ST. PAUL & PACIFIC NORTHWEST RAILROAD COMPANY, LLC

FREIGHT TARIFF STPP 8000 (NEW)

NAMING
RULES, CHARGES AND REGULATIONS
GOVERNING SWITCHING
ALSO
MISCELLANEOUS RULES AND CHARGES
FROM TO AND WITHIN

FROM, TO, AND WITHIN
STATIONS
OPERATED BY

AND FOR ACCOUNT

ST. PAUL & PACIFIC NORTHWEST RAILROAD COMPANY, LLC

LOCAL TARIFF

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

ISSUED: December ____, 2018 EFFECTIVE: December 31, 2018

ISSUED BY

D. J. Fellon, President Progressive Rail Inc. 21778 Highview Ave. Lakeville, MN 55044

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RULES AND OTHER GOVERNING PROVISIONS RULES AND REGULATIONS-GENERAL

ITEM 10

DESCRIPTION OF GOVERNING CLASSIFICATION

The term "Unification Freight Classification" when used herein means Uniform Freight Classification 6000-series

ITEM 20

STATION LISTS AND CONDITIONS

This publication is governed by the Official Railroad Station List, OPSL 6000-series, issued by RAILINC, Agent.

ITEM 30

CAPACITIES AND DIMENSIONS OF CARS

For marked capacities, lengths, dimensions, and cubical capacities of freight cars, see Official Railway Equipment Register, RER 6414-series, R.E.R. Publishing Corporation, Agent.

ITEM 40

REFERENCE TO TARIFFS, ITEMS, NOTES, RULES,

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

ITEM 50

HAZARDOUS FREIGHT

Shipments of hazardous freight under this tariff are subject to regulations of the U.S. Department of Transportation as shown in Bureau of Explosives, STB BOE 6000-series, C. Keller, Agent.

ITEM 60

METHOD OF CANCELLING ITEMS

As this tariff is supplemented, numbered items with lettered suffixes cancel correspondingly numbered items in the original tariff or in a prior supplement. Letter suffixes will be used in alphabetical sequences starting with A. For example: Item 100-A cancels Item 100 and Item 200-B cancels Item 200-A in a prior supplement, which in turn cancelled Item 200.

RULES AND OTHER GOVERNING PROVISIONS RULES AND REGULATIONS-UNLIMITED

ITEM 100

LIMITATIONS

All cars delivered to STPP are received only upon the condition that there is room for them upon the tracks to which they are consigned, and the cars are subject to delays incident in switching and unavoidable causes.

Cars with bulged sides, excessive dimensions, or leaning cars that can not be placed where consigned because of sharp curves or danger of striking structures, will be placed upon the nearest acceptable track for loading and/or unloading.

ITEM 110

COLLECTION OF CHARGES

All charges are due in US currency within 15 days of invoice date. All invoices are subject to a 1.5% per month finance charge if unpaid within 30 days from the date of invoice. In the event of a dispute, shippers shall provide written notice within 30 days from the date of the bill, specifying the bill number and the basis for the dispute. Customers responsible for original charges shall also be responsible for all additional collection costs, including attorney fees and court costs, if STPP is required to collect in this manner. STPP may at its sole discretion require prepayment of services.

Customers may remit charges to STPP via electronic methods; however customer shall bear all related charges assessed by customer's financial institutions. Electronic remittances will be made in conformance with instructions provided by STPP.

Customers will be assessed a \$30.00 service charge or the maximum allowed by law on all checks returned unpaid by customer's financial institution for non-sufficient or uncollected funds. Additionally interest charges, as described in this item, will be assessed if returned check results in charges collected by STPP outside of credit terms.

STPP shall not accept responsibility for failure by customer to provide purchase order numbers or similar customer internal documentation authorizing STPP to provide services. STPP shall attempt to provide customer with information used in customer's internal accounting processes but inability to provide requested information or the inability to comply with customer's internal documentation procedures will in no way remove customer's obligation to pay charges within credit terms assessed pursuant to applicable tariffs or contracts.

RULES AND OTHER GOVERNING PROVISIONS RULES AND REGULATIONS-UNLIMITED

ITEM 120

MILEAGE ALLOWANCE

When loaded or empty private cars are handled by STPP, mileage payments will not be allowed except by written agreement. When railroad loaded or empty cars are handled by STPP in switching service consigned to customers located within a switching district, mileage payments will not be allowed.

ITEM 140

RELEASE OF OPEN TOP LOADS

Customers must arrange with STPP for an inspection of shiftable, open-top loads prior to their release.

ITEM 145

ORDERING CARS

Customers shall order from STPP all cars desired for loading on tracks of STPP or industry tracks connected to STPP and should specify class of car, lading, weight, destination, route, and want date. At its sole discretion, STPP may require car orders to be submitted by customers via an approved electronic method supported by STPP. If a customer is required to submit car orders by an approved electronic method, a charge of \$20.00 will be assessed for each manual or facsimile submission. This charge will be assessed to the car ordering party. Car orders submitted by telephone will not be accepted.

ITEM 150

CARS ORDERED BUT NOT USED

When, on behalf of a customer, STPP orders a car from a foreign carrier for loading and customer refuses or rejects the car for reasons other than car is unfit for loading, a charge equal to the supplying carrier's car cancellation charge plus 5 percent will be assessed to the customer ordering the car from STPP.

Additionally when a car has been switched or placed by STPP and customer subsequently rejects the car for reasons other than the car is unfit for loading, a switching charge of \$150.00 will be assessed to the customer ordering the car from STPP or a foreign carrier.

Demurrage rules, charges, and regulations will apply to rejected cars in the same manner as other cars as published in STPP 6004-series.

RULES AND OTHER GOVERNING PROVISIONS RULES AND REGULATIONS-UNLIMITED

ITEM 160

CARS ORDERED BUT NOT USED IN SUPPLYING CARRIER LINEHAUL

When, on behalf of a customer, STPP orders a car from a foreign carrier for loading and customer loads and routes the car in such a manner that the supplying carrier is not in the linehaul, a charge equal to the supplying carrier's car offline use charge plus 5 percent will be assessed to the customer ordering the car from STPP.

ITEM 170

INTERCHANGE ERROR MOVEMENTS

When empty or loaded cars are received from a foreign carrier without proper forwarding paperwork, the cars will be returned to the delivering carrier or forwarded to the proper carrier, within the same switching district, at a charge of \$440.00 per car. Charge for this service will be assessed against the carrier delivering the cars to STPP. Bad order cars set out on STPP tracks for repair by foreign carrier's repair crews will be considered cars without proper forwarding paperwork for the purpose of this item.

STPP shall not be liable for any setback, switching, or linehaul charges assessed another carrier resulting from billing errors by a customer or by a carrier which is not affiliated with STPP.

SECTION 1 MISCELLANEOUS RULES AND CHARGES

ITEM 1010

CHARGES FOR MOVEMENT OF REVENUE EMPTY CARS

A charge of \$1.10 a mile will be assessed for transportation of empty freight cars moving on their own wheels, minimum charge \$300.00 per car.

Exception 1 - This item will not apply to empty cars that are consigned to customers on STPP lines for the purpose of loading.

Exception 2 - This item will not apply to empty cars received in line haul movements from another railroad with which the STPP has an agreement covering charges for empty equipment.

ITEM 1020

LOADS REQUIRING CLEARING OF ADJACENT TRACKS

Loads that because of excessive width or length require clearing tracks adjacent to the track on which said load moves will be assessed a charge of \$300.00 for each track cleared.

ITEM 1030

IDLER OR TRAILER CARS

Idler or trailer cars may be required by the engineering and/ or operating departments of STPP, if in their judgment an idler or trailer car is required for safe operation.

Idler or trailer cars will be subject to the same charges, rules, and regulations as are applied to loaded cars.

ITEM 1040

ARTICULATED CARS

Each unit of articulated cars, loaded or empty, will be subject to all rules, regulations, and charges as applied to a single railcar.

SECTION 1 MISCELLANEOUS RULES AND CHARGES

ITEM 1050

SPECIAL TRAIN SERVICE

Cars loaded to excessive height, underhang, width, length, weight, center of gravity, or any combination of these that in the judgment of the engineering and/or operating departments of STPP require excessive special handling for safe movement will be handled in special train service. Special trains are at the sole discretion and operational convenience of STPP. Other cars not requiring special service may, for carrier convenience, be handled by STPP in special trains. Said cars will not accrue additional charges.

Special train charges are \$90.00 per mile with a minimum charge of \$5,500.00 in addition to freight and other applicable charges and will be charged to the customer requesting the special train. Special train charges must be prepaid unless agreed otherwise by previous agreement.

Circus, carnival, excursion, and other similar trains will only be handled pursuant to previous agreement.

ITEM 1060

FAILURE TO STOW LOAD SECUREMENT DEVICES

When a customer releases empty cars for movement from industry or team tracks and doors, hatches, chains, cables, or other similar devices are not properly secured, and must be secured by STPP employees for safe movement, a charge of \$150.00 per car will be assessed to the customer that released the car for movement.

This item does not apply when said devices, because of mechanical defect, cannot be operated as designed, provided that STPP has been informed of the defect at or prior to the release of the car.

This item will not obligate STPP to stow load securement devices. STPP may, at its sole discretion, consider the car or track inaccessible if load securement devices are not properly stowed or secured.

Loaded cars and hazardous materials cars will not be moved unless all load securement devices are properly secured by customer.

ITEM 1070

REMOVAL OF SWITCH STANDS

Loads that because of excessive width or length require the removal of switch stands, signals, or signs will be assessed a charge of \$975.00 for each switch stand, signal, or sign removed.

This item will also be applicable for removal of switch stands, signals, or signs for customer purposes other than clearing loads.

SECTION 1 MISCELLANEOUS RULES AND CHARGES

ITEM 1080

RELOADING EQUIPMENT

Customers may not reload cars made empty by them without first obtaining permission from STPP.

Exception: This item will not be applicable to private cars that the customer owns or leases.

ITEM 1090

FACILITIES CHARGES

STPP may from time to time, at its sole discretion, make available its own tracks, warehouses, sites, and other similar facilities available for customers to load or unload cars, store empty or loaded cars, or store product. The charges for use of these facilities are in addition to any freight or accessorial charges described in this or any other tariff and charges will be assessed pursuant to the applicable tariff or to previous agreement.

ITEM 1100

CARS LOADED IN VIOLATION OF CAR DISTRIBUTION ORDERS

A charge of \$575.00 per car will be assessed against the industry and/or carrier who violates the car distribution orders on file with UMLER placed on STPP owned or leased cars. This charge will be assessed for each occurrence and will be in addition to all other applicable charges.

ITEM 1110

FOREIGN CARS LEASED BY ONLINE CUSTOMERS

Customers must immediately inform STPP of cars leased from a foreign railroad for the customer's exclusive use.

When online customers of STPP lease foreign railroad cars for their exclusive use, hourly payments will not be allowed.

ITEM 1120

DEMURRAGE

All cars handled under this tariff will be subject to the demurrage rules, charges, and regulations published in STPP 6004-series.

SECTION 1 MISCELLANEOUS RULES AND CHARGES

ITEM 1130

SUBMITTING SHIPPING INSTRUCTIONS

Shipping instructions for loaded or empty cars will be submitted by customers via an approved electronic method supported by STPP. Approved methods include EDI 404 or electronic Bill of Lading provided by Shipper Connect. A charge of \$20.00 will be assessed for each manual or facsimile submission. This charge will be assessed to the payer of freight regardless of party submitting the shipping instructions. Shipping instructions submitted by telephone will not be accepted.

ITEM 1135

SWITCHING ORDERS

Instructions for the release or requests for placements of loaded or empty cars or other similar events will be submitted by customers via electronic method supported by STPP. Approved methods include EDI 404 or electronic messaging provided by STPP Internet accessed software. A charge of \$20.00 will be assessed for each manual or facsimile submission. This charge will be assessed to the customer located on STPP. Switching orders submitted by telephone will not be accepted.

ITEM 1140

FURNISHING HEAT FOR UNLOADING SHIPMENTS IN TANK CARS

STPP will furnish steam to heat freight in tank cars equipped with heater coils at points on STPP track where arrangements have been made in advance and where steam boilers are available at a charge of \$1,000.00 per day or portion thereof. In addition to this charge, intraterminal switch charges pursuant to Item 2050 herein will apply.

If more than one heating service is required, charges referred to above will apply for each separate movement of the car and heating service.

ITEM 1150

STORAGE OF RAIL CARS

To reduce charges which would otherwise apply, customers may, subject to track availability and at STPP's discretion, negotiate a rail car agreement with STPP for storage of rail cars on STPP trackage. Such agreements will entitle the customer to store a specified number of rail cars at a designated storage location at an applicable storage rate in lieu of demurrage charges pursuant to Tariff STPP 6004-series.

SECTION 1 MISCELLANEOUS RULES AND CHARGES

ITEM 1160

TEAM TRACK USAGE

Existing team track service, including loading/unloading platforms and other non-exclusive STPP facilities, are available for use by shippers for non-hazardous commodities only on a shared usage basis at the sole cost, risk, and expense of customers using such facilities. By using such facilities, customers agree to indemnify, defend and hold harmless STPP from all claims, costs, and expenses and to assume all risk, responsibility liability for death, personal injury, or property damage arising from, related to, or caused by, in whole or in part, the use of such facilities.

ITEM 1170

CARS REQUIRED TO BE SWITCHED FROM TRAINS

When cars released empty or loaded by a customer that have been subsequently built into a STPP train for delivery to a connecting carrier but must be switched out of the train account refusal of connecting carrier to accept the cars in interchange, a charge of \$300.00 per car will be assessed to the customer.

This item will be applicable to cars that will not be accepted in interchange by connecting carriers for reasons not attributable to either the STPP or connecting carriers. Such reasons include but are not limited to: car subject to embargo, customer lacks credit with connecting carrier, shipping instructions on car not properly submitted or have been canceled by customer, private car is over age, private car not listed properly in UMLER, or for any other cause under the control of the customer.

ITEM 1180

CARS DELIVERED TO CONNECTING CARRIERS AND SUBSEQUENTLY REQUESTED RETURNED BY CUSTOMER

When cars are released empty or loaded by a customer and are interchanged by STPP to a connecting carrier and are subsequently requested to be returned by customer, a charge equal to the connecting carrier's error return charge plus \$100.00 will be assessed to the customer requesting the car to be returned.

This service will only be available if connecting carrier is able to return the car. Requests for cars to be returned must be made in writing on the form supplied to customer by STPP.

SECTION 2 SWITCHING RULES AND CHARGES

ITEM 2000

SPECIAL SWITCHING OR UNSCHEDULED TRAIN SERVICE

Special switching or unscheduled train service requiring assignment of a locomotive and crew to supplement regularly scheduled switching or train service will be performed only on a customer's request submitted 24 hours in advance. A charge of \$2,500.00 for the first 8 hours or fraction thereof and \$337.50 for each additional hour or fraction thereof will be assessed. A charge of \$400.00 will be assessed for each additional locomotive required. This charge will not apply to additional locomotives that are required to replace locomotives originally assigned due to mechanical defects, track restrictions, carrier convenience, etc. These charges are in addition to other applicable transportation and accessorial charges. Hours will be computed from the time the locomotive and crew are on duty until the special switching service has been performed and the locomotive and crew have returned to the point where they began duty (including convenience of STPP).

Special switching or unscheduled train service is subject to the availability of STPP personnel and equipment.

ITEM 2010

SWITCHING EQUIPMENT BETWEEN INDUSTRY AND STPP FACILITY

When customer owned or controlled cars or locomotives are switched by STPP between industry and a facility for purposes of repairs, a charge of \$300.00 per car will be assessed to customer.

ITEM 2040

INTRA-PLANT SWITCHING

A charge of \$300.00 per car will be assessed for each movement of cars that have been placed for loading or unloading and subsequently switched at the request of a customer from one location to another location on the same track or from one track to another track within the same industry. Such charges will be assessed against the customer requesting the switch. Intra-plant switching is at the convenience of STPP and will be performed during the normal course of operations.

Exception: This item will not be applicable when such movement is incidental and necessary in connection with the removal or placement of other loaded or empty cars.

SECTION 2 SWITCHING RULES AND CHARGES

ITEM 2050

INTRA-TERMINAL SWITCHING

A charge of \$350.00 per car will be assessed for each movement of cars that have been placed for storage, loading or unloading and subsequently switched at the request of a customer from one track to another track within the switching limits of a single station. Such charges will be assessed against the customer requesting the switch. Intra-terminal switching is at the convenience of STPP and will be performed during the normal course of operations.

ITEM 2060

INTER-TERMINAL SWITCHING

A charge of \$400.00 per car will be assessed for each movement of cars that have arrived at a station for placement and subsequently switched at the request of a customer from one station to another station. Such charges will be assessed against the customer requesting the switch. Inter-terminal switching is at the convenience of STPP and will be performed during the normal course of operations.

ITEM 2070

SWITCH ORDERED BUT UNABLE TO BE PERFORMED

When a switch is ordered but is unable to be performed by STPP because of a customer condition, a charge of \$300.00 per car will be assessed to the customer requesting the switch.

Customer conditions that may render a switch unable to be performed include but are not limited to: car not loaded/ unloaded as indicated on release, load securement devices not properly stowed, unsafe customer track condition, car damaged by customer, presence of customer placed blue flag, red board or similar signage, locked gates/doors, track full, or any other condition for which STPP has no control.

This item will be applicable to any of the following switch orders: release load, release empty, intra-plant, intra-terminal, inter-terminal, turn car, placement requests, or any other similar switching request.

EXPLANATION OF ABBREVIATIONS AND SECTION 2 REFERENCE MARKS **SWITCHING RULES AND CHARGES ITEM 2080 ITEM 99999 TURN CAR SWITCHING EXPLANATION OF ABBREVIATIONS** AND REFERENCE MARKS (1) A charge equal to the intra-terminal switching rate per loaded or empty car will be assessed to the customer ordering a car turned. Turn car switching will be in AAR Association of American Railroads addition to any other switching charges. If the car ordered BOE Bureau of Explosives to be turned is not at a station where turning facilities are Code of Federal Regulations CFR available and must be moved out of route, then an EDI Electronic Data Interchange additional inter-terminal switching charge will apply. et cetera Etc. Freight Tariff FT Washington Turn car switching will only be performed where facilities WA are available and is at the convenience of STPP and shall OPSI Official Railroad Station List, RAILINC, Agent be performed during the normal course of operations. RER Official Railway Equipment Register (R.E.R. Publishing Corporation, Agent) STPP St. t. Paul & Pacific Northwest Railroad Company, LLC Surface Transportation Board STB UMLER -Universal Machine Language Equipment Register U.S. United States of America [A] Addition [C] Cancelled [I] Increase [R] Reduction [NC] Brought forward without change (Underscored portion denotes addition change.) (1) The two character state abbreviations used in this tariff are those adopted by the postal departments of the United States and Canada.