PALOUSE RIVER COULEE CITY RAILROAD COMPANY

FREIGHT TARIFF PCC 6000-C

Cancel PCC Freight Tariff 6000-B

NAMING

GENERAL CAR DEMURRAGE RULES AND CHARGES AND SWITCHING AND TERMINAL RULES AND CHARGES

APPLYING ON ALL POINTS ON THE

PALOUSE RIVER COULEE CITY RAILROAD COMPANY

THE PROVISIONS PUBLISHED HEREIN WILL, IF EFFECTIVE, NOT RESULT IN AN EFFECT ON THE QUALITY OF THE HUMAN ENVIRONMENT.

ISSUED: MARCH 15, 2008 EFFECTIVE: MAY 1, 2008

ISSUED BY:
T.D. TOWNER, PRESIDENT
PALOUSE RIVER COULEE CITY RAILROAD COMPANY
315 WEST THIRD
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RULES AND OTHER GOVERNING PROVISIONS GENERAL RULES AND REGULATIONS

ITEM 10

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

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

ITEM 20

METHOD OF CANCELLING 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 445-A cancels Item 445 and Item 365-B cancels 365-A in a prior supplement, which in turn cancelled Item 365.

ITEM 30

SUPPLEMENTS AND REISSUES

When reference is made in this tariff, or supplements, to other publications for rates or other information, it includes "Supplements thereto or successive issues thereof."

Where reference is made in this tariff to items, it includes "reissues" of such items.

GENERAL CAR DEMURRAGE RULES AND CHARGES

| ITEM | SUBJECT | APPLICATION |
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| | | SECTION 1 |
| 40 | DEMURRAGE CHARGES | On cars subject to demurrage charges after expiration of free time allowed (See Item 80), the following charges per car, per day, or fraction of a day, will be made until the car is released (See Item 115). A charge of \$60.00 per day will be billed on all demurrage days. If payment is received within 60 days of invoice date customer may take an on time payment incentive reduction of \$10.00 per day at time of payment. The applicable charge will accrue on all days, except Free Time (See Item 80 and holidays (See Item 90). |
| | <u> </u> | SECTION 2 |
| 50 | EMPTY CARS ORDERED OR APPROPRIATED FOR LOADING BUT NOT USED | When a car is ordered and placed and is not used, and no advice from the party who ordered the car has been received within twenty-four (24) hours exclusive of Saturdays and Sundays, demurrage charges will start from the first 12:01 A.M. after car is placed and will be charged until the car has been removed from the loading location. (See Item 240 for additional charges for cars ordered and not used. |
| 60 | PRIVATE CARS HELD ON RAILROAD TRACKS | The demurrage clock starts at the first 12:01 A.M. after a car is placed on hold on tracks not owned or leased by the customer (See Item 40 for charges) |
| 70 | CARS HELD FOR PURPOSES OTHER THAN LOADING AND UNLOADING | Applicable to cars held: A. On orders of the loader or unloader. B. While awaiting proper disposition from the loader, unloader, or in connection with diversion request, or the freight payer. C. As a result of conditions attributable to the loader or unloader. Computation: (See item 40 for charges) A. Demurrage will be computed on the following from the first 12:01 AM: 1. After actual or constructive placement until car is released and forwarding instructions are received, or disposition advice is received on: a. Cars diverted or reshipped. b. Cars held empty for loading - ordered and not used (other than rejected car). c. Cars held for "Surrender of Order notify Bills of Lading" at destination. d. Cars waiting for payment of accrued charges at origin or destination. e. Cars held for official grading or inspection. f. Cars held for any other purpose, except as covered by items 50 and 60, which is not attributable to the Railroad. 2. After a car is received by Railroad until date and time of disposition on: a. Cars received from connecting carriers. b. Loaded private cars returned to Railroad tracks. 3. After actual or constructive placement until date and time of refusal on a refused loaded car. 4. After notification is given to loader/beneficial owner until date of disposition on a refused loaded car. 5. After actual placement or car order date, whichever is later, until date and time of rejection, on empty cars rejected as being unsuitable for loading. |

SECTION 3 - EXPLANATION OF TERMS

| 80 | FREE TIME | Free time will be allowed for each car as follows: 1) Forty-eight hours to complete loading or unloading 2) Free time will be computed from the first 12:01 after actual or constructive placement. For the purpose of computing free time Saturdays, Sundays, and holidays will be excluded. If free time has expired prior to Saturday, Sunday, or Holidays demurrage charges will be accrued on these days. |
|-----|----------------------|---|
| 90 | HOLIDAYS | Wherever reference is made to "holidays", it shall mean only the days listed below. New Year's Day - January 1 Memorial Day - Last Monday of May. Independence Day - July 4 Labor Day - First Monday of September. Thanksgiving Day - Fourth Thursday of November. Christmas Day - December 25 |
| 100 | PLACEMENT | ACTUAL PLACEMENT - Actual placement is made when a car is placed in an accessible position for loading or unloading or at a point previously designated by the consignor or consignee. Railroad will not issue actual placement notices. CONSTRUCTIVE PLACEMENT – When a car consigned or ordered to a private track or an other-than-public-delivery track cannot be actually placed because of a condition attributable to the consignor or consignee, such car will be held at destination, or if it cannot reasonably be accommodated there, at an available hold point. The car shall be considered constructively placed without notice. |
| 110 | RELEASE NOTIFICATION | Notification by industry of release of cars to handling railroad must be either: 1) In writing by fax 24 hours a day to 208-733-1720 2) By email to westregioncs-disp@watcocompanies.com 3) Through web based program Shipper Connect A railcar is considered released only after billing instructions have been received in writing by fax, by email, or through Shipper Connect regardless of who is responsible for the billing. A penalty charge will be assessed on cars released prior to being fully loaded or unloaded (See Item 222). 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 from the Third-Party. NOTE 2: IT IS THE CUSTOMER'S RESPONSIBILITY TO ENSURE INFORMATION IS RECEIVED BY RAILROAD. |

SECTION 4 – OTHER CHARGES

All other charges with exception of Special Switch or Special Train are figured on services being performed during normal scheduled services

| 200 | WEIGHING | A charge of \$129.00 per car when scale is in route of movement and |
|-----|-----------------|---|
| 200 | WEIGHING | no special switching is required, \$258.00 per car for out of route |
| | | movement to weigh. |
| 201 | TUDNING CARS | • |
| 201 | TURNING CARS | A charge of \$129.00 per car, \$258.00 per car for out of route |
| | | movement to turn, will be assessed for the turning of a car at shipper |
| | | / consignee request. |
| 202 | RECONSIGNMENT | \$232.00 If car has not reached destination station. |
| | OR | \$309.00 If car reached destination station, but has not been spotted. |
| | DIVERSION | \$387.00 If car reached destination station and has been spotted. |
| | | Shipper must provide Railroad a new Bill of Lading as authority to |
| | | move car. |
| 203 | INTRA-PLANT | Railroad will perform intra-plant switching on loaded or empty cars |
| | SWITCHING | at a charge of \$129.00 per car |
| | | |
| | | Intra-plant switching is a switching movement from one track to |
| | | another track within the same plant or industry, or from one location |
| | | to another location on the same track within the same plant or |
| | | industry. |
| | | |
| 204 | INTRA-TERMINAL | Railroad will perform intra-terminal switching on loaded or empty |
| | SWITCHING | cars at a charge of \$155.00 per car. |
| | | Intro terminal expitabing is a expitabing mayoment (other than intro |
| | | Intra-terminal switching is a switching movement (other than intra- plant switching) from one private or assigned track to another private |
| | | or assigned track of the same Railroad, within the switching limits of |
| | | the same station. |
| 205 | GDECKAL GYVERGY | |
| 205 | SPECIAL SWITCH | \$695.00 Per Request |
| | | Additional \$232.00/hour, for services over 3 hours. |
| | | Special Switch is a request from the austomer for switching done |
| | | Special Switch is a request from the customer for switching done outside of the customers regular scheduled switch time with crews |
| | | already on duty. If crews must be called in to perform service please |
| | | see Item 206 Special Train for charges. |
| | | see item 200 Special Train for charges. |
| | | Railroad will review all requests for special switches and will approve |
| | | or deny depending on railroad availability. |
| 206 | SPECIAL TRAIN | \$1854.00 Per Request |
| 200 | SI ECIAL TRAIN | Additional \$232.00/hour, for services over 8 hours. |
| | | raditional \$252.00/Hour, for services over 6 hours. |
| | | Requests must be received in writing prior to any movements being |
| | | performed. The Railroad will review all requests for special train and |
| | | will approve or deny depending on railroad availability. (Over-sized |
| | | / dimensional loads handled on individual basis) |
| 207 | CARS SWITCHED | Cars switched out of Constructive Placement to be placed at |
| | OUT OF | customer's facility will be charged a fee of \$129.00 per car. |
| | CONSTRUCTIVE | , |
| | PLACEMENT | |
| | | |
| | | |

| 208 | OVERLOADED CARS DEFINITION | A car will be considered overloaded when the weight of the lading exceeds the maximum carrying capacity (load limit) stenciled on the car, or if total weight of car and lading exceeds the weight restrictions of the track (see Item 260) |
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| 209 | OVERLOADED CARS AT ORIGIN | When a car is overloaded and such fact is discovered at origin station, shipper or owner of the lading will be notified to remove the excess as provided in this tariff. If the car is returned to the industry where loaded, one intra-terminal switch charge will be assessed in addition to a \$360.00 per car penalty. |
| 210 | OVERLOADED CARS AT OTHER THAN ORIGIN | When a car at a station is discovered to be overloaded and such fact is discovered after the shipment has left the origin station, shipper will be notified to remove the excess as provided in this tariff. The applicable intra-terminal switch charge from the point where the overloaded condition is discovered to the nearest public track will be assessed in addition to a \$360.00 per car penalty. |
| 211 | OVERLOADED CARS- NOTIFICATION OF | The party contracting for services or owner of the lading will be notified of the overload and will be allowed to remove the excess. Demurrage charges commence with the first 12:01 A. M. after notification is given user or owner of the lading by Railroad, with no other free time allowed. |
| 212 | OVERLOADED CARS – DISPOSITION OF | When a customer fails to respond within the first twenty-four (24) hours, a second notice will be sent. If shipper fails to respond within seven (7) calendar days from the first 12:01 A. M. after the first notification, Railroad will, at our option, transfer the shipment, transfer the excess to another car or remove the excess and sell it to the best advantage. The actual cost of transfer for removing the excess plus any additional charge(s), less the proceeds of the sales of the excess, if any, will be assessed against the shipper, unless satisfactory arrangements are made with Railroad. |
| 213 | OVERLOADED CARS RECEIVED FROM CONNECTING LINES | When a car is received from a connecting line in road haul service, and is discovered to be overloaded, shipper and delivery line will be notified to remove the excess as provided in this tariff. If the overload is discovered at the junction and car is ordered returned the delivering carrier, the applicable inter-terminal switch charge will be assessed in addition to a \$360.00 per car penalty. |
| 220 | SETBACK CHARGES FOR CARS HANDLED IN ERROR. | A charge of \$255.00 per car will be assessed on cars interchanged to or from Railroad due to error on the part of rail carrier making such interchange. |
| 221 | REJECTED CARS | When empty cars that are ordered for loading and received by handling railroad are rejected by the customer as not suitable for loading and are required to return to interchange, a handling charge of \$255.00 per car will be charged to the interchange railroad. |
| 222 | RELEASE PRIOR TO COMPLETE LOADING OR UNLOADING | When a car is released in error by customer before car has been fully loaded (unloaded), a penalty of \$155.00 per car shall be assessed to the online customer and demurrage will continue. If car has moved to interchange, the customer will also be responsible for any charges assessed by the connecting carrier. |

| 223 | EMPTY CARS ORDERED OR SUPPLIED FOR SPECIFIC DESTINATIONS OR JUNCTIONS | Empty cars that are ordered or supplied for specific destination or junctions that are loaded and billed to travel other than ordered or supplied route will incur a charge of \$515.00 per car. This charge will be assessed by the railroad and there could be other charges imposed by the other roads involved or car owners. |
|-----|---|--|
| 230 | STORAGE | Unless a special written contract is negotiated to supersede this portion of the tariff, cars stored for any reason by or on behalf of the car owner will be subject to a charge of \$115.00 inbound per car and \$115.00 outbound per car plus \$3.00 per day charge for storage on empty railcars. Loaded railcars will be subjected to the higher daily demurrage rate per Item 40. In order to qualify for treatment as storage cars instead of demurrage cars, all cars must be in effect car hire free to the handling railroad while in storage. |
| 240 | EMPTY CARS ORDERED AND NOT LOADED | On empty cars that are ordered for loading and the service for switching or placing has been performed and the car is not loaded but returned to the Railroad empty: a switch charge of \$275.00 per car will be assessed for the services and collected from the person, firm or corporation ordering such car. |
| 250 | PER DIEM | Railroad does not pay private car mileage allowance or hourly car allowances. |
| 260 | WEIGHT RESTRICTIONS | Railroad's track is capable of handling 268,000 lb equipment, unless superseded by the railroad timetable. Equipment found to be over weight will be subject to overweight conditions outlined in Item 208-213 of this tariff. Furthermore, any cars involved in a derailment will be weighed and if it is ascertained that these cars were loaded in excess of maximum |
| | | allowable weight for the line, the industry responsible for loading may be billed for all cost incurred. |
| | | Contact the General Manager with any specific questions or for updates regarding equipment weights. |