will not apply. Weighing charges may apply.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 7 - DEMURRAGE RULES RELATED TO CARS FOR PURPOSES OTHER THAN LOADING OR UNLOADING

ITEM 1815

CARS FOUND TO BE IMPROPERLY LOADED

When cars are found to be improperly loaded and not in conformity with railroad loading and clearance rules, the following will apply unless otherwise provided in individual railroad tariffs lawfully on file:

- If found while still on industry or railroad tracks where loaded, car will be considered to be under continuous loading transaction until adjustment of the load has been made if necessary and final clearance is received for further movement. Credits will apply. (see Note).
- If, after having left origin station, a car found to be improperly loaded, is held in transit on MRL, demurrage and two switch charges will apply. Time will be computed from the first 7:00 AM following notice that car is being held and credits will not apply (see Note).

Note - Adjustment of load must include advice to authorized personnel of this railroad that shipment now conforms with railroad loading and/or clearance rules, and is now ready for inspection and/or measurements to permit final clearance for further movement.

ITEM 1820

CARS HELD FOR RECONSIGNMENT OR DIVERSION

On cars held for reconsignment or diversion, time will be computed upon first 7:00 a.m. after arrival at holding yard, until proper forwarding directions or other disposition is furnished, and credits will not apply. Hold charges may apply, see Part 3.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 7 - DEMURRAGE RULES RELATED TO CARS FOR PURPOSES OTHER THAN LOADING OR UNLOADING

ITEM 1830

CARS INTERCHANGED UNDER LOAD AND HELD FOR FORWARDING DIRECTIONS TO OFFLINE CUSTOMERS

On loaded cars received from another railroad and held by this railroad for forwarding directions or other disposition, time will be computed from the first 7:00 a.m. after arrival at holding yard, until proper forwarding directions or other disposition is furnished, and credits will not apply. See Part 3 for applicable hold charges.

ITEM 1840

CARS HELD FOR OTHER REASONS

When cars are held for Shipper's Order or payment of lawful charges, or for any purpose not otherwise specifically provided for in these rules, demurrage will apply. Time will be computed upon first 7:00 a.m. after arrival at holding yard, until proper forwarding directions or other disposition is furnished, and credits will not apply. See Part 3 for applicable hold charges.

ITEM 1850

CONSIGNEE'S OBLIGATION TO UNLOAD MRL OWNED OR LEASED RAIL CARS

Rules 14 and 27 of the Uniform Freight Classification obligates consignees of carload freight to completely unload from such cars, at their expense, all dunnage, debris, or other foreign matter connected with the inbound shipment so as to return rail freight cars to MRL in a condition suitable for subsequent loading.

Upon arrival and placement of railcars for unloading at destination, consignee will be responsible for unloading equipment in a manner which does not damage equipment, and for releasing equipment in a condition suitable for subsequent loading. A consignee who refuses or fails to remove all lading, dunnage, blocking, bracing, strapping, debris or other material that was part of the inbound shipment, secure interior loading devices, and close doors will be subject to a penalty charge of \$515.00 per car, applicable freight charges, and the actual cost incurred to remedy. Demurrage (without credits), hold and switching charges may apply.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 8 - NOTIFICATIONS

ITEM 1900

GENERAL NOTIFICATION

Notification will be delivered to the receiving party or any party on the waybill who is registered to receive notifications using BNSF's Customer Subscription Services on-line tool at www.BNSF.com Parties wishing to receive notification must sign-up for notifications using the on-line tool.

- 1. The following notifications will be furnished as indicated:
 - a. **Notice of arrival** shall be sent or given when car arrives serving yard.
 - b. Notice of constructive placement shall be sent or given for all cars held on railroadcontrolled tracks at an available hold point or at billed destination due to any condition attributable to the receiving party, consignor, consignee, loader or unloader which prevents MRL from making delivery or actual placement. Such cars which have been placed on tracks serving the consignee or consignor shall be considered constructively placed without notice.
 - c. Notice of placement shall be sent or given when a car is actually placed.
 - d. Notice of overload shall be sent or given when car is found to be overloaded.
- 2 When notification is provided, the date and time sent or given will govern.

Notification Requirements

Notification will contain the following:

- a. Car Initial and Number.
- b. General Contents.
- c. Hold point, if other than billed destination.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 8 - NOTIFICATIONS

ITEM 1910

CARS HELD FOR SPECIAL PURPOSES

Notice of arrival shall be sent or given upon arrival of car at destination or hold point under the following conditions:

- When the consignee has not notified this railroad of the track upon which car should be placed, either by general or specific orders as to incoming freight at or prior to arrival of shipment.
- 2. Payment of lawful charges when required prior to delivery of the car.

ITEM 1920

CARS STOPPED IN TRANSIT

When cars are stopped in transit because of any condition solely attributable to the consignor, consignee, or owner, a notice shall be sent or given to the party ordering the car stopped upon arrival of cars at the point of stoppage.

ITEM 1930

REFUSED OR UNCLAIMED CARLOAD FREIGHT

Notice shall be sent or given to the consignor or agent when carload freight cannot be delivered by this railroad, or has been refused, and remains on hand at the expiration of three days (perishable), or five days (non-perishable) upon arrival of car at serving yard. If demurrage is applicable, no credits will apply.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 8 - NOTIFICATIONS

ITEM 1940

METHODS AND PROCEDURES FOR NOTIFICATION

Notification may be sent or given:

- 1. By personal or telephone communication (See Note 1).
- 2. By action of the consignee (See Note 2).
- 3. By delivery of cars to tracks serving consignee or consignor.

Note 1 - When consignor or consignee utilizes an electronic or mechanical device to accept messages (either in written or oral form), notification left on such device will be considered as having been given to consignor or consignee, as the case may be.

Note 2 - In all cases where any part of the contents of the car has been inspected or removed by the consignee prior to the sending or giving of notice, such inspection or removal shall constitute the required notification.

ITEM 1950

CUSTOMER TO NOTIFY MRL OF REFUSED LADING

When lading is refused at destination, the railroad shall be notified by the proper parties within 24 hours of arrival at industry track. Forwarding instructions will need to be provided for outbound movement. If not notified within 24 hours, railroad will have no liability for loss or damage of product.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 9 - LOSS AND DAMAGE

ITEM 2000

FREIGHT UNLOADED TO RELEASE EQUIPMENT

When carload freight is unloaded by this railroad for the purpose of releasing needed equipment or upon request of consignee or consignor, charges may be assessed to unload the car. Demurrage, hold and switching charges may apply.

ITEM 2005

FREIGHT DAMAGED IN TRANSIT BETWEEN STATIONS ON THE MRL

Shipments damaged in transit and refused by consignees will be returned to shippers free of any charges, provided that such damage is owing to causes for which the rail carriers are responsible. Routing for the return movement will be applicable only via the reverse of the route over which the inbound shipment is moved, except in the case of emergency routing orders; or, at MRL's option, shipment will be forwarded to a point on its line that offers the best facilities or opportunities for advantageous disposal.

ITEM 2010

LIMITED LIABILITY

Liability for loss or damage or delay to shipments transported by MRL is limited to \$10,000.00 per loaded car. If full liability for each car is desired, an additional charge of \$500.00 per loaded car will be assessed. When full liability is required, it must be so indicated on Bill of Lading. Railroad shall not be liable for any loss, damage or injury caused by an act of God, the public enemy, act of the Customer, a public authority, or inherent vice or nature of the goods. Railroad shall not be liable for any loss, damage or injury due to improper loading. Pursuant to 49 U.S.C.11706(e), all claims against Railroad must be brought within nine months and all civil actions against Railroad must be brought within two years.

Minimum customer claim for loss and damage is \$500.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 9 - LOSS AND DAMAGE

ITEM 2015

LIMITATION ON CLAIMS

Claims for loss hereunder may be submitted only by the rail services buyer.

Actual Placement: When a car is placed in an accessible position for loading or unloading or at a point designated by the consignor, consignee or party loading or unloading the car or as reasonably designated as an accessible placement location by the railroad. Also referred to as "placed" or "spotted".

Advice: a notification that contains details of a particular shipment.

Agent: Short for Freight Agent. A person, association or corporation authorized to publish and file rates and provisions for a carrier's account in tariffs published in the agent's name.

Appropriated: To set apart or authorize for some specific purpose or use.

Available Capacity / Capacity: The amount of space or feet available to accommodate rail cars in a specific location.

Bad Ordered Car: Car awaiting or undergoing repairs. A freight car loaded improperly, mechanically defective, or with safety violations.

Bill of Lading: or Shipping Instructions.

1. **Straight**: A non-negotiable document. Surrender of the original is not required upon delivery of the freight unless necessary to

identify consignee.

2. **Exchange**: Bill of lading given in exchange for another.

3. **Export**: Bill of lading given to cover a shipment consigned to some foreign country.

4. **Government**: Special form of bill of lading used in making shipments for the account of the United States Government.

BNSF: Burlington Northern Santa Fe Railway Company.

Bunching: An event where cars originating at the same point on several different dates, moving via the same route and consigned to one consignee at one point are grouped together and tendered for delivery by MRL in accumulated numbers.

Car Cycle Record: A demurrage record that contains starting and ending events for calculation of demurrage charges.

Car: see Rail Equipment ..

Car Order: When an industry orders specific cars for loading.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 10 - GLOSSARY OF TERMS

Car Order Date: The date for which customer requested Railroad Controlled Car for loading.

Carrier: Another name for a transportation company.

Chargeable Day: A twenty-four (24) hour period, or fraction thereof.

Chargeable Debit: The difference between the debits applied to a car minus any earned or allowed credits.

Clearance: Limiting dimensions of a rail shipment that allow it to clear tunnels and bridges.

Collect: In interline moves, the amount of transportation and other charges are paid at the point of termination of the final rail carrier.

Commodity: The contents in the equipment (loaded or empty) described on the forwarding instructions. The actual commodity corresponds to an associated STCC (See STCC).

Company Material: Material designated for railroad specific use.

Consignee: The party designated on the bill of lading as the consignee (i.e. the receiver or unloader).

Consignor: The party designated on the bill of lading as the consignor (i.e. Shipper).

Constructive Placement: When a car cannot be actually placed or delivered because of any condition attributable to the consignee, consignor, loader or unloader, such car will be held by MRL short of actual placement. Notice will be sent or given to the party entitled to receive notification that the car is held awaiting disposition instructions. Such cars which have been placed by MRL on tracks serving the consignee or consignor, will be considered constructively placed without notice.

Credit: A credit is a unit of value applied to each car to offset any accumulated demurrage charges. Credits cannot decrease accumulated demurrage charges per car to an amount less than \$0, nor can credits decrease the total monthly invoice computation to an amount less than \$0.

Customer Tracks: Tracks deemed to be those owned or leased by a customer.

Debit: A debit is unit of liability that is chargeable to a car for each demurrage day or fraction thereof.

Demurrage: The detention of a railcar which may lead to an assessment of charges.

Demurrage Day: 07:00 am to 06:59 am the following day or fraction thereof.

Destination: Station where rail movement terminates.

Disposition: Information, including forwarding instructions and/or release, which allows the railroad to either tender or release the car.

Diversion: An order to deliver a car to a location other than the original destination, given while the car is en route to the original destination.

Empty Release Information: Advice by unloader or consignee given to an authorized representative of MRL that a car is partially or completely unloaded and available to MRL.

Ending Event: The event in a car cycle record that closes the cycle and results in computation of time and applicable charges. This can vary based on car type (i.e. Railroad Controlled versus Private Car).

Forwarding Directions: The term "forwarding directions" means a bill of lading or other suitable order, given to this railroad and containing all of the necessary information to transport the shipment, which authorizes:

- 1. The immediate delivery of a car to a connecting line for further movement, or
- 2. The immediate forwarding of a car to a consignee at another location at the same station or to a consignee at another destination.

Instruction to move a car to railroad-controlled track to be held for "forwarding directions", whether furnished by the party loading the car or another party, or a bill of lading or an order consigning the car to the agent of this railroad, which has no beneficial interest in the lading, does not constitute "forwarding directions" under this section.

A bill of lading or other suitable order covering car(s) requiring clearance from all carriers in the routing will not constitute "forwarding directions" under this section until clearance is received from all carriers in the routing.

When "forwarding directions" are furnished covering line haul movement, this information must include the consignee, the destination, the commodity description, whether prepaid or collect, and full instructions relative to stop-offs.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 10 - GLOSSARY OF TERMS

Furnished: The act of supplying what is needed or required.

Hold Track: Tracks upon which cars may be held to await disposition of orders.

Idler Car: Usually a flat car used in the transportation of a long article or shipment which extends beyond the limits of the car carrying the shipment. The "idler" is a car on which the shipment or article does not rest, but overhangs.

Improperly Loaded: Loads not in conformity with railroad loading and clearance rules.

Industry: Customer place of business.

Industry Service Track: Tracks designated within an industry.

Industry Track: Any track designated to be owned or leased by a customer.

Interchange: The transfer of cars from one railroad to another at a common junction point.

Interchange Tracks: Exchange of railcars between connecting railroads at specified junction points and tracks.

Intra-Plant Switching: A switching movement of cars, loaded or empty, from one track to another track or between two points on the same track, within the same plant or industry without leaving the tracks of the same plant or industry.

Intra-Terminal Switching: A switching movement (other than intra-plant switching) from one track to another track of the same carrier, within the yard limits of Carrier's terminals at Helena, Missoula, Livingston, Laurel, and Billings.

Lading: Freight or cargo making up a shipment.

Lease Agreement: A legal document outlining the terms and conditions under which one party agrees to rent property from another party.

Leased Track: A track assigned to a customer through a written lease agreement and is considered private track for demurrage purposes.

Line Haul Movement: Movement of freight over tracks of a railroad from one station to another (not a switching service). Also known as road haul.

Loaded Hazardous Material Car: A loaded car that contains a commodity associated with a STCC of which the first two digits are 48 or 49.

Loader: Party physically loading the car

Loading Facility: Location necessary to load the desired commodity at origin and any support facilities.

MRL: Montana Rail Link, Inc.

MRL Yard Tracks: Tracks outside of the industry, owned or operated by MRL, other than mainline sidings.

Non-Qualifying Car Cycle: Cars identified by MRL that do not qualify for demurrage credits.

Notice/Notification: Arrival Notice or Notification. Notice furnished to the consignee of the arrival of freight.

Off-line Customer: Customer not located on BNSF / MRL tracks between Huntley, MT and Spokane, WA.

Order in Customer: A customer who, by prior arrangement, has notified MRL that cars shall not be placed, or considered to be placed, for loading or unloading, until MRL has received an order for placement from said customer. Until such order for placement is received, cars will be on constructive placement.

Order: See Car Order.

Origin: Station where rail movement begins.

Overload(ed): A shipment that exceeds clearance dimensions or weights.

Oversized Dimensions or Weight: A loaded car on which the load height is more than 17 feet above top of rail, width is more than 11 feet at any point, or the load extends beyond the end sills of car. 128,000 lbs. on a 4 axle car, 480,000 lbs. on an 8 axle car or a 12 axle or greater car are also considered oversized as they may require clearance and typically need empty buffer cars for weight distribution.

Placed: When the car is actually spotted in the industry by the railroad, or to the Industry service track.

Prepaid: In interline moves, the amount of transportation and other charges are paid at the point of origin of the first rail carrier.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 10 - GLOSSARY OF TERMS

Pre-Release: A notification given to MRL, by a customer, advising car will be ready for movement in a set amount of time. A pre-release does not constitute a release for demurrage purposes.

Private Car: A car which is not a railroad owned or controlled car.

Private Track: Any track which is not owned or leased by a railroad.

Public Delivery Track: Any track designated by MRL for use by the general public for loading and unloading (i.e. Team Track).

Qualifying Car Cycle: Cars identified by MRL that will qualify for demurrage credits.

Rail Equipment: Equipment used in the transportation of goods between points on a rail network, including, but not limited to, locomotives and "Car(s)" which is equipment under ownership or control of MRL, another carrier, or leased/owned by a private party.

Railroad Controlled Car: A car owned or controlled by a railroad including those bearing other than railroad reporting marks provided to a railroad directly by car companies or others for use by a railroad in serving any of its customers.

Railroad-Controlled Tracks: Any track designated by MRL not defined as a leased track or private track.

Railroad Premises: The term "Railroad Premises" refers to all tracks which this railroad provides for its own use and purpose or for general public use, and all other tracks located inside of its right-of-way or yards and terminals, except tracks located on or within the confines of property owned or leased by an industry.

Receiving Party: Person accepting delivery of a railcar.

Reconsignment: A request to bill a car to an entity at the original destination other than the original consignee.

Rejected / Refused Car: A car that is furnished but is not suitable for loading or unloading.

Release: the term "release" means the notification received from loader or unloader that loading or unloading of a car has been completed and the car is available for movement and forwarding directions have been received, if applicable, or notification of a refused or rejected car.

Reshipped/Reshipment: is the making of a new contract by which, under a new rate, the entire original lading, without being unloaded, is forwarded in the same car to another destination, or another place of delivery at the same destination, which requires a movement beyond the confines of the industry or the public delivery yard where the car has been originally delivered.

Run-around(s): The term used to describe when cars are not spotted in the order in which they arrived the serving yard.

Right-of-way: Roadway property owned by a railroad over which tracks have been laid.

Serving Yard: The MRL station that provides the personnel that is responsible for placement and removal of railcars to or from customer facility.

Shipper: Person, party or legal entity shipping the equipment from origin, usually the person sending the forwarding instructions (see Consignor).

Spot/Spotted: Position a car in a designated position or location usually for loading or unloading. This is usually at a customer location.

Spot on Arrival Customer: A customer who, by prior arrangement has notified MRL that cars arriving serving yard shall be placed for loading or unloading when there is available capacity at their facility. If capacity is not available, cars will be on constructive placement.

STCC: Standard Transportation Commodity Code.

Starting Event: The event in the car cycle record that initiates demurrage charges. This can vary based on car type (i.e. Railroad Controlled versus Private Car).

Station: A place designated in the timetable by name.

Stop-off: A location between origin and destination at which a car stops to complete loading or to partially unload.

Storage: A charge assessed on shipments held on MRL tracks.

Storage Track: Auxiliary track used for storage.

Switching: Movement of freight cars between two close locations. Typically involves moving cars within a yard or from specific industry locations to a yard for placement on a train or vice versa.

PART 6 DEMURRAGE RULES AND CHARGES SECTION 10 - GLOSSARY OF TERMS

Switching Boundaries: Is a predefined group of stations within a servicing terminal, where rail service is performed and charges between the locations are the same.

Switching Limits: Boundaries within which switching rules apply.

Team Track: Any track designated by MRL for use by the general public for loading and unloading (i.e. Public Delivery Track).

Terminal: Railroad facility used for handling freight and the receiving, classifying, assembling and dispatching of trains.

Time: Local time applicable.

UMLER: Uniform Machine Language Equipment Register.

Unloader: Party physically unloading a car.

Unloading Facility: Location necessary to unload the desired commodity and any support facilities.

Waybill: A shipping document prepared by a carrier at the point of origin showing the point of origin, destination, route, shipper, consignee, description of shipment, weight, charges and other data necessary to rate, ship and settle.

Yard Tracks: System of tracks with defined local boundaries, which provides for the making up of trains, storing of cars and other related functions.

PART 7 MISCELLANEOUS CHARGES AND OTHER ITEMS SECTION 1 – MISCELLANEOUS ITEMS

ITEM 2030

DISTRESSED AND DERAILED SHIPMENTS

Distressed and Derailed Shipments: When a shipment leaks, spills, derails, is overloaded, overweight, imbalanced or otherwise distressed, MRL reserves the right in its discretion to determine the appropriate handling and disposition of the lading and any materials associated therewith.

ITEM 2035

CLEANING AND DISINFECTING CARS

When MRL is required to disinfect or clean a box car under State, Federal, County or Municipal regulations, a charge of \$500.00 will be assessed against the freight payor of the shipment for which such cleaning and disinfecting is made. This charge will be in addition to any applicable charges for fumigations.

ITEM 2037

RAILCARS WITH PRODUCT RESIDUE

For empty or loaded railcars, customers have the responsibility to clean lading residue from the wheels and exterior and to ensure the railcar is in proper mechanical condition to move, including proper sealing to prevent leakage. If car is found to be non-compliant, a charge of \$500.00 for the first occurrence, \$1,500.00 for the second occurrence and \$3,000.00 per car for the third and each subsequent occurrence in a 12-month period will be assessed to the customer to cover switching and associated charges.

If a car is identified as unfit for movement and the customer fails to have the car adequately cleaned within seven days, the actual costs incurred by MRL to remove and dispose of the lading residue and debris will be assessed to the customer in addition to the charges described above.

When MRL is required to disinfect or clean a box car under State, Federal, County or Municipal regulations, a charge of \$500.00 will be assessed against the freight payor of the shipment for which such cleaning and disinfecting is made. This charge will be in addition to any applicable charges for fumigations.

PART 7 MISCELLANEOUS CHARGES AND OTHER ITEMS SECTION 1 – MISCELLANEOUS ITEMS

ITEM 2040

FAILURE TO COMPLETE UNLOADING OF RAILCAR(S)

Consignee, upon arrival and placement of railcars for unloading, is responsible to unload equipment in a manner which does not damage equipment and releasing equipment in a condition suitable for reloading by another shipper. A consignee that refuses or fails to remove all lading, dunnage, blocking, bracing, strapping, debris or other material that was part of the inbound shipment or refuses or fails to secure loading devices and close doors will be subject to a \$500.00 per car penalty charge plus actual cost incurred by MRL to remedy noncompliance with this item.

ITEM 2045

CHARGES ON HEAVY DUTY CARS

Any heavy-duty car that is held on MRL tracks, including team tracks is subject to an additional \$250.00 per day charge that will run concurrent with the applicable per day demurrage charge.

Heavy duty cars are defined as QTTX, KRL, LNAC and ALT marked railcars with load limits in excess of 200,000 lbs. and any commercial rail-controlled cars with load limits in excess of 240,000 lbs. Cars carrying commodities with the following STCCs are excluded: 3511203, 3511207, 3511208 and 3511209.

ITEM 2050

CHARGES ON OVERSIZED DIMENSIONS OR WEIGHT

Cars of oversized dimensions or weight which can only be handled subject to restrictions when accompanied by representatives of MRL will be subject to any additional charges over and above the freight charges based on actual costs incurred by MRL for services required to be performed over and above normal handling required to accompany the load for safety reasons. Charges will be assessed to and are the responsibility of the Shipper identified on the applicable bill of lading.

PART 7 MISCELLANEOUS CHARGES AND OTHER ITEMS SECTION 1 – MISCELLANEOUS ITEMS

ITEM 2150

COLLECTIONS

In the event the Rail Customer fails to pay any undisputed invoiced charges within the credit period and fails to provide adequate documentation to dispute the charges within the credit terms, MRL will apply a finance charge on all delinquent invoices. The finance charge will be the highest rate allowed by law. (See the Invoice Disputes Section in Item 2155.)

ITEM 2155

INVOICE DISPUTES

A Rail Customer contesting a charge as erroneous shall pay the amount the Rail Customer believes is correct and provide a written explanation to MRL, either by hard copy or by email, within 30 days of invoice date. Rail Customer shall return the invoice and proposed corrections (to the stated address) within the MRL credit period or applicable contract terms.

Finance charges will apply on non-disputed delinquent invoices. The Shipper and receiver accept liability for price authority charges and any other applicable charges jointly and severally by tendering the shipment and/or accepting delivery.