STILLWATER CENTRAL RAILROAD LLC

FREIGHT TARIFF SLWC 6001 A

CHARGES, RULES AND REGULATIONS ON FRAC SAND

ON THE STILLWATER CENTRAL RAILROAD LLC

LOCAL FREIGHT TARIFF

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

ISSUED: September 1, 2020 EFFECTIVE: October 1, 2020

ISSUED BY

Nathan Champion - General Manager Leah Woods - Manager of Pricing Administration 315 West 3rd Street Pittsburg, KS 66762

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RULES AND OTHER GOVERNING PROVISIONS TABLE OF CONTENTS RULES AND REGULATIONS - GENERAL ITEM **ITEM 10 DESCRIPTION RULES AND REGULATIONS - GENERAL** REFERENCE TO TARIFFS, ITEMS, NOTES, RULES, ETĆ. Reference to Tariffs, Items, Notes, etc..... 10 Where reference is made in this tariff, items, notes, Consecutive Numbers..... 20 rules, etc., such references are continuous and include Method of Canceling Items..... supplements to and successive issues of such tariffs 30 and reissues of such items, notes, rules, etc. **SECTION 1 - MISCELLANEOUS RULES AND ITEM 20 CHARGES:** Frac Sand Capacity Voucher..... 100 CONSECUTIVE NUMBERS Explanation of Charges on Railcars Interchanged Where consecutive numbers are represented in this Without a Voucher or Permit..... 110 tariff by the first and last numbers connected by the Failure to Comply with Voucher System..... 120 word to or a hyphen, they will be understood to include both of the numbers shown. If the first number only bears a reference mark, such reference mark also applies to the last number shown and to all numbers between the first and last numbers. **ITEM 30 METHOD OF CANCELING ITEMS** As this tariff is supplemented, numbered items with letter suffixes cancel correspondingly numbered items in the original tariff or in a prior supplement. Letter suffixes will be used in alphabetical sequence starting with A. EXAMPLE: Item 10-A cancels Item 10 and Item 10-B cancels Item 10-A in a prior supplement, which in turn canceled Item 10.

SECTION 1 MISCELLANEOUS RULES AND CHARGES

ITEM 100

FRAC SAND CAPACITY VOUCHER

Capacity Vouchers or Permits, are a method of controlling traffic movements when, in the judgment of the serving railroad, accumulations, threatened congestion or other interference with operation warrant temporary restrictions against such movements. For movements of Frac Sand on the SLWC, the following conditions will apply:

- (1) An SLWC served terminal, who is the recipient of frac sand shipments, must request a voucher or permit to allow railcars to be scheduled for entry at interchange to SLWC.
- (2) Vouchers or permits must be requested from SLWC via email at (SLWCsandPermits@watcocompanies.com), or Sand Permit web tool (https://www.watcocompanies.com/ customer-tools/sand-permit-form/).
- (3) The decision to grant Vouchers or Permits will be at the sole discretion of the SLWC.
- (4) The SLWC served terminal will be responsible for any and all applicable charges assessed by either the SLWC or the railroad which interchange was rejected.

ITEM 110

EXPLANATION OF CHARGES ON RAILCARS INTERCHANGED WITHOUT APPROVED VOUCHER OR PERMIT

- A \$500 per car penalty will be assessed for railcars accepted at interchange without an approved Voucher or Permit.
- (2) Hold charges will be assessed for railcars which did not receive a Voucher or Permit and are unable to be actually placed at the destination terminal, and therefore must be put into constructive placement. Charges are as follows:
 - (A) Unit Trains will receive a penalty of \$6000 for the 1st 12 hours, and \$500 per hour or fraction thereof beyond 12 hours. Hourly penalties will be assessed in addition to the per car penalty in ITEM 110 (1). Hourly accruals will begin upon constructive placement and each new hour will begin at the first :01 of every hour until actual placement.
 - (B) Manifest Cars will receive a penalty of \$150 per day or fraction thereof. The day of constructive placement will be counted as day one. Additional days will be accured at the first 7:01 AM after constructive placement and will accrue until railcars are actually placed.

SECTION 1 MISCELLANEOUS RULES AND CHARGES

ITEM 120

FAILURE TO COMPLY WITH VOUCHER SYSTEM

All penalties will be billed directly to the terminal receiving service from SLWC. Failure to pay incurred charges may result in the terminal being subject to security deposits per item 30 of the SLWC 6000-Series Tariff. Failure to comply with the security deposit may result in an embargo, stopping service to that facility.