

Arkansas Southern Railroad Company
www.watcocompanies.com



**DEMURRAGE, STORAGE AND ACCESSORIAL
TARIFF ARS 7001-C**

(Cancels and Supersedes ARS 7001-B)

**CONTAINING DEMURRAGE AND STORAGE CHARGES
SWITCHING AND MISCELLANEOUS RAILROAD CHARGES
APPLYING AT ALL POINTS ON THE ARS**

**FOR GENERAL RULES & CONDITIONS OF CARRIAGE
SEE TARIFF WTS 9011-SERIES**

APPLICABLE ON EXPORT, IMPORT, INTERSTATE AND INTRASTATE TRAFFIC

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ISSUED BY:

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ITEM 0.05 REFERENCE TO TARIFFS, ITEMS, NOTES, RULES, ETC.

This publication is now available on the Internet for viewing or sending directly to your printer. ARS Home Page address is <http://www.watcocompanies.com>. All customers shipping with the ARS should review the publications posted on the Website before tendering freight to or from any of the railroads as revisions to the publications will be made from time to time by supplement or reissuing the publications in their entirety.

From the Home Page click the 'Railroads' link, then choose the option called 'Forms & Policies' for the railroad carrier being inquired; this option house the publication necessary for understanding how to do business with the ARS.

If you are not equipped to obtain a copy of this publication from the WATCO web site, a hard copy will be mailed to you, provided you furnish, to the address shown below, a formal written request for a printed copy. This formal request is required on an annual basis in accordance with the Surface Transportation Board's policy decision under Ex Parte 528, Disclosure, Publication and Notice of Change of Rates and Other Service Terms for Rail Common Carriage. **An annual \$100.00 subscription fee will be assessed for those who wish to receive a hard copy.**

Watco Transportation Services
Attn: Marketing Administration
315 West 3rd Street
Pittsburg, KS 66762

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 0.10 CONSECUTIVE NUMBERS

Where consecutive numbers are represented in this tariff by the first and last numbers connected by the word "to" or a hyphen, they will be understood to include both of the numbers shown.

ITEM 0.20 CHANGE IN PROVISION(S)

ARS reserves the right at any time to change the provisions of this publication; provided, however, any such change shall be effective only with regard to any transportation services provided under the publication for freight tendered after the effective date of the changes. ARS will make available on its web site this publication in the latest amended form. Shipper should review this publication before tendering freight to ARS. Revisions to this publication will be made from time to time by reissuing the publication in its entirety.

ITEM 0.25 CHARGES HEREIN SUBJECT TO INCREASE

Charges published herein are subject to increase by republication.

ITEM 0.30 CURRENCY

Charges published herein are stated in United States Dollars.

ITEM 0.35 TRANSPORTATION

Carrier agrees to transport shipments with reasonable dispatch. Carrier does not guarantee rail service within any particular time frame. Bunching and Run Around will not be considered railroad error and no allowance will be made.

ITEM 10 **GLOSSARY OF TERMS**

ACTUAL PLACEMENT: When a car is placed in an accessible position for loading or unloading, or at a point designated by the consignor or consignee or party loading or unloading the car.

ASSIGNED CARS: The assignment of cars to a given shipper at a specific location as defined in Car Service Rule 16 and Car Hire Rule 22 as published in the Official Railway Equipment Register.

ASSIGNEE: A shipper who has requested and has been assigned specific cars.

AVERAGE AGREEMENT: A written agreement between ARS and the party responsible for demurrage or storage charges providing for an offset of car detention debits with credits on a monthly basis.

BROKER: An agent or intermediary negotiating the buying or selling contents of car, other than consignor or consignee.

BUNCHING: The accumulation of cars for loading or unloading shipped on different days.

CALENDAR MONTH: Defined as 7:01 AM from the first day of one calendar month through 7:01 AM of the first day of the following calendar month.

CALENDAR YEAR: Defined as 7:01 AM January 1st of one year through 7:01 AM January 1st of the following calendar year.

CAR ORDER WANT DATE: The date for which customer requested car for loading.

CHARGEABLE DAY: A twenty-four (24) hours period or fraction thereof for which a charge assessed pursuant to this Tariff can be assessed.

CHARGEABLE DEBIT: Chargeable debits are the difference between the debits applied to a car minus any applicable credits.

CLOSING EVENT: The event in a car cycle that closes the cycle and results in computation of time and charges.

CONSIGNEE: The party designated on the bill of lading as the entity entitled to receive delivery of the car from the carrier.

CONSIGNOR: The party designated on the bill of lading as the entity which has caused the car to be consigned into transportation.

CONSTRUCTIVE PLACEMENT: When a car, including order notify and in-bond shipments, cannot be actually placed or delivered because of any condition attributable to the consignee, consignor, loader or unloader, such car will: (a) be held on ARS tracks and notice will be sent or given to the party entitled to receive notification that the car is held awaiting disposition instructions; (b) have been placed by ARS on private or other than public delivery tracks, including lead tracks serving the consignee, consignor, loader or unloader, will be considered constructively placed without notice.

CONSTRUCTIVE PLACEMENT TIME: The time from constructive placement until a car is actually placed.

CREDIT: Offset of a chargeable day. Credits can be earned only on those cars released from demurrage. Demurrage day must occur to earn a credit.

DEBIT: See description of term for Demurrage Day.

DEMURRAGE DAY: A twenty-four (24) hour period, or fraction thereof, commencing at the first 7:01 AM after tender, as defined in this Item, may also be referred to as "Debit."

DESTINATION: Billing destination, or if such destination is serviced by a terminal yard, then such terminal yard will be considered as the destination.

DISPOSITION: Information, including forwarding instructions and/or release, which allows the railroad to either Tender, as defined in this Item, or release the car from the consignor's, consignee's, loader's, or unloader's account.

DIVERSION: An order from the consignor or consignee to deliver car(s) to other than the original billed destination.

EMPTY CARS ORDERED AND NOT USED: Empty cars ordered, placed or constructively placed for loading and not used in transportation service.

EMPTY RELEASE INFORMATION: Advice from consignee and/or unloader, given to authorized personnel of ARS, electronically or in writing, that car is unloaded and available to ARS. Information given must include identity of consignee, and/or unloader, party furnishing the data, car initial, number, date and time. Release will be effective on date and time advice is received by ARS.

FORWARDING INSTRUCTIONS: A bill of lading, or other suitable instructions, given to authorized personnel of ARS, electronically via EDI billing, via email to Dataentry@watcocompanies.com or in writing via fax to 1-866-413-5160 (**for fees on faxes, please review WTS 9011-Series**) that contains all of the necessary information which allows for the immediate movement by ARS.

Advice received by ARS to move a car from a shipper's loading or storage track to ARS' yard or hold track to be held for "forwarding instructions", whether furnished by the party loading car or another party, or a bill of lading or an order consigning the car to an Agent of ARS which has no beneficial interest in the lading, does not constitute "forwarding instructions" or a release from demurrage.

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

IDLER CAR: An empty car used to protect overhanging loads, or used between cars loaded with long material.

INDUSTRIAL INTERCHANGE TRACK: Designated delivery or receipt track or tracks for the exchange of cars between carrier and industry performing their own switching including switch line acting as Agent for Industry.

INDUSTRY TIME: The time from actual placement or placement to team tracks until release and receipt of forwarding instructions, if applicable. The time from interchange receipt of a loaded car or a loaded private car released and held on railroad controlled tracks until forwarding instructions are received.

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 switching limits of one station or industrial switching district.

LEASED TRACK: A track leased to a user through a written lease agreement and is considered the same as a private track for demurrage purposes.

LOADER: Party physically loading the car.

LOADING: The complete or partial loading of a car in conformity with ARS loading and clearance rules, advice that the car is available for movement, and the furnishing of forwarding instructions.

NOTIFICATION: When required, notification will be furnished either electronically, in writing to all parties entitled to receive notification.

ORDER IN CUSTOMER: A customer who, by prior arrangement, has notified ARS that cars shall not be placed, or considered to be placed, for loading or unloading, until ARS has received an order for placement from said customer.

ORDER IN: In order for a car on constructive placement to be spotted at a customer's facility, the party entitled to receive the car must order the car for placement.

OTHER THAN PUBLIC DELIVERY TRACK: Any trackage assigned for individual use, including privately owned or leased track.

PARTIAL UNLOADING: The partial unloading of a car and the furnishing of forwarding instructions.

PRIVATE CAR: A car which is not owned or leased by a railroad.

PRIVATE TRACK: Any track not owned or leased by a railroad.

PUBLIC DELIVERY TRACK: Any track for use by the general public for loading and unloading (i.e. Team Track).

RAILROAD CONTROLLED CAR: Any car other than a private car.

RECONSIGNMENT: Any order from the consignor to bill a car to other than the original destination. (An order to turn over the car to another party, that does not require an additional movement of the car, is not a reconsignment).

REFUSED LOADED CAR: An original loaded car refused at destination without being unloaded.

RELEASE: The notification received from loader or unloader that loading or unloading of a car has been completed and car is available for movement and forwarding instructions have been received, if applicable. Date and time that ARS receives forwarding instructions and advice that a car is available for movement and from non-credit customers, upon payment of any charge due. Cars placed on industrial interchange tracks of a industry doing it's own switching, including those tracks of an industrial switch line acting as Agent of industry, will be removed from track and considered received and held for disposition as provided in this Tariff. Cars found to be improperly loaded at origin will not be considered released until the load has been properly adjusted and clearance has been obtained. When a car is unloaded and then reloaded, empty release information must be furnished. If not furnished, demurrage will be continuous until forwarding instructions are received. Loaded or empty or private cars released and pulled from private tracks, which must first be held on railroad track awaiting forwarding instructions, are subject to **demurrage/storage** provisions and charges as provided in this Tariff.

RESHIPMENT: A new document by which the entire original shipment is forwarded in the same car to another destination.

RUN AROUND: Car(s) that is placed ahead of previous arrivals.

SHIPPER CONNECT: Online utility that allows user to manage their inventory while online as well as release of empty railcars. Contact RMI Administrator with questions at (866) 889-2826 or email RMIShipperConnect@watcocompanies.com.

SPOT ON ARRIVAL: ARS, without notification, will place cars for loading or unloading immediately upon their availability for placement.

SPOT ON ARRIVAL CUSTOMER: A customer who has not requested to be an Order In Customer will be considered a Spot On Arrival Customer (see Spot on Arrival). If constructive placement of a car is necessary, the car will not be placed for loading or unloading until ARS has received an order for placement from the Spot on Arrival Customer.

STOPPED IN TRANSIT: When cars are held en route because of any condition attributable to the consignor, or consignee, or owner.

STORAGE DAY: A twenty-four (24) hour period, or fraction thereof.

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

TENDER: The actual or constructive placement of an empty or loaded car.

TIME: Local time is applicable, expressed on the basis of the twenty-four (24) hour clock, commencing at 7:01 AM.

UNLOADER: Party physically unloading the car.

UNLOADING: The complete or partial unloading of a car and notice from the consignee the car is available for movement and the furnishing of forwarding instructions when required.

ITEM 20 **PAYMENT TERMS**

Charges that accrue per this Tariff are due and payable according to ARS' payment terms, as stated in WTS Rules Publication 9011-Series, supplements thereto and successive issues thereof, whichever is applicable.

ITEM 30 **SECURITY DEPOSITS FOR PAYMENT OF DEMURRAGE CHARGES**

ARS has the right to demand that a rail customer (consignor, consignee or other party responsible for the payment of demurrage), with a history of delinquency or nonpayment of demurrage charges not in bona fide dispute, deposit with ARS money or security adequate to pay an **average monthly demurrage bill calculated over the past six months or \$500/per car deposit (lesser of the two amounts)**. (1) The deposit may be satisfied with cash, letter of credit, surety bond or other appropriate instrument. ARS will determine the suitability of the security tendered. (All instruments on deposit are hereinafter referred to as 'security').

If a demurrage bill not in bona fide dispute is not paid when due, immediately thereafter ARS will satisfy the bill by application against the security on deposit. Thereafter, the rail customer will be required to reinstate the value of the security to its former level or to another level equivalent to its average monthly demurrage charge.

Should demand be made upon a rail customer for the deposit or maintenance of security as heretofore stated and should the rail customer refuse or fail to so deposit or maintain the security, ARS may refuse to provide any further rail service until the deposit requirement is fulfilled. If service is refused, ARS will issue an embargo against all rail transportation by ARS to and from that rail customer.

No interest will be paid by ARS on any security deposited with it. It is within the discretion of the ARS to determine when creditworthiness of the rail customer no longer necessitates the imposition of a security deposit. If rail service to the customer is permanently discontinued, upon satisfaction of all demurrage bills the security on deposit will be released and returned.

New rail customers will be required to deposit security equal to an anticipated average monthly demurrage bill.

**SECTION I
DEMURRAGE RULES AND CHARGES**

ITEM 40 NOTIFICATION

Notification to Consignor, Loader, Unloader, Consignee, Freight Payor or party entitled to receive notice.

- A. The following notification will be furnished as indicated:
1. Cars for Other Than Public Delivery Tracks:
 - a. Notice of constructive placement shall be sent or given if a car is held on tracks of ARS at an available hold point or at billed destination due to any condition attributable to the consignor, consignee, loader or unloader which prevents ARS from making actual placement.
 - b. Delivery of car upon tracks of consignee will constitute notice. ARS Train Crew will record placement events. The date and time of the ARS Train Crew's record will govern the charges in this tariff.
 2. Cars for Public Delivery Tracks:
 - a. Notice of constructive placement shall be sent or given if a car is held on tracks of ARS at an available hold point or at billed destination due to any condition attributable to the consignor, consignee, loader or unloader which prevents ARS from making actual placement.
- B. Notification will be furnished in writing, electronically, or via mechanical device, and shall contain:
1. Car initials and number
 2. If lading transferred en route, the initials and numbers of the original car.
 3. Commodity
 4. Hold point, if other than billed destination.
- C. When consignor or consignee utilizes an electronic or mechanical device, including but not limited to fax machines or email, to accept messages, notification left on such device will be considered as having been received.
- D. It will be the responsibility of the Consignor, Loader, Unloader, Consignee, Freight Payor or party entitled to receive notice, to notify the ARS Demurrage Department of fax number or email address changes. Should ARS receive a failure to deliver message due to any reason attributable to the receiver, such as invalid fax number or email address, notice will be considered to have been given on any Constructive Placement notice attempted to be delivered.

ITEM 50 NOTIFICATION TO ARS

ARS will accept forwarding instructions, empty release information or, other disposition twenty-four hours via Fax Number 866-413-5160, via EDI or via Shipper Connect. For fees on faxes, please review WTS 9011-Series.

All notices to **ARS** are effective upon receipt.

ITEM 60 CLAIMS

In order to be allowed relief from a billed amount, a claim must be presented to ARS, in writing, within **thirty (30)** days of the billing date, with supporting documentation, stating fully the conditions for which relief is claimed, identifying contested cars by car initial, car number and location.

Claims must be supported by documentation stating fully the conditions for which relief is claimed, identifying contested cars by car initials, numbers and location. Claims sent to ARS which are not found to be valid will be subject to a **processing fee of \$50.00** for each incorrectly disputed car. Claims are to be sent via email to ARSDisputes@watcocompanies.com or to the following address:

Arkansas Southern Railway
Attn: ARS DISPUTES
315 W. 3rd Street
Pittsburg, KS 66762

All claims not received within thirty (30) days will be considered valid and prompt payment will be expected.

Improper Charges:

If, by error, demurrage or storage charges are improperly assessed, charges will be adjusted to the amount that would have accrued but for such error.

Unacceptable Claims:

Bunching and run around will not be considered railroad error and no allowance will be made.

Weather Interference:

Acts of God: In the event it is impossible for consignor, loader, consignee, or unloader to get to a car or to load or to unload a car due to acts of God, including, but not limited to flood, storm, earthquake, hurricane, tornado, or to other severe weather or climatic conditions, the demurrage directly chargeable thereto will be adjusted, provided the impediment is at least two (2) days in duration.

Strike Interference:

When it is impossible for a customer to load or unload or receive cars from or make cars available to ARS because of strike interference at the point where the loading or unloading is to be accomplished, demurrage days will be charged for at the rate of **\$35.00 per Demurrage day** during the period of strike interference, provided the disruption exceeds ten (10) days in duration during one calendar month.

Strike Interference provisions will not apply to:

- A. Inbound cars when waybills are dated four (4) days or more after the beginning of strike interference.
- B. Cars for loading when ordered after the beginning and prior to the ending of strike interference.

ITEM 70 APPLICATION

- A. Section I (Demurrage) and Section II (Storage) applies on all cars constructively or actually placed on or after the effective date of this tariff, at all stations on the Arkansas Southern, hereafter referred to as ARS. ***This publication takes precedence over any other domestic interstate, intrastate, export or import publication,*** containing rules, regulations and charges on demurrage and storage for the account of the ARS, and will be applied on the basis of an "Average Agreement" as defined in Item 10, between ARS and ALL CUSTOMERS.
- B. The disposition of a car at its point of detention determines the purpose for which the car is held and the rules applicable thereto.
- C. All railroad owned and controlled cars, assigned cars, and privately-owned cars, including idler cars are subject to the rules and charges published herein, **EXCEPT** the following:
1. Cars for loading or unloading of ARS company material while held on ARS tracks or private sidings connecting therewith.
 2. Cars of refused or unclaimed freight to be sold by ARS for the time held beyond legal requirements.
 3. Cars of railroad ownership, leased for storage of commodities, for intra-plant or intra-terminal switching service, while held on lessee's tracks and car hire (per diem) is not paid by ARS.
 4. Loaded private cars held on private tracks unless under railroad control and made subject to demurrage under the provisions of Item 80 or 90.
 5. Empty private cars held on private tracks.
 6. Empty cars ordered and rejected as unsuitable for loading within 48 hours following order date or actual placement date.

ITEM 80 CARS HELD FOR COMPLETE OR PARTIAL LOADING

LOADING: As defined in Item 10 of this Tariff.

- A. Private car(s) that are consigned or ordered for delivery to private tracks, which first must be held on railroad tracks under constructive placement, are subject to demurrage/storage provisions and charges as applicable in this Tariff.
- B. Railroad owned and controlled car(s) that are consigned or ordered for delivery to private tracks are subject to demurrage/storage provisions and charges as applicable in this Tariff while on railroad tracks under constructive placement and while on private tracks.

COMPUTATION:

- A. Demurrage computation:
 1. Constructive Placement Time will apply from first 7:01 AM after constructive placement until actual placement
 2. Industry Time will apply from first 7:01 AM after actual placement until release.
 3. Demurrage will apply on railroad owned and controlled car(s) from first 7:01 AM after constructive placement until release from actual placement (Constructive Placement Time and Industry Time combined and continuous).
 4. Demurrage will apply on private car(s) from first 7:01 AM after constructive placement while on railroad tracks until actual placement on private track.
 5. Demurrage will apply on all car(s) from first 7:01 AM after release and removal of loaded cars from private track until forwarding instructions are received.
- B. If an empty car is placed prior to date for which it was ordered, demurrage will apply from the first 7:01 AM of the date for which it was ordered. Demurrage days will then accrue until the car is released.
- C. On reloaded cars, demurrage will apply from the first 7:01 AM after advice is received that the car is empty until car is released as a load; provided if advice that the car is empty is not furnished, demurrage will continue until forwarding instructions are received.

CREDITS: As defined in Item 10 of this Tariff.

- A. **One (1) credit will be allowed for each car upon release from loading.**

ITEM 90 CARS HELD FOR COMPLETE OR PARTIAL UNLOADING

UNLOADING: As defined in Item 10 of this Tariff.

- A. Loaded Private cars held on private tracks at destination will be subject to this item only when the car is a railroad-controlled car.
- B. Private car(s) that are consigned or ordered for delivery to private tracks, which first must be held on railroad tracks under constructive placement, are subject to demurrage/storage provisions and charges as applicable in this Tariff.
- C. Railroad owned and controlled car(s) that are consigned or ordered for delivery to private tracks are subject to demurrage/storage provisions and charges as applicable in this Tariff while on railroad tracks under constructive placement and while on private tracks.

COMPUTATION:

- A. Demurrage computation:
 1. Constructive Placement Time will apply from first 7:01 AM after constructive placement until actual placement.
 2. Industry Time will apply from first 7:01 AM after actual placement until released.
 3. Demurrage will apply on railroad owned and controlled car(s) from first 7:01 AM after constructive placement until release from actual placement (Constructive Placement Time and Industry Time combined and continuous).
 4. Demurrage will apply on private car(s) from first 7:01 AM after constructive placement while held on railroad tracks until actual placement on private track.
 5. Demurrage will apply from first 7:01 AM after release and removal of empty cars from private tracks until forwarding instructions are received.

CREDITS: As defined in Item 10 of this Tariff

- A. **Two (2) credits will be allowed for each car that incurred a demurrage day upon release from unloading. If demurrage day is not incurred, a maximum of one (1) credit will be allowed for each car upon release from unloading.**

ITEM 100 CARS HELD FOR PURPOSES OTHER THAN LOADING OR UNLOADING**APPLICABLE TO CARS HELD:**

- A. While awaiting proper disposition from the consignor, loader, consignee, or unloader.
- B. In connection with diversion request, the on-line customer or its authorized representative.
- C. For any other purpose not attributable to ARS.

COMPUTATION:

- A. Demurrage computation:
 1. Constructive Placement Time will apply from the first 7:01 AM after constructive placement until actual placement or disposition advice for re-route to off-line point is received on:
 - a. Cars diverted, reconsigned, refused, reshipped or stopped in transit.
 - b. Empty cars ordered, constructively placed for loading, and not used in transportation service (other than a rejected car as referred to in Item 70).
 - c. Cars waiting for payment of accrued charges.
 - d. Cars held for other purpose, except as covered by Items 80 & 90, which is not attributable to ARS.
 - e. Cars with excessive lading held for reduction as described in WTS 9011-Series, supplements thereto and successive issues thereto, whichever is applicable.
- B. Industry Time will apply from first 7:01 AM after received by ARS until date and time of disposition on:
 1. Cars received from connecting carriers.
 2. Private cars returned to railroad tracks.
- C. Industry Time will apply from first 7:01 AM after actual placement until disposition advice is received on:
 1. Cars reshipped
 2. Empty cars actually placed for loading, and not used in transportation service.
 3. Cars held for any other purpose, except as covered in Items 80 & 90, which is not attributable to ARS.
- D. Demurrage will apply on the following from first 7:01 AM:
 1. Demurrage will apply on railroad owned and controlled car(s) from first 7:01 AM after constructive placement until disposition of refused car(s) (Constructive Placement Time and Industry Time combined and continuous).
 2. Demurrage will apply on private car(s) from first 7:01 AM after constructive placement while on railroad tracks until actual placement on private track or disposition of refused car(s).

ITEM 100 (con't) CARS HELD FOR PURPOSES OTHER THAN LOADING OR UNLOADING

CREDITS: As defined in Item 10 of this Tariff

- A. **One (1) credit will be allowed for each car released or on which disposition is given.**
- B. **Credits will not be allowed for: Empty cars ordered and not used (including rejected cars); Loaded private cars returned to railroad tracks to be held; Cars received from connecting carriers to be held for disposition.**

ITEM 110 DEMURRAGE PLAN AND PRICES

- A. Settlement of charges will be made on a calendar month basis on all cars released during the calendar month.
- B. Credits earned and demurrage days accrued by customers having two or more facilities at the same or separate stations cannot be combined.
- C. Credits earned and/or chargeable demurrage days accrued will be calculated separately for the following transactions:
 - 1. Cars held for complete loading (see Item 80).
 - 2. Cars held for complete or partial unloading (see Item 90).
 - 3. Cars held for purposes other than loading and unloading (see Item 100).
 - 4. Loaded and empty private cars held on railroad tracks (see Items 80, 90 and 100).
 - 5. Refused loaded cars (see Item 100).
- D. Excess credits on one type transaction cannot be used to offset demurrage days on another type transaction.
- E. Excess credits earned under Special Demurrage Contracts or Agreements cannot be used to offset demurrage calculated per the Tariff.
- F. Excess credits earned in one calendar month may not be used to offset demurrage days in another calendar month.
- G. Unless otherwise advised, in writing, demurrage charges will be assessed against the consignor, loader, consignee, or unloader, and they will be responsible for payment of such charges.
- H. **Calculation of charges:** The tariff or special agreement applied will be that in effect when the car is released.
 - 1. Determine the total number of Chargeable demurrage days [debits] for all cars.
 - 2. Determine the total number of Credits for all cars.
 - 3. If total credits exceed total demurrage days [debits], demurrage charges will not be assessed.
 - 4. If total demurrage days [debits] exceed the total credits, each chargeable day will be assessed **\$90.00** per Demurrage day, except Empty Private Cars held on railroad tracks will be assessed **\$50.00** per Demurrage day.
- I. Adjustments must be handled through the railroad error claim provisions set forth in Item 60.
- J. ARS **will not** allow relief on demurrage days for a loaded railroad car that has been constructively placed from the order-in date until the car is actually placed.
- K. One additional credit will be allowed on a car when it has a demurrage day occurring on:
 - Thanksgiving Day (Fourth (4th) Thursday of November)**
 - Christmas Day (December 25th)**
 - New Years Day (January 1st)**
- L. **The maximum allowed credits for car(s) released before demurrage days are incurred.** If a rail car is released before the demurrage clock begins, there will be a maximum of one (1) credit given to offset any debits within the calculated transactions listed in paragraph (C) of this item shown above.

**SECTION II
STORAGE RULES AND CHARGES**

ITEM 120 **STORAGE OF LOADED OR EMPTY PRIVATE CARS ON RAILROAD TRACKS**

COMPUTATION OF CHARGES: If the total number of loaded or empty private cars in stored status and available to be ordered in on the next scheduled service exceeds the customer's available storage agreement capacity on any particular day, then storage charges will be assessed at a rate of **\$90.00 per Storage day**, except Empty Private Cars held on railroad tracks will be assessed **\$50.00 per Storage day**.

Storage will apply from the first 7:01 AM after notification of availability and constructive placement of empty private cars on railroad tracks until the actual placement on private leased tracks.

RESPONSIBILITY OF CAR: The shipper, receiver, owner or lessee is responsible for the car while in stored status according to the customer storage arrangement in place.

LIABILITY: ARS accepts **NO LIABILITY** whatsoever with respect to the car or its contents, if any, while in stored status.

STORAGE PLAN:

- A. Settlement of charges will be made on a monthly basis on each car released from storage during each calendar month.

CALCULATION OF CHARGES:

- A. Total storage days for each car released from storage during a calendar month will be determined.
- B. Adjustments must be handled through the railroad error claim provisions set forth in Item 60.
- C. One [1] credit will be allowed on each car released from storage.
- D. Total credits for all cars will be added.
- E. If total credits exceed storage days, storage charges will not be assessed.
- F. If total storage exceeds total credits, multiply the difference by the storage rates of **\$90.00 per Storage day on loads and \$50.00 per Storage day on empties..**
- G. Credits earned in one calendar month may not be used to offset storage days in another calendar month.

ITEM 140 **STORAGE OF RAILWAY EQUIPMENT MOVING ON OWN WHEELS**

APPLICATION:

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

STORAGE DAYS WILL COMMENCE:

- A. At Origin or Enroute: From the first 7:01 AM following placement of the equipment in storage and continuing until equipment is released from hold tracks. (Notice of arrival will be given consignee within twenty-four (24) hours after arrival of equipment at hold point).
- B. At Destination: From the first 7:01 AM after notice of arrival is given consignee and continuing until equipment is released from hold tracks. (Notice of arrival will be given consignee within twenty-four (24) hours after arrival of equipment at hold point).

STORAGE PLAN:

- A. Unless otherwise advised, charges will be assessed against the consignor at origin or enroute, or the consignee at destination, who will be responsible for payment.
- B. Settlement of charges will be made on a monthly basis for all equipment released from storage during each calendar month.
- C. Credits will not be allowed at origin or enroute.
- D. Excess credits earned in one calendar month may not be used to offset storage days in another calendar month.

ITEM 140 STORAGE OF RAILWAY EQUIPMENT MOVING ON OWN WHEELS (Con't)**CALCULATION OF CHARGES:**

- A. Total storage days for all units of equipment released from storage will be added.
- B. If it is known that storage days have been accrued due to railroad error, the total storage days will be adjusted to the amount but for such error. A missed switch will be considered railroad error. Otherwise, a claim must be presented to ARS, in writing, by the last day of the calendar month following the month in which the bill was issued, stating fully the conditions for which relief is claimed.
- C. One [1] credit will be allowed for each unit of equipment released from storage.
- D. Total credits for all units of equipment will be added.
- E. If total credits exceed total storage days, storage charges will not be assessed.
- F. If total storage days exceed the total credits, multiply the difference by **\$90.00** to determine charge(s) due.

ITEM 150 STORAGE OF EXPLOSIVES, HAZARDOUS MATERIALS SUBSTANCE OR WASTES**SUBJECT TO TARIFF BOE 6000 (HAZARDOUS MATERIALS REGULATIONS OF THE DEPARTMENT OF TRANSPORTATION)****APPLICATION:**

- A. This item applies on any car (loaded or residue empty) containing Explosives or Hazardous Materials that is held on railroad controlled tracks, which includes Team Tracks.
- B. Explosives are defined as Class A, B and C Explosives as named in Part 172, Commodity List, Tariff Bureau of Explosives (BOE) 6000-Series.
- C. Hazardous Materials are defined as "Hazardous Wastes" and "Hazardous Substances" as named in Hazardous Materials Regulations of the U. S. Department of Transportation in 40 Code of Federal Regulations (CFR) 260 through 263 and 49 CFR 171.8 or successor thereof, requiring the use 4-digit identification numbers on shipping documents, placards or panels and identified with Standard Transportation Commodity Codes (STCC) beginning with 48 and 49 or beginning with STCC 28 and 29 and converting to STCC 48 or 49.
- D. Demurrage charges will be in addition to the charges provided in this item.

STORAGE DAYS WILL COMMENCE:

- A. At Origin: From the first 7:01 AM following release of the car and continuing until a document is given ARS containing all necessary information to forward the car.
- B. At Destination: From the third 7:01 AM after notice of arrival is given consignee and continuing until the car is released or placed on private tracks.

STORAGE PLAN:

- A. Charges will be billed on a monthly basis for all cars released.
- B. Unless otherwise advised, charges will be assessed against the consignor at origin or against the consignee at destination, who will be responsible for payment.

STORAGE CHARGE: \$150.00 per car, per Storage day.

**SECTION III
SWITCHING AND MISCELLANEOUS CHARGES**

ITEM 160 **INTRA-PLANT SWITCHING**

The ARS will perform intra-plant switching on loaded or empty cars at a charge of **\$160.00** per car non-hazardous or **\$200.00** per car hazardous (STCC series 28, 29, 48, & 49).

ITEM 170 **INTRA-TERMINAL SWITCHING**

The ARS will perform intra-plant switching on loaded or empty cars at a charge of **\$395.00** per car non-hazardous or **\$450.00** per car hazardous (STCC series 28, 29, 48, & 49).

ITEM 180 **EARLY RELEASE OF CARS PLACED FOR LOADING OR UNLOADING**

When a shipper instructs the release of a car(s) previously placed for loading or unloading, but ARS is unable to remove the car(s) because the loading or unloading of the car(s) has not been completed or for other reasons not attributable to ARS, the car(s) will remain on demurrage as if the release had not been instructed, and the **intra-terminal switch charge** will apply on each car, up to a **maximum charge of \$1,200** per occurrence.

When the placement of a car(s) cannot be accomplished due to early release of car(s) previously placed for loading or unloading or for other reasons not attributed to ARS the car(s) will remain on demurrage as if the car(s) had not been ordered and **the intra-terminal switch charge** will apply on each car, up to a **maximum charge of \$1,200** per occurrence.

ITEM 190 **RELEASE OF CARS WITHOUT FORWARDING INSTRUCTIONS**

When on instructions, loaded or empty cars moving on own wheels, are removed from industry, shop, team track or interchange tracks and are held by carrier awaiting forwarding instructions, a charge of **\$400** per car with a **maximum charge of \$1,200** per bill of lading will be assessed against the loader, shipper, or party taking responsibility for Miscellaneous Charges. If car are subsequently ordered returned to the loader's interchange tracks, the applicable intra-terminal switching charge will be assessed against party requesting the service. These charges are subject to demurrage charges. Additional charges may also accrue as stated in WTS Rules Publication 9011-Series, supplements thereto and successive issues thereof, whichever is applicable.

ITEM 200 **EMPTY CARS RETURNED UNUSED**

- A. When an empty car received from a connecting railroad for loading by an industry located on ARS is refused by the industry because the car is not in proper condition to load and car must be returned to the connecting railroad, a switching charge of **\$395.00** in one direction only will be assessed against the connecting railroad furnishing the car.
- B. When an empty car received from a connecting railroad is rejected for loading by an industry located on ARS, and returned unused for reasons other than described in (A) above, car will be returned to the connecting railroad and a switching charge of **\$395.00** in one direction only will be assessed against the person, firm or corporation ordering the car.
- C. When an empty car furnished by ARS (not a connecting railroad) is appropriated to a customer based upon a car order and subsequent notification is give to ARS that car(s) is no longer needed, a switching charge of **\$395.00** will be assessed against the person, firm, or corporation ordering the car. Demurrage will also be charged for all detention, including, Saturdays, Sundays and Holidays from the date and time of actual or constructive placement until released, with no free time allowance.

ITEM 210 CARS INTERCHANGED OR DELIVERED TO ARS IN ERROR

Loaded or empty car(s) received in interchange by ARS;

- (i) without billing instructions, or
- (ii) at an interchange not specified in the billing, or
- (iii) when ARS is not in the route, or
- (iv) when consignor, consignee or owner changes billing instructions to move car(s) via an outbound carrier other than ARS

will be returned to the delivering carrier or forwarded to the proper carrier if interchange with such carrier within the same switching district at a charge of **\$241.00** per car.

ITEM 220 INDUSTRY SETBACK

Upon receipt of a request to return car(s) previously released on ARS, ARS will perform the service at a charge of **\$350.00** per car, provided car(s) is within the switching terminal. If the services of another carrier(s) is necessary to effectively return the car(s) their charges(s) will be **in addition to the \$350.00** per car.

Note: If car(s) is beyond the switching terminal, in addition to any other carrier's charges, a charge predicated on the distance between traveled on ARS between the turning point and point of original release will be assessed as follows:

Less than 100 miles = **\$575.00** per car

ITEM 230 LOCOMOTIVES, DEAD, ON OWN WHEELS

The applicable charge for switching locomotives, dead on their own wheels will be **\$790.00**, unless specified in another item or publication.

ITEM 240 OVERSIZED LOADS OR SPECIAL TRAIN SHIPMENTS

Over-sized shipments, as defined in Note 1, will be handled in regular switching service, as defined in Note 2, whenever possible. The charge for each handling oversized loads, as defined in Note 1, will be **\$800.00** per car and will be assessed in lieu of the regular published intra-terminal switching charges in this tariff.

Special switching service, as defined in Note 2, will be provided at a charge of **\$2,010.00** per car for each special switch, and will be assessed in lieu of the regular published intra-terminal switch charges in this tariff.

Note 1: A shipment shall be defined as over-sized under any of the following conditions:

-lading exceeds twelve (12) feet in width;
-lading extends over the length of the car;
-lading extends twenty (20) feet above the rail;
-lading weighs 200,000 pounds or more.

Note 2: Regular and Special Switching Service Defined:

Regular switching service is defined as a service accorded shipments which can be handled by a regular switching assignment.

Special switching service is defined as a service which cannot be handled by a regular switching assignment because of excess weight, height, width or length and will only be provided when in the judgment of ARS special switch service is necessary, or when specifically requested by consignee, consignor, or owner. In any case, special switching service will be performed at carrier's convenience.

Prior to service being performed, ARS must receive an email at customerservice@watcocompanies.com or a fax at 1-866-413-5160 (**for fees on faxes, please review WTS 9011-Series**) confirming the request, listing the initial and number of the car(s) previously furnished by phone.

ITEM 250 SWITCHING OUTSIDE NORMAL OPERATING OR SERVICE HOURS

- A. The provisions in this item apply where ARS is requested by consignee, consignor, or owner to furnish necessary locomotive(s) and crew(s) to perform industrial switching service at other than normal assigned time for a specific location.
- B. Charges will be assessed at a rate of **\$315.00** per hour or fraction thereof, but not less than **\$2,520.00** per request. Charges shall be assessed for each request for switching service, regardless of the number of cars, and will be in addition to any other chargeable services performed in connection therewith.
- C. Consignee, consignor, or owner must provide ARS personnel advance notice by phone at 1-866-889-2826 that switching outside of normal operating or service hours will be required, as well as the initial and number of the car(s) to be switched. Prior to service being performed, ARS must receive an email at customerservice@watcocompanies.com or a fax at 1-866-413-5160 (**for fees on faxes, please review WTS 9011-Series**) confirming the request, listing the initial and number of the car(s) previously furnished by phone.

ITEM 260 TURNING CARS TO PERMIT LOADING/UNLOADING

When a customer requests ARS to turn car(s) for the purpose of loading or unloading, ARS will bill the customer making the turn request **\$750.00** for each car that ARS turns.

ITEM 270 EMPTY PRIVATE & TANK CAR SWITCHING

When a customer requests ARS return a previously received empty private or tank car to interchange an intra-terminal switch charge will apply based on the last contents of the car in one direction.

ITEM 280 DIVERSION/RECONSIGNMENT CHARGES

General Application:

- A. When ARS has taken physical possession of the car(s) from a connecting carrier.
- B. Diversions/Reconsignments will only be accepted from;
 - a. Payor of Freight
 - b. Authorized Representative/Agent of the Payor of Freight
 - c. Shipper
 - d. Consignee
 - e. Car owner/Lessee
- C. Diversion/Reconsignments will not be accepted
 - a. After car has been interchanged to a connecting carrier
 - b. After actual placement
 - c. Require ARS to perform Back hauls or Out-of-Line hauls
 - d. If car is already in an interchange block
 - e. If car is non-revenue empty
- D. ARS reserves the right to reject a diversion or reconsignment request for any reason.
- E. ARS will make diligent effort to effect desired diversion or reconsignment when the car is in ARS possession.
 - a. ARS will not assume any responsibility after a car has been classified or assembled into a train for movement, or if car has been "pre-blocked" or "run-through" train service.
 - b. ARS will not be responsible for executing a diversion/reconsignement order on a specified day or time of day
- F. ARS personnel must receive advance notice by phone at 1-866-889-2826
- G. Once ARS personnel approves diversion, ARS must receive an email at customerservice@watcocompanies.com or a fax at 1-866-413-5160 (**for fees on faxes, please review WTS 9011-Series**) confirming request with details of where to send charges before diversion will be completed.
- H. Cars diverted or reconsigned prior to arrival of car at billed destination shall be charged a rate of **\$225.00** per car as well as the otherwise applicable tariff charge for the move.
- I. Cars diverted or reconsigned after the arrival of car at billed destination, but not spotted, shall be charged a rate of **\$300.00** per car as well as the otherwise applicable tariff charge for the move.