## Clarkdale Arizona Central Railroad



## DEMURRAGE, STORAGE, SWITCHING FREIGHT, ACCESSORIAL AND RULES TARIFF

(Replaces and Supersedes all railroad tariffs previously subscribed to by Clarkdale Arizona Central Railroad and supplements/revisions thereto)

## CONTAINING DEMURRAGE, STORAGE, RECIPROCAL/TERMINAL SWITCHING, FREIGHT AND MISCELLANEOUS RAILROAD RULES AND CHARGES

## APPLYING FROM, TO, BETWEEN, AND AT POINTS ON CLARKDALE ARIZONA CENTRAL RAILROAD LLC

## APPLICABLE ON EXPORT, IMPORT, INTERSTATE AND INTRASTATE TRAFFIC

ISSUE DATE: May 5, 2021

EFFECTIVE DATE: June 1, 2021

ISSUED BY: Clarkdale Arizona Central Railroad LLC 300 North Broadway Clarkdale, AZ 86324 <u>https://www.clarkdaleazcentral.com</u>



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## CHECK SHEET OF ITEMS AND REVISIONS

The items contained in this publication are listed consecutively by number. The paragraph that has been changed within an item will contain one of the following reference marks placed next to the item number:

- (I) Denotes increase
- (R) Denotes reductions
- (C) Denotes changes in wording which result in neither increases nor reductions in charges
- (N) Denotes new item

In addition, the effective date of the revised item will be added to this index page "CHECK SHEET OF ITEMS AND REVISIONS" to identify which item(s) have been changed.

Revision	Item Number and Description	Effective Date
Туре		
(N)	New Publication – ALL ITEMS SHOULD BE EXAMINED	June 1, 2021



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## **SECTION 1 - RULES**

## ITEM 5 REFERENCE TO TARIFFS, ITEMS, NOTES, RULES, ETC.

This publication is available on the Internet for viewing or sending directly to your printer. The AZCR 9012-Series can be found by going to <u>https://www.clarkdaleazcentral.com</u>. All Customers shipping with the Clarkdale Arizona Central Railroad LLC ("AZCR") should **review all the publications posted on the Website before tendering freight to or from any railroad** (including non-carrier railroad operation) as revisions to the publications will be made from time to time by supplement or reissuing the publications in their entirety.

If you are not equipped to obtain a copy of this publication from the 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.** 

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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 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 15 CHANGE IN PROVISION(S)

The AZCR reserves the right at any time to change the provisions of this publication; provided, however, any such changeshall be effective only with regard to any transportation services provided under the publication for freight tendered after the effective date of the changes. The AZCR will make available on its website this publication in the latest amended form. Shippers, Consignees, Loaders and Unloaders should review this publication before tendering freight. Revisions to this publication will be made from time to time by reissuing the publication in its entirety.

### ITEM 20 CHARGES HEREIN SUBJECT TO INCREASE/CURRENCY

Charges published herein are subject to increase by republication. Charges published herein are stated in United States Dollars.

#### ITEM 25 CANCELLATION NOTICE AND METHOD OF CANCELLING ITEMS

AZCR 9012 cancels any previous tariff of the Clarkdale Central Arizona Railroad in its entirety. Provisions in any previous tariffs of the Clarkdale Arizona Central Railroad that are not specifically brought forward in AZCR 9012 are hereby canceled.

As this tariff is supplemented, letter suffixes will be used in alphabetical sequence starting with letter A. For example: AZCR 9012-A would cancel AZCR 9012, and then AZCR 9012-B would cancel AZCR 9012-A. Individual item(s) may also be handled in supplements the same way.

### ITEM 30 CAPACITIES AND DIMENSIONS OF CARS

For marked capacities, lengths, dimensions, and cubical capacities of railcars, see the Official Railway Equipment Register, RER 6414-series, issued by National Railway Publication Company, Agent.

### ITEM 35 CONGESTION RESULTING IN EMBARGO

If a rail customer's excessive retention of railcars (whether or not related to the customer's credit and/or security deposit experience) results in operational congestion as determined by the AZCR of the customer's and/or AZCR's rail tracks, AZCR may impose an embargo against the customer's receipt of further railcars until the congestion is eliminated.



## **SECTION 1 - RULES**

### ITEM 40 TRANSPORTATION

The AZCR agrees to transport shipments with reasonable dispatch and at the ordinary operating convenience of the AZCR. Ordinary operating convenience is defined as the time that is most advantageous to AZCR in relation to its coordinated operational activities. The AZCR does not guarantee rail service within any particular timeframe. Bunching and Run Around will not be considered railroad error and no allowance will be made.

### ITEM 45 STATION LISTS AND CONDITIONS

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

#### PREPAY REQUIREMENTS AND STATION CONDITIONS

For additions and abandonments of stations, restrictions 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 and its supplements/revisions thereto, the rates from and to such station(s) as published in this tariff are inapplicable on and after that date.

### ITEM 50 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 shipper or consignee or party loading or unloading the car. Railroad may issue Actual Placement Notices. Failure to receive notification is not a valid claim against payment of invoices for associated fees. Actual Placement is commonly referred to as PACT.

**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 Railinc Circular No. OT-10.

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

**BILL OF LADING:** Uniform Bill of Lading as contained in the Uniform Freight Classification UFC 6000-Series, subject to modification as may occur from time to time. Commonly referred to as BOL.

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

**BUNCHING:** The accumulation of cars for loading or unloading shipped on different days. Since the AZCR does not control the flow of inbound cars from connecting railroads, no allowance will be made in demurrage charges.

CARRIER: Railroad with registered AAR mark, operating as STB common carrier.

**CHARGEABLE DAY:** A twenty-four (24) hours period or fraction thereof that follows the expiration of Free Time (see item 330).

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

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

**CONSIGNOR or SHIPPER:** 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, shipper, loader or unloader, such car will: (a) be held on AZCR 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 the AZCR on private or Industrial Track tracks, including lead tracks serving the consignee, shipper, loader or unloader, will be considered constructively placed without notice. Commonly referred to as PCON.



## **SECTION 1 - RULES**

### ITEM 50 GLOSSARY OF TERMS

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

**CREDIT:** See description of term for Free Time

CUSTOMER: Shipper, Loader, Unloader, Consignee, Freight Payer or party entitled to receive notification.

**DEBIT:** See description of term for Demurrage Day.

DELAY OF TRAIN: A direct cause in the delay to train crew operations during normal switching services.

**DEMURRAGE:** Demurrage is a charge for detaining a railcar. Railroads charge demurrage as an incentive for Customers to provide forwarding instructions and/or to load and unload cars promptly, to prevent congestion in railroad terminals caused by idle cars, and ultimately to improve the utilization of a valuable asset. Reduced dwell translates into faster, more reliable cycle times and better service.

**DEMURRAGE DAY:** A twenty-four (24) hour period, or fraction thereof, commencing at the first 7:00 AM after the applicable start event, 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 tender or release the car from the shipper's, consignee's, loader's, or unloader's account.

**DIVERSION:** The term "Diversion" can be used interchangeably with "Reconsignment" and means any request for change in the bill of lading or waybill. A diversion is used to change name of consignee or consignor, route, or deliver railcar(s) to other than the original billed destination. If change requires the car to move over track that it has already traveled (back haul), the car may be diverted to the next logical terminal. From there, new shipping instructions (new Bill of Lading) will be required to move the car from its currentlocation to the new 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 an authorized representative of the AZCR that the car is unloaded and available for railroad. Information is received by AZCR electronically via ShipperConnect or via EDI. AZCR will also accept empty release information in writing via contacts listed on AZCR's subscription page 2 of this tariff **subject to item 95** per release/bill of lading. 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 the railroad. AZCR reserves the right to reject as an unreasonable request for service, any fax or email forwarding instructions that are illegible, whether due to poor transmission quality, poor or illegible handwriting, or otherwise. AZCR will not accept delivery of empty release instructions by U.S. Mail, express service, personal delivery, telephone, or otherwise.

Advice received by the railroad to move a car from an unloading or storage track to a railroad yard or hold track tobe held for "forwarding instructions", whether furnished by the party unloading car or another party, or a bill of lading or an order consigning the car to an Agent of AZCR which has no beneficial interest in the car, does not constitute "forwarding instructions" or a release from demurrage or other like charges.

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.



## **SECTION 1 - RULES**

### ITEM 50 GLOSSARY OF TERMS

**FORWARDING INSTRUCTIONS:** A bill of lading given to an authorized representative of the AZCR that contains all of the necessary information which allows for the immediate movement by the railroad. Forwarding instructions will be effective ondate and time advice is received by the railroad. Information is received by AZCR electronically via ShipperConnect or via EDI. AZCR will also accept release information in writing via contacts listed on AZCR's subscription page 2 of this tariff **subject to item 95** per release/bill of lading. Information given must include identity of consignee, and/or unloader, party furnishing the data, car initial, number date and time. AZCR reserves the right to reject as an unreasonable request for service, any fax or email forwarding instructions that are illegible, whether due to poor transmission quality, poor or illegible handwriting, or otherwise. AZCR will not accept delivery of forwarding instructions by U.S. Mail, express service, personal delivery, telephone, or otherwise.

Advice received by the railroad to move a car from a loading or storage track to a railroad yard or hold track tobe 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 AZCR which has no beneficial interest in the lading, does not constitute "forwarding instructions" or a release from demurrage or other like charges.

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.

**FREE TIME:** A period of time following actual or constructive placement during which demurrage is not charged. May also be referred to as Credit (see item 330).

**HAZARDOUS MATERIALS (OTHER THAN TIH/PIH):** SUBJECT TO TARIFF BOE 6000 (HAZARDOUS MATERIALS REGULATIONS OF THE DEPARTMENT OF TRANSPORTATION) 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.

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

**INDUSTRIAL 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.

**INTRA-PLANT SWITCHING:** A Customer-requested switching movement subsequent to ACTUAL PLACEMENT, when 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 Customer-requested 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.

**INTERMEDIATE SWITCHING:** A switching movement by a carrier that neither originates nor terminates the shipment nor receives a line haul on that shipment.

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

**LOADER:** Party physically loading the car.

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

LOCAL FREIGHT: Movement between stations that are not located within the switching limits of the same station. Can be associated with a Rule-11 routing.

NON-CARRIER: Railroad operations that do not operate as an STB common carrier.



## **SECTION 1 - RULES**

### ITEM 50 GLOSSARY OF TERMS

NON-CHARGEABLE DAY: Some weekend days and holidays will not be chargeable. See Item 150.

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

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

**ORDER IN:** An 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 track assigned for individual use, including privately owned or leased track.

**PARTIAL LOADING/UNLOADING:** The partial loading or unloading of a car and the furnishing of forwarding instructions.

PRIVATE CAR(S): A car bearing other than railroad or TTX reporting marks that is not railroad controlled.

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

**PUBLIC DELIVERY TRACK:** Any track for use by the general public for loading or unloading railcars. **Commonly referred** to as a Team Track.

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

RAILROAD CONTROLLED TRACKS: Any track not defined by AZCR as a lease track or private track.

**RECEIVING PARTY:** The customer physically receiving the railcar is known as the receiving party and is responsible for the demurrage.

**RECONSIGNMENT:** See Diversion.

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

**RELEASE:** The notification received from shipper, loader, consignee 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 the AZCR 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 an industry doing its 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. Loadedor 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.

NOTE: Demurrage charges will continue to accrue to the Origin Industry even when cars are released to a third-party, until the time the billing is received from the third-party.

**RULE-11:** When one or more carriers are involved in the movement of a railcar, and each carrier invoices the customer for their portion of the movement.

**RUN AROUND:** Car(s) placed at customer designated track(s) ahead of previous arrivals, held by the railroad, on railroad owned tracks.

**SHIPPER CONNECT**: Web based interface that allows Customers to manage their inventory while online as well as release of empty railcars.



## **SECTION 1 - RULES**

## ITEM 50 GLOSSARY OF TERMS

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

**SPECIAL SWITCH:** When customer requests and receives service outside of the normal service hours. See Item 255 for details and charges.

**SPECIAL TRAIN:** When customer's shipment requires special handling (typically over-sized and dimensional shipments) or when customer requires expedited service and customer is located beyond the switch limits of the serving yard (typically more than 38 miles). See Item 265 for details and charges.

**SPOT ON ARRIVAL:** The AZCR railroad, 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 the AZCR has received an order for placement from the Spot on Arrival Customer.

STCC: Standard Transportation Commodity Code.

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

**TEAM TRACK:** Any track for use by the general public for loading or unloading railcars. **Commonly referred to as a Public Delivery Track.** 

**TENDER:** The offer of goods for transportation, or the offer to place cars for loading or unloading.

**TIH/PIH:** Toxic Inhalation Hazards (TIH) and Poison Inhalation Hazards (PIH), as defined in AAR Circular No. OT-55. The terms TIH and PIH are synonymous as they apply to this Tariff.

**TIME:** Local time applicable.

**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.



## **SECTION 1 - RULES**

### ITEM 60 CREDIT EXTENSION AND PAYMENT TERMS

- 1. Shipments must be accompanied by full payment of charges unless the party responsible for payment of charges has established credit to the satisfaction of the AZCR.
  - a. Payment of all charges shall be made according to the terms established by the AZCR. Freight charges are due within fifteen (15) calendar days from the date of the freight invoice. Accessorial charges (e.g. demurrage, switching, weighing, etc.) are due within thirty (30) calendar days from the date of the accessorial invoice.
  - b. Payment shall be deemed to have been made upon receipt of funds in AZCR's bank.
- 2. In no event shall any amount(s) claimed against AZCR be deducted from or offset against freight or other charges due hereunder. In the event that an amount(s) is deducted or offset against freight or other charges due AZCR, the party making such offset or deduction will be assessed a service charge of ten percent (10%) plus one and one half percent (1 ½%) per month of the amount offset or deducted.
- 3. It is understood that any payment of amounts less than as stated on an invoice will be considered: "Payment-on-Account" and not as: "Payment-in-Full" (not withstanding any notation to the contrary as to the payer's intent.) Acceptance by the AZCR of a lesser amount will not constitute an accord and satisfaction. In such a situation, the payer will be advised of the remaining balance deemed due (after the application of the funds received has been attempted, as specified by payer.)
- 4. Customers shall be liable for payments of the transportation charges accruing on a shipment, and nothing herein shall limit the right of the AZCR to require at time of shipment the prepayment of charges or guarantee thereof. If transportation charges have not been prepaid, or Customer has not entered into an agreement for credit with the AZCR, the AZCR may withhold delivery of the shipment until payment or guarantee by Customer of all charges. Placement of equipment by any carrier for unloading or loading shall be deemed acceptance of shipment and/or equipment.
- 5. Acceptance of shipment by consignee or beneficial owner shall be deemed acceptance of responsibility for payment of all charges accruing on the shipment, including demurrage and switching services performed at destination. The issuance of a Shipping Document for a shipment consigned "to order", or to one party with directions to notify or advise another party as a prior condition to delivery, is prohibited, unless prior written arrangements have been made.
- 6. Freight charges or other charges due must be paid in full, and any claim against AZCR must be asserted separately in accordance with the applicable procedure listed in item 80.
- 7. In the event freight charges or other charges are not paid in full, the AZCR will assess a finance charge of the lessor of 12% per annum 2% per month or portion thereof, or the maximum amount permitted by law on the unpaid bills or portion thereof which are past credit terms. The finance charge will accrue daily on the unpaid balance from the first day following the end of the credit term until date of receipt of payment in full by the carrier. The finance charge will not apply against disputed charges that are found by carrier to have been incorrectly billed. The finance charge will be billed monthly for all charges that were not paid within the applicable credit period in the prior calendar month.
- 8. AZCR may at any time, at its sole discretion, revoke credit privilege and institute any one or more of the following:
  - a. Require that applicable freight charges be paid by a person or entity with approved credit status with the AZCR.
  - b. Require that the Customer responsible for the payment of charges tender one or more of the following: Standby Irrevocable Letter of Credit and/or a Surety Bond and/or a personal or corporate guarantee of indebtedness and/or a sufficient cash deposit (see item 70).
  - c. Assess demurrage charges on rail cars placed in hold status while awaiting payment. When rail cars are held in transit awaiting payment, demurrage will be assessed following the sending or giving of notice of arrival.



## **SECTION 1 - RULES**

### ITEM 70 SECURITY DEPOSITS FOR PAYMENT OF CHARGES

The AZCR has the right to demand that a rail Customer (AZCR served shipper, loader, consignee or unloader responsible for the payment of demurrage or any applicable charges), without sufficient credit history, or with a history of delinquency or nonpayment of freight, demurrage or other charges not in bona fide dispute, provide assurance for the timely payment of such charges. Such "assurance" will be required in the form of a deposit with AZCR of cash, letter of credit, surety bond or other suitable guarantee in the amount or security equal to the **average monthly invoiced services calculated over the past six months or a per car fee based on potential services.** The AZCR will determine suitability of the security tendered. (All instruments on deposit are hereinafter referred to as "security")

If an AZCR invoice, not in bona fide dispute, is not paid when due; immediately thereafter the AZCR will satisfy the bill by drawing 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 invoiced services or per car fee based on potential services.

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 deposit or maintain the security, AZCR may refuse to provide any further rail service until the deposit requirement is fulfilled. If service is refused and rail Customer is the subject of congestion, the AZCR will issue an embargo against all rail transportation by the AZCR to and from that rail Customer, so long as congestion exists or otherwise continues. In short, carrier may issue and maintain the embargo while the congestion exists, irrespective of rail Customer compliance or non-compliance with the Security Deposit provisions in this Item.

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

### ITEM 80 INVOICE CLAIMS

In order to be allowed relief from a billed amount, a claim must be presented to the AZCR, in writing, within **thirty (30) calendar days** of the invoice date, with supporting documentation, stating fully the conditions for which relief is claimed, identifying contested cars by car initial, car number and location. Any relief claimed must be a direct result of AZCR's control, as the AZCR will not be liable for conditions of other rail carriers not party to this publication that adversely affect the Customer.

Claims sent to the AZCR 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 the email address found on page 2 of this tariff.

## All claims not received within thirty (30) days will result in invoice being 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.

#### Force Majeure:

Acts of God: In the event it is impossible for shipper, 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 orclimatic conditions, the demurrage directly chargeable thereto will be adjusted, provided the impediment is at least two (2) days in duration. Notification of this impediment must be made to Customer Service. Customer will notify customer service within 24 hours of interference and will provide daily updates until back in service. Customer Service contacts are found on page 2 of this tariff.



## **SECTION 1 - RULES**

### ITEM 80 INVOICE CLAIMS

Payment of any invoice, which is subsequently alleged to be incorrect, will not prejudice the Customer's claim, filed within the statutory period. Should Customer receive invoice that they are not responsible for paying, they should immediately notify the AZCR (not later than thirty (30) days of invoice date, prescribed above).

Claim requirements, statutory time limits — AZCR will accept a whole or partial claim for overcharge, over collection or duplicate payment only if the claim is in writing and contains sufficient information for the AZCR to conduct an investigation, including the name of the claimant, which must be the payer; the amount of the claim; the original freight invoice; freight invoice payment information and supporting documents, which show, among other things, that the AZCR collected all of the charges at issue; and, in the case of overcharges, the rate, weight, commodity, description and supporting authority (quotation, etc.) claimed to be applicable. The claim must be filed within two (2) years of the date of delivery or tender of delivery by the AZCR.

## ITEM 85 BANKRUPTCY OR INSOLVENCY

In the event a Customer files or is the subject of a filed petition in bankruptcy and has a transportation contract or other agreement the AZCR (collectively "Agreement"), Customer will, as soon as practicable:

- 1. Identify carrier as a "Critical Vendor" of essential services as that term is interpreted and understood within the context of a bankruptcy proceeding;
- 2. Identify any Agreement with carrier under which there remains continuing unperformed obligations; and,
- 3. Choose to elect to either assume or reject such Agreements identified pursuant to paragraph (2) above within sixty (60) days of the date of the filing of the petition in bankruptcy.

In the context of a bankruptcy proceeding, no Agreement identified under paragraph (2) may be assigned without AZCR's consent, unless AZCR is given adequate assurance of future performance by the assignee. Such adequate assurance will include, but not necessarily be limited to, a deposit with carrier as security for the timely payment of invoices for services rendered in an amount equal to the average thirty (30) day accrual for such charges.

#### ITEM 90 SURCHARGES

A surcharge payment of **\$266.00 per car** shall be payable by the shipper or consignor on outbound shipments and receiver or consignee on inbound shipments of Coal (STCC 1121110) and Petroleum Coke (STCC 2991314) at Clarkdale Arizona Central Railroad, LLC stations on shipments originating or terminating at said stations. Surcharge payments shall be made by the customer of record with AZCR.

A surcharge payment of **\$124.00 per car** shall be payable by the shipper or consignor on outbound shipments and receiver or consignee on inbound shipments of Cement (STCC 3241130) at Clarkdale Arizona Central Railroad, LLC stations on shipments originating or terminating at said stations. Surcharge payments shall be made by the customer of record with AZCR.

### ITEM 95 COMMUNICATION OF RELEASE VIA FAX, PHONE, OR EMAIL

Empty or Loaded Release Information received by AZCR via email, phone or fax (found on AZCR's subscription page 2 of this tariff) are all **subject to \$50.00 per release/bill of lading**.

### ITEM 100 OVERLOADED RAILCARS

An overloaded car is defined as a rail car for which either the net weight (actual weight of freight including all other materials incidental to the movement of the goods) is in excess of the car's authorized load limit (as listed in Universal Machine Language Equipment Register-UMLER), or the gross weight (combined weight of railcar and freight including all other material incidental to the movement of the goods) is in excess of the track weight limitations at any point along the route of movement.

#### AZCR's Track Capacity is 286,000 gross lbs for conventional four axle railcars.



## **SECTION 1 - RULES**

## ITEM 100 OVERLOADED RAILCARS

If car is overloaded, shipper is responsible for the removal and disposal of the excess portion of the lading of the car. Carrier(s) will not be responsible for damaged goods, or loss of lading resulting from the process of removing excess portion and carrier(s) will not assume responsibility for the proper loading or unloading of any lading into or out of a car containing excessive lading. All charges referred to are assessed as a deterrent to the unsafe practice of overloading rail cars and are not connected in any way with the line-haul transportation charges. These charges are not freight or "or other lawful charges" within the meaning of Section 7 of the Bill of Lading, and the execution of Section 7 will not in any way relieve the shipper from the responsibility for the charges set forth in this Item.

If shipper does not produce a certified weight document, in a form acceptable to applicable carrier, indicating that the excess tonnage has been removed from each car, weighing charges for each overloaded car, including applicable switch charges as published in applicable carrier's Tariff covering switching charges, will be assessed against the shipper in addition to all other charges named in this publication.

If a car is found to be overloaded at origin after having been removed from industry or if a car is found to be overloaded at railroad tracks where loaded or if a car is found to be overloaded after the car has departed the origin station, the overloadedcar(s) will be placed at a point of carrier's choosing until the excess lading is removed and will be subject to a surcharge of **\$1,000.00 pr car**. In addition to the surcharge, an intra-terminal switch charge (if point is on AZCR), or an inter-terminal switch charge (if point is on a carrier other than a AZCR carrier, but within the switch limits) as provided in applicable carrier's Tariff covering switch charges, and the applicable freight charges. Shipper will be notified via telephone, fax or by an electronic means and shall remove the excess lading at the operating convenience of applicable carrier. Cars found to contain excess lading at origin will remain on continuous demurrage under the provisions found in applicable carrier's Tariff covering demurrage charges, until the excess lading is removed.

If the shipper fails or refuses to arrange to have the excess lading removed from each car within one hundred and twenty (120) hours from the date and time of notification, carrier(s) may, at its discretion, arrange for removal and disposal of the lading in excess of the weight limit needed to allow the car to continue safely to destination. The shipper will be assessed and pay actual cost of removal and disposal to the party removing the lading from the car. If shipper/consignor has not commenced reducing the excess portion from each car after two hundred and forty (240) hours from the date and time of notification, the lading in the car will have been deemed abandoned and carrier(s) may, at the option of carrier's Freight Claim Department sell or dispose of the lading. All charges (switching, weighing, demurrage, reduction and disposal expense) resulting from the overloaded car, will be deducted from the proceeds of sale.

If a car found to be overloaded can be safely moved, or is discovered as overload at destination, a surcharge of \$850.00 per car will be applicable.

### ITEM 105 DAMAGE TO RAILROAD CONTROLLED TRACK

At any location where the customer uses its own locomotives, Trackmobile, or other equipment to move railcars on railroad controlled track, and if the movement of such cars by the customer, while such cars are in the custody and control of the customer, causes damage to railroad controlled track(s), the customer shall reimburse AZCR on a time and material basis for all repairs necessary to repair the damage and return the track(s) to service, plus a charge of 30% of the total cost of the repairs to reimburse AZCR for overhead and administrative costs. "Time and material" shall include charges for: i) labor; ii) materials; iii) equipment and vehicles; iv) fuel, oil, and other consumable materials; and v) the cost of contractors, if, in AZCR's sole judgment; the use of a contractor is necessary to repair the damage and return the track(s) to service. Said track(s) will be returned to service when all necessary repairs have been made, and AZCR's Roadmaster has inspected the repairs.

### ITEM 110 PROTECTIVE SERVICE

Perishable or any freight under protective service will be accepted from connecting carrier for delivery to Customers with the understanding that protective service is not provided by the AZCR, therefore, will AZCR will accept no liability of any loss or damage resulting from failure of such protective service.



## SECTION 1 - RULES

### ITEM 115 DIMENSIONAL PRE-CLEARANCE PROPOSAL

There will be a **\$1,000.00 charge** for each dimensional pre-clearance proposal submitted to AZCR. While the proposal is in "submitted" status, changes to the proposed dimensions (length, width, height) may be made at any time without penalty. Once the proposal is in "working" status, the Customer may make only two additional changes to the proposed dimensions (length, width, height) without incurring an additional charge. Any additional charges (beyond the three total changes described above) to the proposed dimensions will be subject to an **additional pre-clearance proposal charge of \$1,000.00.** Once the proposal is in "completed" status, no more changes can be made.

Payment of any pre-clearance proposal charges must be made before "working" status.

Each pre-clearance proposal that results in an actual load moving on the AZCR within one (1) year from the date the clearance review is completed, the customer will be entitled to a **refund of \$1,000.00**. The customer must submit proposal and refund requests through email listed on AZCR's subscription on page 2 of this tariff.

In the event the clearance proposal results in AZCR not being able to clear the load for transportation, a refund will not be issued but clearance maximum dimensions will be provided. If the clearance maximum dimensions can be accommodated by the Customer and a shipment meeting the clearance maximum dimensions subsequently moves on the carrier, the Customer will be eligible for refund pursuant to the terms above.

Submissions of a pre-clearance proposal to AZCR for clearance of a shipment does not create any obligation to provide transportation of the proposed shipment or any other shipments that may be tendered by the Customer.

### ITEM 120 RETURNED, REFUSED OR REJECTED SHIPMENTS

This item does not apply Freight requiring protective service. When shipment covered by this publication has reached destination but is refused or rejected, not unloaded, and is returned to the original shipping point for reasons other than AZCR's error, the return movement will be subject to the rate and minimum weight in the reverse direction in effect on the date shipment is tendered for return.

#### ITEM 125 SEVERABILITY

If any provision of this publication is held invalid by a court or governmental entity of competent jurisdiction, such provision shall be severed from this publication and to the extent possible, this publication shall continue with regard to the remaining provisions.

### ITEM 130 TIME LIMIT FOR FILING LOSS OR DAMAGE CLAIMS

Loss or damage discovered other than between 8:00 am and 5:00 pm, Monday-Friday shall be reported no later than 24 hours following unloading from the railcar by email to <u>info@clarkdaleazcentral.com</u> (Saturdays, Sundays, and Holidays are excluded). Claims for loss or damage to cargo, commodities and/ or freight must be filed and received by the AZCR within 9 months after the date of delivery of the shipment to destination. In the event that a claim is denied, suits for recovery must be filed within 2 years and 1 day after notice of claim denial was given in writing.

### ITEM 135 MINIMUM AND MAXIMUM LIABILITY

Claims filed by the Shipper for \$250 or less for damage or cargo loss will not be accepted or paid by the AZCR in which the claim was filed. In addition, the Shipper hereby waives any and all recovery, remedies and/or rights with respect to such claims. The AZCR will hold a **maximum liability for loss or delay of, or damage to, the freight is \$35,000.** Claim reimbursement will be at the manufacturing cost, not at retail price.

Liability of shortage of goods shall be conditional upon evidence of unauthorized entry into the railcar while it is in the possession of the AZCR railroad.



## SECTION 1 - RULES

### ITEM 140 PRIVATE CAR APPLICATION FOR RAILROAD MARKED CARS

AZCR is aware that shippers and/or consignees may sometimes lease railcars from other railroads for shipments that may originate or terminate on AZCR. Such railcars normally contain the reporting marks of the lessor railroad. In order to avoid the assessment of demurrage charges by the AZCR, when such railcars are located on private or leased tracks, on AZCR's rail lines, it is necessary that shippers apply to and receive the approval of the AZCR for the designation of suchcars as "private" cars for the purposes of demurrage or storage. The AZCR reserves the right to assess demurrage and storage charges while cars designated as private are on railroad owned tracks.

- A. Shipper and/or consignee <u>must submit a written request to the AZCR railroad not less than thirty (30) days prior</u> to the date that the "private" car designation for railroad marked equipment should take effect to <u>Info@clarkdaleazcentral.com</u>. The request must include:
  - a. Name of Shipper and/or Consignee leasing the railcars;
  - b. Name of lessor railroad;
  - c. Listing of the reporting marks of the railcars being leased and railcar type(s);
  - d. Length of time requested for the private railcar designation;
  - e. Copy of applicable railcar lease (upon request of the AZCR);
- B. The AZCR will provide a written reply to each request within thirty (30) days of receipt of the request. The AZCR, in its sole discretion may accept or reject the request in whole or in part. The AZCR may accept a smaller number of railcars than requested and/or for a shorter amount of time.

### ITEM 145 PRIVATE CAR MILEAGE

AZCR is not a party to the RIC 6007 SERIES Tariff covering private car mileage, therefore does not pay private car mileage without signatory contracts that supersede this tariff.

### ITEM 150 EMBARGO/OPSL NOTE CARS INTERCHANGED IN ERROR

Railcars interchanged to AZCR which have received an embargo or OPSL note error message, also known as an 824 EDI message, will be subject to a charge of **\$1,700.00 per car**. This charge will be assessed to the first linehaul carrier by whom the transportation waybill, also referred to as a 417 EDI message, was originated.

### ITEM 155 CLOSING DOORS

Loaded cars will not be moved unless all doors, hatches, outlet gate doors on covered hoppers, gates and tie-down devices are secured. Additional Intra -Terminal Switch charges will apply if any subsequent trips to the customer are necessary due to doors, etc., not being secured. On empty or loaded cars, when it becomes necessary for the Carrier or their contractor, to close or open doors, hatches, gates, outlet gate doors on covered hoppers, or secure tie-down devices, charges will be assessed against the customer releasing said car. This service is provided at the convenience and discretion of the AZCR and a charge of \$100.00 per door handled will apply.

#### ITEM 160 ARTICULATED CARS

For all articulated cars, any applicable charges listed in this tariff will be doubled and applied to each car.

#### ITEM 170 RIGHT TO SELL ABANDONED, REFUSED, OR UNCLAIMED PROPERTY

Freight that is abandoned by the Consignor and Consignee, or Refused by the Consignor and the Consignee, or unclaimed within 15 days after notice is issued to the Consignor and Consignee may be sold by the AZCR in accordance with applicable law. The proceeds of any sale will be applied to the payment of all transportation and other lawful charges and expenses incurred by the AZCR and any balance will be paid to the owner of the freight sold by the AZCR.



## **SECTION 1 - RULES**

## ITEM 175 CARGO SEALS

The AZCR does not furnish, apply, verify, or inspect seals. When seals are applied, all doors, hatches, valves and other openings on the railcar must be sealed. Consignor must include each seal number and the name of the employee applying the seal(s) in its Shipping Instructions. The AZCR will not honor claims for loss, damage, or contamination of railcar contents based solely on the absence of one or more seals at the time of delivery at destination. Claims for loss or damage are honored only when there is clear and convincing evidence of actual loss, damage, or contamination other than the mere absence of one or more seals, or apparent compromise of a seal that was applied before movement. The AZCR reserves the right to audit, at the AZCR's expense, the Consignor's on-site seal records.



## SECTION 2 – SWITCHING & MISCELLANEOUS

## ITEM 200 INTO OR OUT OF STORAGE SWITCH

Railcars switched into or out of storage to be moved between location of storage and either interchange or The Customer's facility, will be charged a fee of **\$200.00 per car**.

Railcars switched into or out of storage, chosen by specific equipment ID, rather than by the sequence of storage line entry (commonly referred to as cherry picking), will receive an additional charge of \$350.00 per car.

## ITEM 205 BLOCKING

If AZCR is requested by the customer to block cars, AZCR shall perform such blocking at a charge of **\$350.00 per car**. Blocking instructions must be received by AZCR at least twenty-four (24) hours in advance.

### ITEM 210 INTRA-PLANT SWITCHING

At a Customer's request, the AZCR will perform intra-plant switching on loaded or empty cars for a fee of \$315.00 per car, subject to Exceptions 1 below.

#### Exception

1. If the switching of a car requires handling the car beyond the confines of the plant or industry at which the car was initially placed, the charge will be the applicable **rate as shown in ITEM 215**.

#### ITEM 215 INTRA-TERMINAL SWITCHING

At a Customer's request, the AZCR will perform intra-terminal switching on loaded or empty cars at the following rates:

The AZCR railroad will perform intra-terminal switching on loaded cars for a fee of \$425.00 per car.

The AZCR railroad will perform intra-terminal switching on empty cars for a fee of **\$415.00 per car**.

#### ITEM 225 EMPTY CARS RETURNED UNUSED

- A. When an empty car <u>is furnished by another railroad</u> for loading by an industry located on the AZCR is refused by the industry because the car is not in proper condition to load and car must be returned to the furnishing railroad, a charge of **\$400.00 per car** will be assessed against the railroad furnishing the car.
- B. When an empty car <u>furnished by any railroad</u> is rejected for loading by an industry located on a AZCR railroad, and returned unused for reasons other than described in (A) above, a charge of **\$400.00 per car** will be assessed against the person, firm or corporation ordering the car.
- C. APPLIES TO B: Demurrage will also be charged for all days, including, Saturdays, Sundays and Holidays from the date and time of actual or constructive placement until released, with no free time allowance.

#### ITEM 230 IMPROPER 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 the AZCR 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 the AZCR, the car(s) will remain on demurrage as if the release had not been instructed, and **a charge of \$400.00 per car** will apply on each car, up to a **maximum charge of \$1,200.00 per occurrence**.

When the placement of a car(s) cannot be accomplished due to improper release of car(s) previously placed for loading or unloading or for other reasons not attributed to the AZCR, the car(s) will remain on demurrage as if the car(s) had not been ordered and a charge of \$400.00 per car will apply on each car, up to a maximum charge of \$1,200.00 per occurrence.

Other reasons include, but are not limited to; rails blocked or fouled, derails, switches or gates locked, cars in process of being worked, inspected or sealed, or other customer request leading to delay.



## SECTION 2 – SWITCHING & MISCELLANEOUS

### ITEM 235 RELEASE OF CARS WITHOUT FORWARDING INSTRUCTIONS

When a loaded or empty car(s), is released by the Customer, and car(s) are removed from the location of release and are held by carrier awaiting forwarding instructions, a charge of **\$250.00 per car** will be assessed against the Customer,

If car(s) are subsequently ordered returned to the loader's interchange tracks, an **Intra-Terminal Switching charge** will be assessed against the party requesting the service **per item 215**. **These charges are in addition to demurrage charges.** 

Any loaded car released to AZCR without proper billing information submitted to AZCR within 24 hours of release to AZCR, for the purposes of assembling a unit train for subsequent billing as a unit train, shall be charged **\$250.00 per car**. For purposes of this Item, the term "Unit Train" shall apply to a train consisting of at least twenty-five (25) cars moving from one origin to one destination.

### ITEM 250 CARS INTERCHANGED TO AZCR IN ERROR (RAILROAD SETBACK)

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

- A. without billing instructions, or
- B. at an interchange not specified in the billing, or
- C. when the AZCR is not in the route, or
- D. when shipper, consignee or owner changes billing instructions to move car(s) via an outbound carrier other than the AZCR

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 \$400.00 per car.** 

#### ITEM 255 SERVICE OUTSIDE NORMAL OPERATING/SERVICE HOURS (SPECIAL SWITCH)

- A. If the AZCR is requested by Customer to furnish necessary locomotive(s) and crew(s) to perform service at other than normal assigned time for a specific location, this Item applies.
- B. Charges will be assessed at **\$468.75 per hour** or fraction thereof, **subject to a minimum of \$3,750.00 per** occurrence. Charges shall be assessed for each request for service and will be in addition to any other chargeable services performed in connection therewith.
- C. Customer <u>must provide the AZCR advance notice by phone or email.</u> Phone <u>n</u>umbers and email addresses listed on the AZCR's subscription page found on page 2 of this tariff. Prior to service being performed, AZCR must receive communication via one of the previous listed methods confirming the request, listing the initial and number of the car(s) previously furnished by phone.
- D. AZCR reserves the right to restrict, modify or refuse any request for service outside of normal operating hours.

### ITEM 260 ADDITIONAL CONNECTING RAILROAD HANDLING SERVICES

- A. The following charge will occur if the AZCR is requested by a connecting rail carrier to furnish necessary locomotive(s) and/or crew(s) to perform services outside any other normal interchange services. Services include, but are not limited to, removal, rotation and/or addition of railcars and/or locomotives.
- B. Charges will be assessed at a rate of **\$400.00 per hour or fraction thereof, subject to a minimum of 8 hours.** Charges shall be assessed for each request forservice and will be in addition to any other chargeable services performed in connection therewith.
- C. Connecting rail carrier <u>must provide the AZCR advance notice by phone or email.</u> Phone numbers and email addresses listed on the AZCR's subscription page found on page 2 of this tariff.



## **SECTION 2 – SWITCHING & MISCELLANEOUS**

## ITEM 265 SPECIAL FREIGHT TRAIN SERVICE

Special freight train service is defined as a train that is operated on an expedited schedule or under special service or transportation requirements specified by the Customer at a charge in addition to the applicable class or commodity rates or fares, or a train that is assembled in accordance with instructions to the AZCR by the Customer. Upon request and at the convenience of the AZCR, special freight train service will be furnished on the AZCR, subject to the charges and conditions specified in this Item.

- A. Charges will be assessed at a rate of \$125.00 per train mile over the actual distance operated by the special train, subject to a minimum of 38 miles or \$4,750.00 for each movement. Charges shall be assessed for each request for special freight train service and will be in addition to any other chargeable services performed in connection therewith.
- B. Customer <u>must provide the AZCR advance notice by phone or email</u>. Phone numbers and email addresses listed on the AZCR's subscription page found on page 2 of this tariff. Notice for each special freight train service to be made under this tariff, should provide the AZCR all necessary information as to such special train movement, including consist, date and time of movement, and any other information and instructions pertinent to such movement, allowing sufficient timefor the AZCR to consummate whatever arrangements may be necessary to facilitate the movement of such train, including the assembly of equipment, personnel and other incidental requirements. Prior to service being performed, the AZCR must receive written confirmation via email. Email addresses listed on the AZCR's subscription page found on page 2 of this tariff. Written notification should list the initial and number of the car(s) previously furnished by phone.
- C. AZCR reserves the right to restrict, modify or refuse any request for special freight train service.

### ITEM 270 TURNING CARS TO PERMIT LOADING/UNLOADING

When a Customer requests AZCR turn car(s) for the purpose of loading or unloading, a turning charge of **\$575.00 percar** will apply for each car that the AZCR turns.

A. If the AZCR cannot turn a car, the car will be returned to the interchange carrier in which it was received. Car(s)would be subject to an Inter-Terminal Switch charge in item 215. Charges of other carriers would be in addition to the charges of the AZCR railroad.

#### ITEM 280 ABSORPTION OF CONNECTING LINES' SWITCHING CHARGES

If absorption is not specifically mentioned in freight charge publication, any and all connecting lines' **switching or other charges will not be absorbed by the AZCR. To the extent switching or other charges are not absorbed, such charges will be assessed against the Customer in addition to all other applicable charges.** For absorption amount, please refer to the freight transportation pricing.

#### ITEM 285 DIVERSION/RECONSIGNMENT CHARGES

When a change in name of consignee or consignor, a change in the destination, a change in the route at the request of the consignor, consignee, or owner, or any other instructions given by consignee, consignor, or owner altering delivery and requiring an addition to or change in billing and additional movement of a car, or both, the following charges will apply:

- 1. If a diversion or re-consignment order is received by AZCR prior to the arrival of a car at destination, the charge will be \$325.00 per car.
- 2. If a diversion or re-consignment order is received by AZCR within twenty-four (24) hours from the first 7:00 a.m. after arrival at destination, the charge will be **\$400.00 per car**.
- 3. If a diversion or re-consignment order is received by AZCR after expiration of twenty-four (24) hours from the first 7:00 a.m. after arrival at destination, the charge will be **\$475.00 per car**. Shipper must provide a bill of lading before the AZCR will move the car.

#### ITEM 290 LOCOMOTIVES, DEAD, ON OWN WHEELS

The applicable charge for switching locomotives, dead on their own wheels will be **\$800.00**, unless specified in another itemor publication.



## **SECTION 2 – SWITCHING & MISCELLANEOUS**

### ITEM 295 ORDERING EMPTY CARS IN FOR PLACEMENT BY SPECIFIC CAR NUMBER

When empty cars are held for loading, and customer requests such cars for placement by specific car number (as opposed to ordering in "any empty cars" or "the next cars in line"), then an "Ordering Empty by Car Number" a charge of **\$300.00 per car** applies. When cars are ordered out of storage by specific car number, applicable charges may be found in Item 200 of this Tariff.



## SECTION 3 – DEMURRAGE & STORAGE

## ITEM 300 APPLICATION OF DEMURRAGE AND STORAGE

- A. Demurrage and Storage applies on all cars constructively or actually placed on or after the effective date of this tariff, at all stations the AZCR. *This publication takes precedence over any other domesticinterstate, intrastate, export or import publication*, containing rules, regulations and charges on demurrage and storage for the account of the AZCR, and will be applied by AZCR to the receiving party served by AZCR and the receiving party will be responsible for payment of such charges **per 49 CFR part 1333, STB EP 707 and other regulatory issuances that are released from time to time.**
- 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 therules and charges published herein, **EXCEPT** the following:
  - 1. Cars for loading or unloading of a AZCR company material while held on AZCR tracks or private sidings connecting therewith.
  - 2. Cars of refused or unclaimed freight to be sold by the AZCR for the time held beyond legal requirements.
  - 3. Cars of railroad ownership, leased by a Customer 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 the AZCR's liability.
  - 4. Empty cars ordered and rejected as unsuitable for loading within 48 hours following order date or actual placementdate.
  - 5. Private cars while held on private tracks.

### ITEM 305 NOTIFICATION TO CUSTOMER

- A. The following notification will be furnished as indicated:
  - 1. Cars for Industrial Tracks
    - a. Notice of constructive placement shall be sent or given if a car is held on tracks of AZCR at an available hold point or at billed destination due to any condition attributable to the facility served by the AZCR (shipper, consignee, loader, or unloader) which prevents the AZCR from making actual placement.
    - b. Delivery of car upon tracks of consignee will constitute notice. The date and time of the placement by the Train Crew's record will govern the chargeable time as described in this tariff. Customer served by the AZCR must review and report discrepancies between Customer's inventory and the AZCR's daily ON-LINE INVENTORY within 24 hours of discrepancy to AZCR's Customer Service at the email address listed on AZCR's subscription page found on page 2 of this tariff. If communication is not received within 24 hours, Train Crew's record will govern for application of charges.
  - 2. Cars for Public Delivery Tracks:
    - a. Notice of constructive placement shall be sent or given if a car is held on tracks of the AZCR at an available hold point or at billed destination due to any condition attributable to the shipper, consignee, loader orunloader which prevents the AZCR 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. Hold point, if other than billed destination.
- C. When shipper or consignee utilizes an electronic or mechanical device, including fax machines, phone systems and email, to accept messages, notification left on such device will be considered as having been received.
- D. It will be the responsibility of the AZCR served Customer, to provide any change in Customer's notification recipients to the email address listed on the AZCR's subscription page found on page 2 of this tariff. Should the AZCR receive a failure to deliver message due to any reason attributable to the receiver, such as invalid fax number or email address, notification attempt will be considered as having been received.



## **SECTION 3 – DEMURRAGE & STORAGE**

## ITEM 310 NOTIFICATION TO THE AZCR RAILROAD

The AZCR will accept forwarding instructions, empty release information or, other disposition twenty-four hours via EDI, via Shipper Connect, or via email to the email address listed on the AZCR's subscription page found on page 2 of this tariff or via fax to number 620-649-3281 (for fees on faxes, emails and phone calls see Item 95).

All notices to the AZCR railroad are effective upon receipt.

NOTE 1: Demurrage charges will continue to accrue to the Origin Industry even when cars are released to a Third-Party, until the time billing is received by the AZCR railroad from the Third-Party.

NOTE 2: It is the origin industry's responsibility to ensure information is received by the railroad.

NOTE 3: A penalty charge will be assessed on cars released prior to being fully unloaded or loaded (see ITEM 230).

### ITEM 315 FREE TIME

**FREE TIME:** As defined in ITEM 50 of this Tariff will be calculated from the first 7:00 AM following actual or constructive placement. For the purpose of computing free time, Saturdays, Sundays, and holidays will be excluded, unless there has been at least one (1) chargeable day prior to the Saturday, Sunday, or Holiday (for Holidays see item 350).

Cars held for unloading: FORTY-EIGHT (48) HOURS Cars held for loading: FORTY-EIGHT (48) HOURS

No free time will be allowed for cars held for any other purpose for which the consignor, consignee, or party of record is responsible for furnishing disposition to the AZCR.

#### Exceptions

- No free time will be allowed on Heavy Duty railcars, including QTTX, KRL, LNAC and ALT marked railcars with load limits in excess of 200,000 lbs. and any commercial, rail-controlled railcar with a load limit in excess of 240,000 lbs. No free time will be allowed for cars held for any other purpose for which consignor, consignee, or party of record is responsible for furnishing disposition to the AZCR.
- 2. Saturdays and Sundays will be chargeable days for Mechanical Refrigerator Cars.
- 3. Unit Trains held for loading and unloading. Hours of Constructive Placement until Release will be rounded up to the next hour and FREE TIME will be subtracted from that. Charges are immediate from time of Constructive Placement, 7:00 AM start time does not apply to Unit Trains. **FREE TIME for Unit Trains is FIFTEEN (15) HOURS.**



## **SECTION 3 – DEMURRAGE & STORAGE**

## ITEM 320 CARS HELD FOR COMPLETE OR PARTIAL LOADING OR UNLOADING

#### LOADING OR UNLOADING: As defined in ITEM 50 of this Tariff.

- A. Private car(s) that are consigned or ordered for delivery to private tracks, while held on railroad tracks under constructive placement, are subject to demurrage provisions and charges as applicable in this Tariff.
- B. Car(s) other than private car(s) that are consigned or ordered for delivery to private tracks are subject to demurrage provisions and charges as applicable in this Tariff while on railroad tracks under constructive placement and while on private tracks.
- C. If Item 360 is applicable, this Item will not apply.

#### **COMPUTATION:**

- A. Demurrage computation:
  - a. Constructive Placement Time will apply from first 7:00 AM after constructive placement until actual placement.
  - b. Industry Time will apply from first 7:00 AM after actual placement until release.
  - c. Demurrage will apply on railroad owned and controlled car(s) from first 7:00 AM after constructive placement untilrelease from actual placement (Constructive Placement Time and Industry Time combined and continuous).
  - d. Demurrage will apply on private car(s) from first 7:00 AM after constructive placement while on railroad tracks until actual placement on private track.
  - e. Demurrage will apply on all car(s) from first 7:00 AM after release and removal of loaded cars from private track until forwarding instructions are received.
- B. On reloaded cars, demurrage will apply from the first 7:00 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.

### ITEM 325 CARS HELD FOR PURPOSES OTHER THAN LOADING OR UNLOADING

#### **APPLICABLE TO CARS HELD:**

- A. While awaiting proper disposition from the Customer.
- B. In connection with diversion request
- C. For any other purpose not attributable to the AZCR
- D. If ITEM 360 is applicable, this Item will not apply.
- E. Cars in Unit Train service, broken into multiple cuts, awaiting placement.

#### **COMPUTATION:**

- A. Demurrage computation:
  - 1. Constructive Placement Time will apply from the first 7:00 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 225.
    - c. Cars waiting for payment of accrued charges.
    - d. Cars held for other purpose which is not attributable to the AZCR.
    - e. Cars with excessive lading held for reduction as described in item 100.
- B. Industry Time will apply from first 7:00 AM after received by the AZCR until date and time of dispositionon:
  - 1. Cars received from connecting carriers.
  - 2. Private cars returned to railroad tracks.
- C. Industry Time will apply from first 7:00 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 which is not attributable to the AZCR
- D. Demurrage will apply on the following from first 7:00 AM:
  - 1. Demurrage will apply on railroad owned and controlled car(s) from first 7:00 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 7:00 AM after constructive placement while on railroad tracks until actual placement on private track or disposition of refused car(s).



## **SECTION 3 – DEMURRAGE & STORAGE**

## ITEM 330 STRAIGHT DEMURRAGE PLAN

- A. Settlement of charges will be made on a calendar month basis on all cars released during the calendar month.
- B. Demurrage days accrued will be calculated separately for the following transactions:
  - 1. Cars held for complete or partial loading (see ITEM 320)
  - 2. Cars held for complete or partial unloading (see ITEM 320).
  - 3. Loaded and empty private cars held on railroad tracks (see ITEM 320).
  - 4. Refused loaded cars (see ITEM 325).
- C. Excess credits on one car cannot be used to offset demurrage days on another car.
- D. Excess credits earned under Special Demurrage Contracts or Agreements cannot be used to offset demurrage calculated per the Tariff.
- E. Demurrage charges will be assessed against the Customer(s) at the facility served by the AZCR and they will be possible for payment of such charges.
- F. 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 each car.
  - 2. Determine the total number of Credits for each car.
  - 3. If total credits exceed total demurrage days [debits] on a single car, demurrage charges will not be assessed against that car.

### ITEM 330 STRAIGHT DEMURRAGE PLAN

- 4. If total demurrage days [debits] on a single car exceed the total credits for that same car, charges will be assessed against that car.
- G. Adjustments must be handled through the invoice claim provisions set forth in ITEM 80.
- H. The AZCR railroad <u>will not</u> allow relief on demurrage days for a car that has been constructively placed from the order-in date until the car is actually placed.
- I. The applicable charge will accrue on all days except Saturdays, Sundays, and holidays that fall as the first chargeable day.
  J. Demurrage charges for explosives or hazardous materials, not including TIH/PIH, see charges in ITEM 355 of this tariff.

#### ITEM 340 DEMURRAGE CHARGES

A. On cars subject to demurrage charges as shown in ITEM 320 and 325, a charge of **\$75.00 per car per day**, or fraction thereof, will be assessed until the car is released (subject to Exceptions 1, 2, 3, 4, and 5 below):

#### Exceptions

- 1. **\$100.00 per car per day** on all mechanically refrigerated cars.
- 2. Item 355 or Item 360 applies.
- 3. **\$250.00 per car per day** on all QTTX, KRL, LNAC and APT marked railcars with load limits in excess of 200,000 lbs and any commercial, rail-controlled railcar with a load limit in excess of 240,000 lbs. Excludes STCCs: 3511206, 3511207, 3511280, 3511209.
- 4. Unit Train rates are **\$250.00 per hour** if all cars are privately owned and **\$600.00 per hour** if all or some of cars are railroad owned or controlled.



## **SECTION 3 – DEMURRAGE & STORAGE**

### ITEM 350 HOLIDAYS

Holidays shall include the following (subject to Note 1)::

New Year's Day – January 1st (\*) Memorial Day – Last Monday of May Independence Day – July 4<sup>th</sup> (\*) Labor Day – First (1<sup>st</sup>) Monday of September Thanksgiving Day – Fourth (4<sup>th</sup>) Thursday of November Day after Thanksgiving – Friday after Thanksgiving Christmas Eve Day – December 24<sup>th</sup> (\*) Christmas Day – December 25<sup>th</sup> (\*)

(\*) When this date occurs on a Sunday, the following Monday will be observed as the holiday.

NOTE 1: Sundays will be chargeable days for Mechanical Refrigerator Cars.

#### ITEM 355 HOLDING OF EXPLOSIVES, HAZARDOUS MATERIALS (OTHER THAN TIH/PIH)

In lieu of a formal agreement between the customer and the AZCR for holding hazardous railcars, whether in storage or demurrage per ITEMS 320, 325, & 370, the charges outlined below are applicable. **If ITEM 360 is applicable, this Item willnot apply.** 

## SUBJECT TO TARIFF BOE 6000 (HAZARDOUS MATERIALS REGULATIONS OF THE DEPARTMENT OF TRANSPORTATION)

#### **APPLICATION:**

- A. This Item applies on any loaded car or residue empty car 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 in ITEM 50.

COMPUTATION OF CHARGES: Charges will be assessed at a rate of \$200.00 per car, per day.

**HAZARDOUS STORAGE OR DEMURRAGE DAYS WILL COMMENCE:** Immediately following arrival of the car on the AZCR, the car will be considered in storage for each day or fraction thereof that the car is held on AZCR tracks and continue until equipment is released with proper forwarding instructions.

**RESPONSIBILITY FOR CARS:** The shipper, receiver, owner, or lessee is responsible for the equipment while in stored status according to the customer storage arrangement in place. Regardless if equipment lease agreement is terminated or transferred and regardless if storage or lease agreement is expired or cancelled, the responsibility for charges will only cease once new agreement is in place for the equipment under new contract with new responsible party.

#### LIABILITY: See item 135.

#### PLAN:

A. Settlement of storage charges will be made on a monthly basis for storage during each calendar month.

#### CALCULATION OF CHARGES:

- A. Total chargeable days for each car held on railroad controlled tracks during a calendar month will be determined.
- B. Adjustments must be handled through the railroad error claim provisions set forth in ITEM 80.

In addition to the above charges, consignees and shippers shall indemnify the AZCR against any and all governmental fines which may be assessed for the holding of rail cars on railroad controlled tracks and the consignees and shippers shall be liable for any loss, damage, or delay to equipment or lading caused by an Act of God, a public enemy, theauthority of law, labor strikes, acts of civil disobedience, the inherent nature or character of the lading, natural shrinkage, an act or default of the shipper/loader, owner or consignee/receiver, or from any cause whatsoever which occurs while the equipment and lading is in the actual physical custody and control of the AZCR due to the inability of the consignee or shipper to receive



## **SECTION 3 – DEMURRAGE & STORAGE**

## ITEM 355 HOLDING OF EXPLOSIVES, HAZARDOUS MATERIALS (OTHER THAN TIH/PIH)

equipment or provide proper forwarding instructions, unless it can be proven that carrier's gross negligence was the cause of same. Consignees or shippers will be responsible for any cost incurred by the AZCR for providing protection or surveillance of any commodity provided in this Item while held on AZCR property.

### ITEM 360 CHARGES FOR TOXIC OR POISONOUS INHALATION HAZARD (TIH/PIH)

A. Spot on arrival: Rail cars containing Toxic Inhalation Hazard (TIH) or Poisonous Inhalation Hazard (PIH), as defined in AAR Circular No. OT-55, as amended from time to time, must be spot on arrival. In the event a car cannot be placedon Customer controlled tracks or facility upon arrival and the rail car must be held by the AZCR in constructive placement, a charge of \$2,500.00 per rail car per day, or fraction thereof, will be assessed until the rail car is actually placed. The charges pertaining to this Item are immediate. There will be no free time or holiday free time. The charges will begin at time of constructive placement and will continue until actual placement.

## The AZCR reserves the right to reject railcars at interchange if the customer orders more cars than canbe actually placed at the Customer facility.

B. Held awaiting "forwarding instructions" as defined in ITEM 50: When AZCR is requested to move a car, containing Toxic Inhalation Hazard (TIH) or Poisonous Inhalation Hazard (PIH), as defined in AAR Circular No. OT- 55, as amended from time to time, from an industry or team track and the Customer requesting the move has not provided proper forwarding instructions and such car is moved by the AZCR to a railroad track, and is held awaiting properforwarding instructions, a charge of \$2,500.00 per rail car per day, or fraction thereof, will be assessed against the partyrequesting the move until proper forwarding instructions are received. The charges of this Item are immediate. There will be no free time or holiday free time. The charges will begin on the day car is moved by a AZCR railroad to a railroad track and will continue until proper forwarding instructions are received.

In addition to the above charges, the Customer shall indemnify the AZCR against any and all governmental fines which may be assessed for the holding of rail cars on railroad controlled tracks and the Customer shall be liable for any loss, damage, or delay to equipment or lading caused by an Act of God, a public enemy, the authority of law, labor strikes, acts ofcivil disobedience, the inherent nature or character of the lading, natural shrinkage, an act or default of the Customer, or from any cause whatsoever which occurs while the equipment and lading is in the actual physical custody and control of the AZCR railroad due to the inability of the Customer to receive equipment or provide proper forwarding instructions, unless it can be proven that carrier's gross negligence was the cause of same. The Customer will be responsible for any cost incurred by the AZCR for providing protection or surveillance of any commodity provided in this Item while held on a AZCR's property.

Should payment for charges not be made or reasonable attempts to minimize the holding of TIH/PIH railcars without writtenagreement, the AZCR reserves the right to embargo the Customer's facility.



## **SECTION 3 – DEMURRAGE & STORAGE**

### ITEM 370 STORAGE OF LOADED OR EMPTY PRIVATE CARS ON RAILROAD TRACKS

In lieu of a formal storage agreement between the customer and the AZCR railroad, and only when the AZCR railroad agrees to hold cars in storage will the charges outlined below be applicable. **If ITEM 355 or 360 is applicable, this Item will not apply.** 

**COMPUTATION OF CHARGES**: Storage charges will be assessed to any railcar exceeding the customer's available storage agreement capacity on any particular day or in the event customer does not have an un-expired storage agreement. Storage charges will be assessed **\$40.00 per car, per storage day for empty railcars and \$60.00 per car, per storage day for loaded railcars**.

**STORAGE DAYS WILL COMMENCE:** Immediately following arrival of the equipment on the AZCR the car will be considered in storage for each day or fraction thereof that the car is held on AZCR tracks and continue until equipmentis released with proper forwarding instructions.

**RESPONSIBILITY FOR CARS:** The shipper, receiver, owner or lessee is responsible for the car while in stored status according to the customer storage arrangement in place. Regardless if railcar lease agreement is terminated or transferred and regardless if storage or lease agreement is expired or cancelled, the responsibility for charges will only cease once new agreement is in place for the cars under new contract with new responsible party.

LIABILITY: See item 135.

#### STORAGE PLAN:

A. Settlement of charges will be made on a monthly basis for storage during each calendar month.

#### CALCULATION OF CHARGES:

- A. Total storage days for each car in storage during a calendar month will be determined.
- B. Adjustments must be handled through the railroad error claim provisions set forth in ITEM 80.



## SECTION 4 – FREIGHT

## ITEM 400 HEAVY DUTY FLAT CAR

When a flat car of mechanical designation FG or FW of any capacity, or a flat car of mechanical designation FM of 151,000 pounds or more capacity is ordered or appropriated by shipper and used to transport any freight at or between stations reached by the AZCR railroad, a charge of **\$650.00** per car will be assessed for each loaded movement in addition to applicable tariff rates or charges. When a flat car of mechanical designation FD of any capacity is ordered between stations reached by the AZCR railroad, a charge of **\$2,000.00** per car will assessed for each loaded movement in addition to applicable tariff rates orcharges.

Note: For description of mechanical designations mentioned herein, see Official Railway Equipment Register

### ITEM 405 FREIGHT

A local movement on the AZCR of an empty to loaded railcar that moves outside the switch limits will be charged \$500.00 per car.

