
**TEXAS, GONZALES AND NORTHERN RAILWAY
COMPANY**



**FREIGHT TARIFF TXGN 6004-H
(Cancels FT TXGN 6004-G)**

**RULES AND CHARGES GOVERNING DEMURRAGE, STORAGE
AND DIVERSION AND RECONSIGNMENT AT ALL POINTS ON THE
TEXAS, GONZALES AND NORTHERN RAILWAY COMPANY**

LOCAL TARIFF

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

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ISSUED BY:

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GLOSSARY

ACCESSORIAL CHARGES - Any/All charges assessed by TXGN and presented in FT TXGN 8000-series and FT TXGN 6004-series, their supplements and reissues

ACCEPTABLE ELECTRONIC FORM OF COMMUNICATION – information sent from Customer to TNW via TNW's customer portal or an email sent to request-txgn@tnw-rr.com

ACTUAL PLACEMENT - When a car is placed in a position accessible for loading or unloading, or at a point designated by the Customer

BUNCHING - Accumulation and tender of cars for loading or unloading in excess of orders or contrary to customary schedules

CALENDAR DAY - A day measured from midnight to midnight, including weekends and holidays, regardless of whether service is provided on that day

CAR ORDER - (1) An order from the Customer requesting cars for loading/unloading containing the information as required in AAR Car Service Rule 15; (2) A release submitted from the Customer, either Storage Only or Freight, for cars to be pulled for furtherance with the Connecting Carrier

CARS ORDERED BUT NOT USED - Car(s) ordered on behalf of the Customer and not used for loading/ unloading

CHERRY PICKING - switching specific cars requested by customer that are not readily available as the first car or series of cars out of the Storage Tracks

CONNECTING CARRIER – BNSF or other railroad that interchanges rail traffic directly with TXGN

CONSIGNEE - The party to whom a shipment is consigned and/or the party entitled to receive the shipment. For the purpose of Section 1, this tariff, Consignee includes any person receiving railcars from this railroad for unloading as more specifically provided for in 49 CFR 1333. [C]

CONSIGNOR - The party in whose name cars are ordered and/or the party who furnishes this railroad forwarding directions. For the purpose of Section 1, this tariff, Consignor includes any person receiving railcars from this railroad for loading and/or unloading as more specifically provided for in 49 CFR 1333. [C]

(Continued in next Column)

CONSTRUCTIVE PLACEMENT – When a car cannot be actually placed because of any condition attributable to the consignor or consignee, such car will be held on TXGN tracks and notice will be given to the consignor or consignee that the car is held and TXGN is unable to effect actual placement. Such cars which have been placed by TXGN on private or other than public delivery tracks, including lead tracks serving the consignor or consignee will be considered constructively placed without notice

CUSTOMER - The Consignee, the Consignor, or the party, agent, or transloader authorized to tender or receive the rail shipment. Customer is the entity directly served by TXGN

DEMURRAGE DAY - A Day, including weekends and holidays, whether or not service is provided by TXGN commencing 0001 hours the day after Free Time has ended

DISPOSITION - Information, including forwarding instructions and release, which allows TXGN to either place or release a car

DIVERSION - An order to deliver a car to a party other than the original Customer, given prior to the Actual Placement or Constructive Placement of the car on behalf of the original Customer

FORWARDING INSTRUCTIONS - Shipping instructions given to an authorized representative of TXGN at the point of loading/unloading containing all necessary information to transport the shipment to the final destination or connection

FREE TIME - Time allowed for loading or unloading free of charge

HAZARDOUS MATERIALS - "Hazardous waste" and "Hazardous substances" as defined in Hazardous Materials Regulations of the U.S. Department of Transportation in 49 C.F.R. 171.8 or successor thereof

LOADED CAR - A car that is completely or partially loaded, or a car that is moving as a load under the provisions of a BOL

LOADING - The complete loading of a car and advice from the Customer to TXGN that the car is loaded and available for movement

NOTIFICATION - When required, notification will be furnished in writing or electronically to the party entitled to receive notification

PARTIAL UNLOADING - The partial unloading of a car and the furnishing of forwarding

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GLOSSARY

PRIVATE CAR – A car bearing other than railroad reporting marks where its use is controlled by the owner, lessee, or party other than railroad. The term Private Car specifically excludes cars owned or furnished by TTX Company or its subsidiaries

PRIVATE TRACK – Any track owned by a Customer or leased/licensed by the TXGN to a Customer for the purposes of Loading, Unloading or storage

PUBLIC DELIVERY TRACK - Any track open to the general public for loading or unloading

RECONSIGNMENT - An order to deliver a car to a party other than the original Customer, given after the Actual Placement or Constructive Placement of the car, on behalf of the original Customer for use in freight service

REFUSED CAR - An empty or loaded car that is refused by a Customer without being loaded or unloaded

REJECTED CAR - (1) An empty car determined by a Customer to be unfit for loading (2) An empty/loaded car determined by a Customer to be Diverted or Re-consigned; (3) An empty/loaded car determined by a Customer to be refused for miscellaneous purposes.

RELEASE - The notification received from the Customer that loading or unloading of a car has been completed and the car is available

STORAGE DAY - A Calendar Day

STORAGE ONLY CUSTOMER - A Customer that has directed cars to TXGN for the sole purpose

storage. Cars arriving for Storage Only Customers will not be used in freight service on TXGN

TENDER - The notification, actual or constructive placement, of a railcar.

TIME - Time will be computed based on a twenty-four (24) hour clock Central Time

TRANSFER OF CARS - Upon request of the current Storage Customer to move car(s) from their account to another Storage Only Customer while the car(s) are within TXGN's switching limits.

UNIT TRAIN - A movement of forty (40) or more cars moving from a single origin to a single destination under a single BOL

UNLOADING - The complete unloading of a car and advice from the Customer to TXGN that the car is empty and available for movement

RULES AND OTHER GOVERNING PROVISIONS RULES AND REGULATIONS – GENERAL

ITEM 6000

[A]

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 and successive issues of such tariffs and reissues of such items, notes, rules, etc.

ITEM 6005

[A]

METHOD OF CANCELING ITEMS

As this tariff is supplemented, numbered items with letter suffixes cancel corresponding 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 Item 365-A in a prior supplement which in turn canceled Item 365.

ITEM 6010

[A]

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. If the first number only bears a reference mark, such reference mark also applies to the last number shown and to all numbers between the first and last numbers.

ITEM 6015

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

ITEM 6055

PAYMENT AND COLLECTION OF CHARGES

PAYMENT OF CHARGES

Charges will be billed monthly. Payments of all charges for invoices issued by TXGN are due within thirty (30) days from the date of billing.

(Cont'd on next page)

**RULES AND OTHER GOVERNING PROVISIONS
RULES AND REGULATIONS – GENERAL**

ITEM 6055 (Cont'd)

FINANCE CHARGES

TXGN may assess a finance charge of 1.5% per month (18% per annum) on unpaid bills thirty (30) days past due, including, without limitation, demurrage, switching and all other charges.

If TXGN, at its sole discretion, uses a collection agency or attorneys to collect delinquent charges and TXGN is successful in collecting such charges, Customers shall reimburse TXGN for all reasonable collection costs, including reasonable collection agency fees and reasonable attorneys' fees.

ITEM 6060

SECURITY DEPOSIT

- A. A security deposit to ensure payment of any Demurrage, Switching and Miscellaneous charges that may accrue will be required from every Customer who:
1. Has not established credit with TXGN; or
 2. Fails to pay freight, demurrage, storage, switching or other accessorial charge within thirty (30) days of invoice.
- B. The deposit must be paid in wire transfer, certified check, or cashier's check before any freight car is delivered to such Customer for loading or unloading.
- C. The deposit shall be equal to the previous month's billing for charges under this tariff accrued by the Customer plus \$1,000.00. New Customers commencing operations shall be required to post a \$2,500.00 deposit.
- D. Deposits will no longer be required after the Customer either:
1. Has established credit with the TXGN; or
 2. Has paid all outstanding Switching and Miscellaneous charges and has given assurance to the satisfaction of TXGN's credit office that future charges will be paid within thirty (30) days of invoice.
 3. When the Customer is notified that a deposit will no longer be required, railroad will refund any remaining deposits to the Customer within thirty (30) days.
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(Continued in next Column)

**RULES AND OTHER GOVERNING PROVISIONS
RULES AND REGULATIONS – GENERAL**

ITEM 6065

BILLING DISPUTES

In order to be considered for relief, a dispute must be presented to TXGN in writing with supporting documentation within thirty (30) days of the invoice issue date. The dispute must fully state the conditions for which relief (See Exception) is claimed and identify disputed charges by car number and date.

All disputes must be transmitted to:

Via Email - disputes@tnw-rr.com; or

If charges are assessed due to TXGN error, charges will be adjusted to the appropriate amount that would have accrued with the omission of such error.

Claims sent to TXGN which are not found to be valid will be subject to a processing fee of \$50.00 for each incorrectly disputed car.

Any portion of the invoice not in dispute must be paid by the due date.

Disputes submitted more than thirty (30) days after the invoice issue date will not be accepted.

Exception: Relief nor Credits will be allowed for holidays, weekends, days where no service is provided, Acts of God, terrorism, strike interference or bunching.

ITEM 6070

**SWITCHING AND MISCELLANEOUS RULES
AND CHARGES**

For Switching and Miscellaneous Rules and Charges, see FT TXGN 8000-series.

**SECTION 1
GENERAL CAR DEMURRAGE RULES AND
CHARGES**

ITEM 6100

APPLICATION

- A. Applicable at all points on TXGN.
- 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. Demurrage Rules and Charges contained herein apply to all railroad owned or leased cars.

Private cars are not subject to demurrage rules and charges, except when placed on Public Delivery Tracks for loading or unloading.

ITEM 6105

[A]

DEMURRAGE LIABILITY

Any person or entity receiving rail cars from this railroad for loading or unloading who detains the cars beyond the period of free time set forth herein will be held liable for any applicable demurrage if this railroad has provided that person or entity with actual notice of the demurrage rules and charges contained herein providing for such liability prior to the placement of rail cars. The notice shall be in written or electronic form.

ITEM 6110

NOTIFICATION TO TXGN FROM CUSTOMER

- A. All notifications to TXGN must be sent via an Acceptable Electronic Form of Communication or Class I system. If the notification cannot be sent utilizing one of the aforementioned, please contact TXGN for instructions. Pre-requests of cars not within TXGN's switching limits via Acceptable Electronic Form of Communication for placement to Customer's track(s) will not be accepted.

(All notifications received via a method other than via an Acceptable Electronic Form of Communication or Class I system will be assessed a charge of \$50.00 per car.)
- B. Notification to TXGN must include car initial and Number, and any other relevant information.
- C. The following will govern effective date and times of notices received from customer:
 1. Electronically or Written - The Date and Time sent or given as received by TXGN.

(Cont. in next column)

**SECTION 1
GENERAL CAR DEMURRAGE RULES AND
CHARGES**

ITEM 6110 (Cont'd)

2. When a Customer utilizes an electronic or mechanical device to accept messages, including email, notification sent via email will be considered as having been received.
 3. It is the responsibility of the Customer to notify TXGN of any changes, or additions phone numbers, or email addresses. Should TXGN receive a message failure to deliver due to any reason attributable to the receiver, such as an invalid phone number, or email address, notice will be considered as having been received.
 4. It is the responsibility of the Customer to notify TXGN of any changes, or additions, to, phone numbers, or email addresses. Should TXGN receive a message failure to deliver due to any reason attributable to the receiver, such as an invalid phone number, or email address, notice will be considered as having been received.
- D. All notices are effective upon TXGN's receipt with the exception of:
1. Car(s) a part of a Diversion, see Item 6300;
 2. Car(s) a part of a Storage Only Customer storage release, see Item 6200;
 3. Car(s) a part of a Unit Train will be released same day as delivery to the Connecting Carrier.
-

ITEM 6115

NOTIFICATION TO CUSTOMER FROM TXGN

- A. The following notifications will be furnished to the Customer as indicated:
 1. Cars to be Delivered to Private Tracks:
 - (a) Notice of Constructive Placement will be provided for the date of TXGN's receipt of car(s) on cars held by TXGN due to any condition attributable to the Consignor or Consignee.
 - (b) Delivery of a car to the track(s) of a Customer will constitute notice.
 - (c) Delivery of car to track(s) used by two or more customers industrial interchange track will constitute notice.

(Cont. on next page)

**SECTION 1
GENERAL CAR DEMURRAGE RULES AND
CHARGES**

ITEM 6115 (Cont'd)

2. Cars to be Delivered to Public Track:
Notice to be provided party to receive notification when car is Actually Placed.
 3. Refused Carload Freight:
When TXGN is advised car is refused by Customer, notice will be sent or given to Consignor.
- B. Notification will contain the following minimum information:
1. Car initial and number.
- C. When a Customer utilizes an electronic or mechanical device to accept messages, including email, notification sent via email will be considered as having been received.
- D. It is the responsibility of the Customer to notify TXGN of any changes, or additions, to phone numbers, or email addresses. Should TXGN receive a message failure to deliver due to any reason attributable to the receiver, such as an invalid phone number, or email address, notice will be considered as having been received.

ITEM 6120

CARS HELD FOR LOADING

Loading is the complete or partial loading of a car if conformity with AAR or other loading and clearance rules, including the furnishing of forwarding instructions.

A. RELEASE:

1. Car(s) will be considered released at the date and time TXGN receives complete forwarding instructions and advice that a car is available for movement.
2. Car(s) placed on interchange tracks of a Customer doing its own switching that have been returned to the interchange track will be considered released.
3. Car(s) found to be improperly loaded at origin will not be considered released until the load has been properly adjusted and TXGN has determined that the car can be safely moved. Additional switching and/or accessorial charges will be applied in accordance with applicable Tariffs, supplements, or contracts.

(Cont. in next column)

**SECTION 1
GENERAL CAR DEMURRAGE RULES AND
CHARGES**

ITEM 6120 (Cont'd)

4. Car(s) unable to be pulled by TXGN due to any condition attributable to the Customer will not be considered released. Demurrage will be continuous until car can be safely moved. Additional switching and/or accessorial charges will be charged in accordance with applicable Tariffs.

B. COMPUTATION OF TIME:

1. Time will be computed from the first 0001 after Actual Placement or Constructive Placement (whichever event is first) of a car until the car(s) are released.
2. If a car(s) are placed prior to the date for which it was ordered, Free Time will be computed from the first Calendar Day or the date for which it was ordered. Demurrage days will accrue from the expiration of Free Time until the car is released.

On a Reloaded Car, time will be computed from the first Calendar Day after advice is received that the car is empty until the car is released as a load.

ITEM 6125

CARS HELD FOR UNLOADING

Unloading is the complete unloading of a car and Notification from the Customer to the TXGN that the car is empty and available for movement.

A. RELEASE:

1. Car(s) will be considered released at the date and time TXGN receives notification that a car is empty and available for movement.
2. Car(s) placed on interchange tracks of a Customer doing its own switching that have been returned to the interchange track will be considered released.
3. When a car(s) are unloaded and then reloaded, an empty release notification must be furnished. If not furnished, demurrage will be continuous until forwarding instructions are received.

(Cont. on next page)

SECTION 1
GENERAL CAR DEMURRAGE RULES AND CHARGES

ITEM 6125 (Cont'd)

4. If, after being released as an empty car by the Customer, TXGN cannot pull the car due to a condition attributable to the Customer, or TXGN discovers a portion of the load remaining in the car, demurrage will be continuous until the car can be safely moved and/or has been completely unloaded. Additional switching and/or accessorial charges will be applied in accordance with applicable Tariffs.

B. COMPUTATION OF TIME:

Time will be computed from the first 0001 after Actual Placement or Constructive Placement (whichever event is first) of a car until the car is released.

ITEM 6130

CARS HELD FOR PURPOSES OTHER THAN LOADING OR UNLOADING

Demurrage shall be computed pursuant to Item 6120 or Item 6125, with the exception that No Free Time will be allowed for cars held under the following circumstances:

- A. While awaiting proper disposition from the Customer;
 - B. In connection with a Diversion, Re-consignment, or Transfer;
 - C. For any other purpose not attributable to TXGN;
 - D. Cars Ordered But Not Used;
 - E. Cars Held for Inspection;
 - F. Empty Car Rejected as Being Unsuitable for Loading;
 - G. Car Found to be Overloaded;
 - H. Empty/Loaded Cars Rejected for Miscellaneous Reasons;
 - I. Cars Found to be Overweight.
-

ITEM 6135

FREE TIME

One (1) Calendar Day will be allowed for complete or partial Loading or Unloading for each car with the exceptions of cars listed in Item 6130.

Free Time begins following the date of Constructive Placement or Actual Placement (whichever comes first).

(cont. on next column)

SECTION 1
GENERAL CAR DEMURRAGE RULES AND CHARGES

ITEM 6140

DEMURRAGE

Demurrage charges will be assessed on all Railroad owned or leased cars; and, Private cars placed on Public Delivery Tracks after expiration of Free Time, if allowed. Demurrage charges will be assessed per car per Demurrage Day or fraction of a Demurrage Day until the car is released as follows:

ITEM 6140 (Cont'd)

DEMURRAGE DAY	DEMURRAGE CHARGE
1 or less	(a) \$25.00 (b) \$50.00
Up to 5	(a) \$50.00 (b) \$75.00
More than 5	(a) \$75.00 (b) \$100.00
<p>(a) Applicable on all shipments, except as provided for in (b) below.</p> <p>(b) Applicable on shipments of industrial sands, frac sands, and drilling proppants.</p>	

NOTE: Applicable demurrage rates listed above apply for all Demurrage Days for cars released during that specified period. For example: a railcar containing "industrial sands" and released with only one (1) Demurrage Day will incur a demurrage charge of \$50; with three (3) Demurrage Days will incur a demurrage charge of \$225 (3 x \$75 per day); and a car with ten (10) Demurrage Days will incur a demurrage charge of \$1000 (10 x \$100 per day).

~~SECTION 2~~

~~SECTION 2~~

SECTION 2
STORAGE RULES AND CHARGES

ITEM 6200

APPLICATION

A. The storage rules and charges provided herein Apply to Cars stored on TXGN for account

Freight Customer or Storage Only Customer as follows:

1. When *Freight Customer* (Applies on "Private Cars" only):
 - (a) Has no capacity to receive the car(s); or
 - (b) Has not notified TXGN to deliver the car(s) to their facility or track; or
 - (c) Is otherwise unable to accept the car(s); or
 - (d) Has specifically requested the car(s) to be stored by TXGN.
2. When *Storage Only Customer* (Applies on "All Cars")
 - (a) Has directed cars to TXGN for the sole purpose of storage.
- B. The rules and charges in this Section do not apply to the extent that storage is subject to a contractual railcar storage agreement between the Customer and TXGN.
 1. TXGN will not store a Private Car containing Hazardous Materials pursuant to Item 6200 - A1(a), A1(b) or A1(c) for a period longer than 48 hours (excluding Saturdays, Sundays or holidays).
 2. TXGN does not act as a common carrier in providing car storage under this Section. With respect to car(s) stored under Item 6200 - A1(d) and A2(a), TXGN may, in its sole discretion, decline to provide car storage in any instance or require that a Customer enter into a contractual railcar storage agreement.
 3. TXGN will not under any circumstances provide car storage for railcars containing toxic by inhalation or poisonous commodities, hazardous waste, waste materials, or residues thereof as regulated or characterized by any governmental authority, law, or regulation.
- C. Customer will be solely responsible for any time-based car charges, including per diem, property, and other taxes, contained in TXGN Tariff 8000-series, or other charges accruing on stored equipment.

(Cont'd in next column)

SECTION 2
STORAGE RULES AND CHARGES

ITEM 6200 (Cont'd)

D. Customer will be solely responsible for the notification to TXGN of any car(s) billed or diverted to TXGN for

Customer's use (See Item 6115, this tariff). If for storage, Customer must submit a "Request for Storage/Repair/ Cleaning" form to TXGN for approval and receive said approval prior to billing or diverting the car(s) for storage.

E. TXGN will notify Customers of Car Initial and Number of those cars stored pursuant to Item 6200 - A1(a), A1(b) and A1(c).

APPLICATION

- G. When releasing cars from storage, Customer must submit billing (BOL) and/or Diversion request to TXGN via the connecting railroad to other Class 1 logistics system for billing cars. The notice can be, but not limited to: a submission through an Acceptable Electronic Form of Communication, a copy of the BOL submitted to the connecting carrier or through a Class 1 logistics system, or a combination of the two. In addition, the BOL and/or Diversion request must meet the guidelines below:
 1. Cars will be released when connecting carrier accepts the billing while providing TXGN a 404 notification via EDI. If there is conflicting information between what TXGN has on file versus the 404 notification received, such as but not limited to:

the consignee/consignor or STCC Code, the car(s) will not be released until verified and agreed upon by both TXGN & the Customer.
 2. Placement or Pull (to/from Customer facilities) requests received outside of normal operation hours will be carried over to the next day of normal operations. See TXGN FT 8000-series for normal operation hours and a list of company holidays. Additional switching and/or demurrage charges in accordance to both TXGN FT 6004-series and 8000-series may apply.
 3. If a correction is needed for Item 6200 - G1 or G2, above, see Item 6300, this tariff.
 4. Customer whose account the car(s) are stored must submit the copy of the BOL to TXGN.

(Cont. on next page)

~~SECTION 2~~

~~SECTION 2~~

SECTION 2
STORAGE RULES AND CHARGES

ITEM 6205

[A]

NOTIFICATION TO TXGN FROM CUSTOMER

- A. All notifications to TXGN must be sent via an Acceptable Electronic Form of Communication or Class I system. If the notification cannot be sent utilizing one of the aforementioned, please contact TXGN for instructions. Pre-requests of cars not within TXGN's switching limits via Acceptable Electronic Form of Communication for placement to Customer's track(s) will not be accepted. (All notifications received via a method other than via Acceptable Electronic Form of Communication or Class I system will be assessed a charge of \$50.00 per car.)
- B. Notification to TXGN must include car initial and Number, and any other relevant information.
- C. The following will govern effective date and times of notices received from customer:
1. Electronically or Written - The Date and Time sent or given as received by TXGN.
 2. When a Customer utilizes an electronic or mechanical device to accept messages, including email, notification via email will be considered as having been received.
 3. It is the responsibility of the Customer to notify TXGN of any changes, or additions, to phone numbers, or email addresses. Should TXGN receive a message failure to deliver due to any reason attributable to the receiver, such as an invalid phone number, or email address, notice will be considered as having been received.
- D. All notices are effective upon TXGN's receipt with the exception of:
1. Car(s) a part of a Diversion, see Item 6300;
 2. Car(s) a part of a Storage Only Customer storage release, see Item 6200;
- Car(s) a part of a Unit Train will be released same day as delivery to the Connecting Carrier.
-

(Cont'd in next column)

SECTION 2
STORAGE RULES AND CHARGES

ITEM 6210

[A]

NOTIFICATION TO CUSTOMER FROM TXGN

- A. The following notifications will be furnished to the Customer as indicated:
1. Cars to be Delivered to Private Tracks:
 - (a) Notice of Constructive Placement will be provided for the date of TXGN's receipt of car(s) on cars held by the TXGN due to any condition attributable to the Consignor or Consignee.
 - (b) Delivery of a car to the track(s) of a Customer will constitute notice.
 - (c) Delivery of car to track(s) used by two or more customers industrial interchange track will constitute notice.
 2. Cars to be Delivered to Public Track:
Notice to be provided party to receive notification when car is Actually Placed.
 3. Refused Carload Freight:
When TXGN is advised car is refused by Customer, notice will be sent or given to Consignor.
- B. Notification will contain the following minimum information:
1. Car initial and number.
- C. When a Customer utilizes an electronic or mechanical device to accept messages, including email, notification sent via email will be considered as having been received.
- It is the responsibility of the Customer to notify TXGN of any changes, or additions, to phone numbers, or email addresses. Should TXGN receive a message failure to deliver due to any reason attributable to the receiver, such as an invalid phone number, or email address, notice will be considered as having been received.
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SECTION 2

SECTION 2

**SECTION 2
STORAGE RULES AND CHARGES**

ITEM 6215

STORAGE CHARGES

1. Storage Charges on Private Cars, except as provided for in 2 below, will be computed for date held/stored until date car is released from storage.
2. Storage Charges of Cars for *Storage Only Customers* will be computed from date of receipt of car until date car is released from storage.

Charges apply per car, per day, or fraction of a day, until released from storage. (No Free Days will be allowed for storage)

A. Empty Cars:	Charge
1. Non - Hazardous	\$15.00
2. Overall length in excess of 90 feet	\$25.00
3. Residue - Hazardous	\$50.00
B. Loaded Cars:	
1. Non - Hazardous – All Commodities not listed in B2 below	\$25.00
2. Non - Hazardous - Containing industrial sands, frac sands, or drilling proppants)	\$50.00
3. Hazardous	\$200.00

ITEM 6220

SWITCHING TO/ AND FROM STORAGE/HOLD TRACKS

**CHARGE
(Per Car)**

Storage Only Customers:		
	Into Storage	\$275.00
	Released from Storage	\$275.00
Freight Customers:		
Cars Stored Under Item 6200 A1(d):		
	Released from Storage	\$275.00
Cars Loaded with Hazardous Materials:		
	Released from Storage	\$550.00
All Other Cars Stored Under Item 6200 A1(a), (b), or (c):		
	Released from Storage	\$275.00

The per car switch charge will not be assessed on unit grain or animal feed trains operating to/from facilities at Etter, TX.

(Cont'd in next column)

**SECTION 2
STORAGE RULES AND CHARGES**

ITEM 6222

FUEL SURCHARGE

A fuel surcharge will be applied if the benchmark rate of WTI crude oil rises above \$90.00 per barrel, as reported by NYMEX using the nearby futures price at the commencement of each calendar month.

The fuel surcharge is \$2.00 per car for each \$5.00 increment of the benchmark price increase.

ITEM 6225

LIABILITY AND INDEMNIFICATION

- A. Customers will be solely responsible for the security, condition, and state of repair of stored railcars and their contents; for any loss or damage to the contents or structure of stored railcars; and for any release of Hazardous Materials from stored railcars
- B. Customers release, indemnify, defend, and hold harmless TXGN and TXGN's affiliated companies, partners, successors, assigns, legal representatives, officers, directors, shareholders, employees, and agents for, from, and against any and all claims, liabilities, fines, penalties, costs, damages, losses, personal death or injury, liens, causes of action, suits, demands, judgments and expenses (including, without limitation, court costs, attorneys' fees and costs of investigation, removal and remediation and governmental oversight costs) of any nature, kind or description, environmental or otherwise, to any person or entity directly or indirectly arising out of, resulting from or related to (in whole or in part) any release of any contents of any stored railcar (including but not limited to those relating to any explosion, fire or contamination, acts of war or terrorism, or as a result of any third-party act or omission) or the presence, storage, discharge or release of any Hazardous Materials or substance from any stored railcar, whether intentionally or unintentionally, and regardless of any ordinary negligence or alleged ordinary negligence of TXGN, provided, however, that Customers shall not be liable to TXGN for any loss, injury or death result from the gross negligence or willful misconduct of TXGN.
- C. Any Customer utilizing services under Item 6200 -A1(d) or A2(a) shall, at its sole cost and expense, procure and maintain in force commercial or comprehensive general liability insurance, including contractual liability coverage, with a limit of not less than \$10 million per occurrence (\$20 million per occurrence for hazardous material railcar storage) and an aggregate

(Cont. on next page)

SECTION 2

SECTION 2

**SECTION 3
DIVERSION AND RE-CONSIGNMENT**

ITEM 6225

LIABILITY AND INDEMNIFICATION (Cont'd)

limit of not less than \$15 million (\$30 million for hazardous material railcar storage). Such insurance shall include environmental (sudden, seepage and pollution) liability coverage. If any insurance policies exclude claims arising on or near active railroad facilities, the Customer shall also provide Railroad Protective Insurance with the same limits. All such insurance policies shall name TXGN as an additional insured, and at TXGN's request, the Customer shall furnish insurance certificates evidencing compliance with these requirements.

ITEM 6300

DIVERSION AND RE-CONSIGNMENT

APPLICATION

Charges under this Section will be assessed against the party requesting the Diversion, Re-consignment or Transfer of Cars or Correction. These charges are in addition to applicable switching charges, demurrage charges, and other charges as outlined in this Tariff and FT TXGN 8000- series.

DIVERSION

A car that is Diverted will be assessed a charge of \$250.00 per car.

RE-CONSIGNMENT

A car that is Re-consigned will be assessed a charge of \$350.00 per car.

ADMINISTRATION FEE

A. Transferring cars from one Storage Customer to another within the limits of TXGN will be assessed a charge of \$5.00 per car for fifty (50) or more cars that are requested to be transferred. Ask TXGN for a "Diversion/Re-Consignment/Transfer" form.

1. Refer to Re-consignment if transferring car(s) from a Storage Only Customer to a Freight Customer or from a Freight Customer to a Storage Only Customer.
2. All parties must agree, in writing, prior to completion of transfer.

B. A car(s) order that has been cancelled, modified, or is in need of corrections at the Customer request to TXGN will be assessed a charge of \$25.00 per car

**SECTION 4
ITEMS ADDED, REVISED OR REMOVED**

ITEM 6400

**ITEMS ADDED, CHANGED, REVISED OR
REMOVED**

6400 ITEMS ADDED, CHANGED, REVISED OR REMOVED	
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TABLE OF CONTENTS	REVISED
GLOSSARY	REVISED
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6115	REVISED
6200	REVISED
6205	REVISED
6220	REVISED
6222	ADDED
6300	REVISED
6400	REVISED
6500	ADDED

SECTION 3

SECTION 4

**SECTION 5
PRICE LIST**

ITEM 6500

PRICE LIST

DESCRIPTION	TOTAL
AEI TAG SERVICE	\$125.00
AIR TEST SERVICE	\$200/HR
CHERRY PICKING	\$75.00
DIVERSION	\$250.00
HATCH SERVICE	\$50.00
MANUAL PROCESSING	\$50.00
PICTURE SERVICE	\$25.00
PLACARD SERVICE	\$50.00
REFLECTOR SERVICE	\$150.00
RELEASED NOT READY	\$550.00
RESTENCIL SERVICE	\$250.00
RECONSIGNMENT	\$350.00
SWITCH INTO STORAGE	\$275.00
SWITCH OUT OF STORAGE	\$275.00
SWITCH OUT - LOADED HAZMAT	\$550.00
TRANSFER OF CARS	\$5.00
TRACK LOCKOUT FEE	\$20.00
UNABLE TO PLACE	\$550.00

**EXPLANATION OF ABBREVIATIONS AND
REFERENCE MARKS**

ITEM 9999

**EXPLANATION OF ABBREVIATIONS AND
REFERENCE MARKS**

AAR - Association of American Railroads
 BNSF - BNSF Railway
 BOE - Bureau of Explosives
 BOL - Bill of Lading
 EDI - Electronic Data Interchange
 FT - Freight Tariff
 OPSL - Official Railroad Station List
 RER - Railway Equipment Register
 RIC -Railinc
 TXGN – Texas, Gonzales and Northern Railway Company
 UP – Union Pacific Railroad

[A] - Addition

[C] - Change

[I] - Increase

[R] - Reduction/Decrease

(Underscored portion denotes addition/change.)

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GLOSSARY

ACCESSORIAL CHARGES - Any/All charges assessed by TXGN and presented in FT TXGN 8000-series and FT TXGN 6004-series, their supplements, and reissues

ACCEPTABLE ELECTRONIC FORM OF COMMUNICATION – information sent from Customer to TNW via TNW's customer portal or an email sent to request-TXGN@tnw-rr.com

ACTUAL PLACEMENT - When a car is placed in a position accessible for loading or unloading, or at a point designated by the Customer

BUNCHING - Accumulation and tender of cars for loading or unloading in excess of orders or contrary to customary schedules

CALENDAR DAY - A day measured from midnight to midnight, including weekends and holidays, regardless of whether service is provided on that day

CAR ORDER - (1) An order from the Customer requesting cars for loading/unloading containing the information as required in AAR Car Service Rule 15; (2) A release submitted from the Customer, either Storage or Freight, for cars to be pulled for furtherance with the Connecting Carrier

CARS ORDERED BUT NOT USED - Car(s) ordered on behalf of the Customer and not used for loading/ unloading

CHERRY PICK SWITCHING The act of switching specific car(s) initial/number that are requested by customer and not readily available as the first car on the track(s)

CONNECTING CARRIER – BNSF or other railroad that interchanges rail traffic directly with TXGN

CONSIGNEE - The party to whom a shipment is consigned and/or the party entitled to receive the shipment. For Section 1, this tariff, Consignee includes any person receiving railcars from this railroad for unloading and/or unloading as more specifically provided for in 49 CFR 1333. [C]

CONSIGNOR - The party in whose name cars are ordered and/or the party who furnishes this railroad forwarding directions. For Section 1, this tariff, Consignor includes any person receiving railcars from this railroad for loading and/or unloading as more specifically provided for in 49 CFR 1333. [C]

(Continued in next Column)

GLOSSARY

CONSTRUCTIVE PLACEMENT – When a car cannot be placed because of any condition attributable to the consignor or consignee, such car will be held on TXGN tracks and notice will be given to the consignor or consignee that the car is held and TXGN is unable to effect actual placement. Such cars which have been placed by TXGN on private tracks, including lead tracks serving the consignor or consignee will be considered constructively placed without notice

CUSTOMER - The Consignee, the Consignor, or the party, agent, or transloader authorized to tender or receive the rail shipment. Customer is the entity directly served by TXGN.

DEMURRAGE- Refers to fees imposed by TXGN to customers for exceeding the allotted time for loading or unloading of system/ railroad owned railcar(s) and/or equipment.

DEMURRAGE DAY - A calendar day, including weekends and holidays, whether or not service is provided by TXGN commencing 0001 hours the day after Free Time has ended.

DISPOSITION - Information, including forwarding instructions and release, which allows TXGN to either place or release a car

DIVERSION - An order to deliver a car to a party other than the original Customer, given prior to the Actual Placement or Constructive Placement of the car on behalf of the original Customer

FORWARDING INSTRUCTIONS - Shipping instructions given to an authorized representative of TXGN at the point of loading/unloading containing all necessary information to transport the shipment to the final destination or connection

FREE TIME - Time allowed for loading or unloading free of charge

HAZARDOUS MATERIALS - "Hazardous waste" and "Hazardous substances" as defined in Hazardous Materials Regulations of the U.S. Department of Transportation in 49 C.F.R. 171.8 or successor thereof

LOADED CAR - A car that is completely or partially loaded, or a car that is moving as a load under the provisions of a BOL

LOADING - The complete loading of a car and advice from the Customer to TXGN that the car is loaded and available for movement

NOTIFICATION - When required, notification will be furnished in writing or electronically to the party entitled to receive notification

PARTIAL UNLOADING - The partial unloading or content of a previously placed/spotted railcar.

(Continued on next page)

GLOSSARY

PRIVATE CAR – A car bearing other than railroad reporting marks where its use is controlled by the owner, lessee, or party other than railroad. The term Private Car specifically excludes cars owned or furnished by TTX Company or its subsidiaries

PRIVATE TRACK – Any track owned by a Customer or leased/licensed by the TXGN to a Customer for the purposes of Loading, Unloading or Storage

RECONSIGNMENT - An order to deliver a car to a party other than the original Customer, given after the Actual Placement or Constructive Placement of the car, on behalf of the original Customer for use in freight service

REFUSED CAR - An empty or loaded car that is refused by a Customer without being loaded or unloaded

REJECTED CAR - (1) An empty car determined by a Customer to be unfit for loading (2) An empty/loaded car determined by a Customer to be Diverted or Re-consigned; (3) An empty/loaded car determined by a Customer to be refused for miscellaneous purposes.

RELEASE - The notification received from the Customer that loading or unloading of a car has been completed and the car is available

STORAGE DAY - A Calendar Day

SYSTEM OWNED RAILCAR OR EQUIPMENT- Refers to the ownership of railcars or equipment by a railroad company and are subject to car hire and demurrage charges.

TENDER - The notification, actual or constructive placement, of a railcar.

TIME - Time will be computed based on a twenty-four (24) hour clock Central Time

TRANSFER OF CARS - Upon request of the current Customer to move car(s) from their account to another Customer while the car(s) are within TXGN's switching limits.

UNIT TRAIN - A movement of fifty (50) or more cars moving from a single origin to a single destination under a single BOL

UNLOADING - The complete unloading of a car and advice from the Customer to TXGN that the car is empty and available for movement

RULES AND OTHER GOVERNING PROVISIONS RULES AND REGULATIONS – GENERAL

ITEM 6000

[A]

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 and successive issues of such tariffs and reissues of such items, notes, rules, etc.

ITEM 6005

[A]

METHOD OF CANCELING ITEMS

As this tariff is supplemented, numbered items with letter suffixes cancel corresponding 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 Item 365-A in a prior supplement which in turn canceled Item 365.

ITEM 6010

[A]

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 numbers shown. If the first number only bears a reference mark, such reference mark also applies to the last number shown and to all numbers between the first and last numbers.

ITEM 6015

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

ITEM 6055

PAYMENT AND COLLECTION OF CHARGES

PAYMENT OF CHARGES

Charges will be billed monthly. Payments of all charges for invoices issued by TXGN are due within thirty (30) days from the date of billing.

(Cont'd on next page)

**RULES AND OTHER GOVERNING PROVISIONS
RULES AND REGULATIONS – GENERAL**

ITEM 6055 (Cont'd)

FINANCE CHARGES

TXGN may assess a finance charge of 1.5% per month (18% per annum) on unpaid bills thirty (30) days past due, including, without limitation, demurrage, switching and all other charges.

If TXGN, at its sole discretion, uses a collection agency or attorneys to collect delinquent charges and TXGN is successful in collecting such charges, Customers shall reimburse TXGN for all reasonable collection costs, including reasonable collection agency fees and reasonable attorneys' fees.

ITEM 6060

SECURITY DEPOSIT

- A. A security deposit to ensure payment of any Demurrage, Switching and Miscellaneous charges that may accrue will be required from every Customer who:
1. Has not established credit with TXGN; or
 2. Fails to pay freight, demurrage, storage, switching or other accessorial charge within thirty (30) days of invoice.
- B. The deposit must be paid in wire transfer, certified check, ACH, or cashier's check before any freight car is delivered to such Customer for loading or unloading.
- C. The deposit shall be equal to the previous month's billing for charges under this tariff accrued by the Customer plus \$10,000.00. New Customers commencing operations shall be required to post a \$25,000.00 deposit.
- D. Deposits will no longer be required after the Customer either:
1. Has established credit with TXGN; or
 2. Has paid all outstanding Switching and Miscellaneous charges and has given assurance to the satisfaction of TXGN's credit office that future charges will be paid within thirty (30) days of invoice.
 3. When the Customer is notified that a deposit will no longer be required, railroad will refund any remaining deposits to the Customer within thirty (30) days.
-

**RULES AND OTHER GOVERNING PROVISIONS
RULES AND REGULATIONS – GENERAL**

ITEM 6065

BILLING DISPUTES

To be considered for relief, a dispute must be presented to TXGN in writing with supporting documentation within thirty (30) days of the invoice issue date. The dispute must fully state the conditions for which relief (See Exception) is claimed and identify disputed charges by car number and date.

All disputes must be transmitted to:

Via Email - disputes@tnw-rr.com; or

If charges are assessed due to TXGN error, charges will be adjusted to the appropriate amount that would have accrued with the omission of such error.

Claims sent to TXGN which are not found to be valid will be subject to a processing fee of \$50.00 for each incorrectly disputed car.

Any portion of the invoice not in dispute must be paid by the due date.

Disputes submitted more than thirty (30) days after the invoice issue date will not be accepted.

Exception: Relief nor Credits will be allowed for holidays, weekends, days where no service is provided, Acts of God, terrorism, strike interference or bunching.

ITEM 6070

**SWITCHING AND MISCELLANEOUS RULES
AND CHARGES**

For Switching and Miscellaneous Rules and Charges, see FT TXGN 8000-series.

**SECTION 1
GENERAL CAR DEMURRAGE RULES AND
CHARGES**

ITEM 6100

APPLICATION

- A. Applicable at all points on TXGN.
- 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. Demurrage Rules and Charges contained herein apply to all railroad owned or leased cars.

Private cars are not subject to demurrage rules and charges.

ITEM 6105

[A]

DEMURRAGE LIABILITY

Any person or entity receiving rail cars from this railroad for loading or unloading who detains the cars beyond the period of free time set forth herein will be held liable for any applicable demurrage.

ITEM 6110

NOTIFICATION TO TXGN FROM CUSTOMER

- A. All notifications to TXGN must be sent via an Acceptable Electronic Form of Communication or Class I system. If the notification cannot be sent utilizing one of the aforementioned, please contact TXGN for instructions. Pre-requests of cars not within TXGN's switching limits via Acceptable Electronic Form of Communication for placement to Customer's track(s) will not be accepted.

(All notifications received via a method other than via an Acceptable Electronic Form of Communication or Class I system will be assessed a charge of \$50.00 per car.)
- B. Notification to TXGN must include car initial and Number, and any other relevant information.
- C. The following will govern effective date and times of notices received from customer:
 - 1. Electronically or Written - The Date and Time sent or given as received by TXGN.

(Cont. in next column)

**SECTION 1
GENERAL CAR DEMURRAGE RULES AND
CHARGES**

ITEM 6110 (Cont'd)

- 2. When a Customer utilizes an electronic or mechanical device to accept messages, including email, notification sent via email will be considered as having been received.
 - 3. It is the responsibility of the Customer to notify TXGN of any changes, or additions phone numbers, or email addresses. Should TXGN receive a message failure to deliver due to any reason attributable to the receiver, such as an invalid phone number, or email address, notice will be considered as having been received.
- D. All notices are effective upon TXGN's receipt except for:
- 1. Car(s) a part of a Diversion, see Item 6300;
 - 2. Car(s) a part of a Storage Customer storage release, see Item 6200;
 - 3. Car(s) a part of a Unit Train will be released same day as delivery to the Connecting Carrier.
-

ITEM 6115

NOTIFICATION TO CUSTOMER FROM TXGN

- A. The following notifications will be furnished to the Customer as indicated:
 - 1. Cars to be Delivered to Private Tracks:
 - (a) Notice of Constructive Placement will be provided for the date of TXGN's receipt of car(s) on cars held by TXGN due to any condition attributable to the Consignor or Consignee.
 - (b) Delivery of a car to the track(s) of a Customer will constitute notice.
 - (c) Delivery of car to track(s) used by two or more customers industrial interchange track will constitute notice.

(Cont. on next page)

**SECTION 1
GENERAL CAR DEMURRAGE RULES AND
CHARGES**

ITEM 6115 (Cont'd)

2. Refused Carload Freight:
When TXGN is advised car is refused by Customer, Consignee will notify Consignor.
- B. Notification will contain the following minimum information:
 1. Car initial and number.
- C. When a customer utilizes an electronic or mechanical device to accept messages, including email, notification sent via email will be considered as having been received.
- D. It is the responsibility of the Customer to notify TXGN of any changes, or additions, to phone numbers, or email addresses. Should TXGN receive a message failure to deliver due to any reason attributable to the receiver, such as an invalid phone number, or email address, notice will be considered as having been received.

ITEM 6120

CARS HELD FOR LOADING

Loading is the complete or partial loading of a car if conformity with AAR or other loading and clearance rules, including the furnishing of forwarding instructions.

A. RELEASE:

1. Car(s) will be considered released at the date and time TXGN receives complete forwarding instructions and advice that a car is available for movement.
2. Car(s) placed on interchange tracks of a Customer doing its own switching that have been returned to the interchange track will be considered released.
3. Car(s) found to be improperly loaded at origin will not be considered released until the load has been properly adjusted and TXGN has determined that the car can be safely moved. Additional switching and/or accessorial charges will be applied in accordance with applicable Tariffs, supplements, or contracts.

(Cont. in next column)

**SECTION 1
GENERAL CAR DEMURRAGE RULES AND
CHARGES**

ITEM 6120 (Cont'd)

4. Car(s) unable to be pulled by TXGN due to any condition attributable to the Customer will not be considered released. Demurrage will be continuous until car can be safely moved. Additional switching and/or accessorial charges will be charged in accordance with applicable Tariffs.

B. COMPUTATION OF TIME:

1. Time will be computed from the first 0001 after car(s) Arrival to TXGN, Actual Placement or Constructive Placement (whichever event is first) of a car until the car(s) are released. Demurrage days will accrue from the expiration of Free Time until the car is released.

On a Reloaded Car, time will be computed from the first Calendar Day after notification is received that the car is empty until the car is released as a load.

ITEM 6125

CARS HELD FOR UNLOADING

Unloading is the complete unloading of a car and Notification from the Customer to TXGN that the car is empty and available for movement.

A. RELEASE:

1. Car(s) will be considered released at the date and time TXGN receives notification that a car is empty and available for movement.
2. Car(s) placed on interchange tracks of a Customer doing its own switching that have been returned to the interchange track will be considered released.
3. When a car(s) is unloaded and then reloaded, an empty release notification must be furnished. If not furnished, demurrage will be continuous until forwarding instructions are received.

(Cont. on next page)

GENERAL CAR DEMURRAGE RULES AND CHARGES

ITEM 6125 (Cont'd)

- 4. If, after being released as an empty car by the Customer, TXGN cannot pull the car due to a condition attributable to the Customer, or TXGN discovers a portion of the load remaining in the car, demurrage will be continuous until the car can be safely moved and/or has been completely unloaded. Additional tariff charges may apply.

ITEM 6130

CARS HELD FOR PURPOSES OTHER THAN LOADING OR UNLOADING

Demurrage shall be computed pursuant to Item 6120 or Item 6125, with the exception that No Free Time will be allowed for cars held under the following circumstances:

- A. While awaiting proper disposition from the Customer;
- B. In connection with a Diversion, Re-consignment, or Transfer;
- C. For any other purpose not attributable to TXGN;
- D. Cars Ordered But Not Used;
- E. Cars Held for Inspection;
- F. Empty Car Rejected as Being Unsuitable for Loading;
- G. Car Found to be Overloaded;
- H. Empty/Loaded Cars Rejected for Miscellaneous Reasons;
- I. Cars Found to be Overweight.

ITEM 6135

FREE TIME

One (1) Calendar Day will be allowed for complete or partial Loading or Unloading for each car with the exceptions of cars listed in Item 6130.

Free Time begins following the date of car(s) Arrival to TXGN, Constructive Placement or Actual Placement (whichever comes first).

(cont. on next column)

GENERAL CAR DEMURRAGE RULES AND CHARGES

ITEM 6140

DEMURRAGE

Demurrage charges will be assessed on all Railroad owned or leased cars after expiration of Free Time.—Demurrage charges will be assessed per car per Demurrage Day or fraction of a Demurrage Day until the car is released as follows:

ITEM 6140 (Cont'd)

DEMURRAGE DAY	DEMURRAGE CHARGE
1 or less	\$25.00
Up to 5	\$50.00
More than 5	\$75.00

NOTE: Applicable demurrage rates listed above apply for all Demurrage Days for cars released during that specified period. For example: a railcar and released with only one (1) Demurrage Day will incur a demurrage charge of \$25, with three days will be 3 x \$50 and with 6 days, 6 x \$75

STORAGE RULES AND CHARGES

ITEM 6200

APPLICATION

- A. The storage rules and charges provided herein Apply to Cars stored on TXGN.
- B. The rules and charges in this Section do not apply to the extent that storage is subject to a contractual railcar storage agreement between the Customer and TXGN.
1. TXGN will not store a Private Car containing Hazardous Materials pursuant to Item 6200 - A1(a), A1(b) or A1(c) for a period longer than 48 hours
 2. TXGN does not act as a common carrier in providing car storage under this Section. With respect to car(s) stored under Item 6200 - A1(d) and A2(a), TXGN may, in its sole discretion, decline to provide car storage in any instance or require that a Customer enter into a contractual railcar storage agreement.
 3. **TXGN will not under any circumstances provide car storage for railcars containing toxic by inhalation or poisonous commodities, hazardous waste, waste materials, or residues thereof as regulated or characterized by any governmental authority, law, or regulation.**
- C. Customer will be solely responsible for any time-based car charges, including per diem, property, and other taxes, contained in TXGN Tariff 8000-series, or other charges accruing on stored equipment.

(Cont'd in next column)

STORAGE RULES AND CHARGES

ITEM 6200 (Cont'd)

- D. Customer will be solely responsible for the notification to TXGN of any car(s) billed or diverted to TXGN for

Customer's use (See Item 6115, this tariff). If for storage, Customer must submit a "Request for Storage/Repair/ Cleaning" form to TXGN for approval and receive said approval prior to billing or diverting the car(s) for storage.

APPLICATION

- E. When releasing cars from storage, Customer must submit billing (BOL) and/or Diversion request to TXGN via the connecting railroad to other Class 1 logistics system for billing cars. The notice can be, but not limited to a submission through an Acceptable Electronic Form of Communication, a copy of the BOL submitted to the connecting carrier or through a Class 1 logistics system, or a combination of the two. In addition, the BOL and/or Diversion request must meet the guidelines below:
1. Cars will be released when the connecting carrier accepts the billing while providing TXGN a 404 notification via EDI. If there is conflicting information between what TXGN has on file versus the 404 notification received, such as but not limited to:

the consignee/consignor or STCC Code, the car(s) will not be released until verified and agreed upon by both TXGN & the Customer.
 2. Placement or Pull (to/from Customer facilities) requests received outside of normal operation hours will be carried over to the next day of normal operations. See TXGN FT 8000-series for normal operation hours and a list of company holidays. Additional switching and/or demurrage charges in accordance with both TXGN FT 6004-series and 8000-series may apply.
 3. If a correction is needed for Item 6200 - G1 or G2, above, see Item 6300, this tariff.
 4. Customer whose account the car(s) are stored must submit the copy of the BOL to TXGN.
-

STORAGE RULES AND CHARGES

ITEM 6205

[A]

NOTIFICATION TO TXGN FROM CUSTOMER

- A. All notifications to TXGN must be sent via an Acceptable Electronic Form of Communication or Class I system. If the notification cannot be sent utilizing one of the aforementioned, please contact TXGN for instructions. Pre-requests of cars not within TXGN's switching limits via Acceptable Electronic Form of Communication for placement to Customer's track(s) will not be accepted. (All notifications received via a method other than via Acceptable Electronic Form of Communication or Class I system will be assessed a charge of \$50.00 per car.)
- B. Notification to TXGN must include car initial and Number, and any other relevant information.
- C. The following will govern effective date and times of notices received from customer:
1. Electronically or Written - The Date and Time sent or given as received by TXGN.
 2. When a Customer utilizes an electronic or mechanical device to accept messages, including email, notification via email will be considered as having been received.
 3. It is the responsibility of the Customer to notify TXGN of any changes, or additions, to phone numbers, or email addresses. Should TXGN receive a message failure to deliver due to any reason attributable to the receiver, such as an invalid phone number, or email address, notice will be considered as having been received.
- D. All notices are effective upon TXGN's receipt except for:
1. Car(s) a part of a Diversion, see Item 6300;
 2. Car(s) a part of a Storage Customer storage release, see Item 6200;

Car(s) a part of a Unit Train will be released same day as delivery to the Connecting Carrier.

(Cont'd in next column)

STORAGE RULES AND CHARGES

ITEM 6210

[A]

NOTIFICATION TO CUSTOMER FROM TXGN

- A. The following notifications will be furnished to the Customer as indicated:
1. Cars to be Delivered to Private Tracks:
 - (a) Notice of Constructive Placement will be provided for the date of TXGN's receipt of car(s) on cars held by the TXGN due to any condition attributable to the Consignor or Consignee.
 2. Refused Carload Freight:

When TXGN is advised car is refused by Customer, Consignee will provide notice to Consignor.
- B. Notification will contain the following minimum information:
1. Car initial and number.
- C. When a Customer utilizes an electronic or mechanical device to accept messages, including email, notification sent via email will be considered as having been received.

It is the responsibility of the Customer to notify TXGN of any changes, or additions, to phone numbers, or email addresses. Should TXGN receive a message failure to deliver due to any reason attributable to the receiver, such as an invalid phone number, or email address, notice will be considered as having been received.

(Cont. on next page)

STORAGE RULES AND CHARGES

ITEM 6215

STORAGE CHARGES

1. Storage Charges will be computed from date railcar(s) arrives until date railcar(s) is released from storage.

Charges apply per car, per day, or fraction of a day, until released from storage.

(No Free Days will be allowed for storage and demurrage charges do apply to any system/ railroad owned railcar(s) and/or equipment)

A. Empty Cars:	
1. Non - Hazardous	\$25.00
2. Overall length in excess of 90 feet	\$25.00
3. Residue - Hazardous	\$50.00
B. Loaded Cars:	
1. Non - Hazardous – All Commodities not listed in B2 below	\$35.00
2. Hazardous	\$200.00

ITEM 6220

SWITCHING INTO AND OUT OF TXGN TRACKS

(No Free Days will be allowed for storage and demurrage Charges apply to any system/ railroad owned railcar(s) and/or equipment)

**CHARGE
(Per Car)**

Switching for Non-Hazardous Materials	
Into TXGN Tracks	\$275.00
Released from TXGN Tracks	\$275.00
Cars Loaded with Hazardous Materials	
Into TXGN Tracks	\$550.00
Released from TXGN Tracks	\$550.00

(Cont'd in next column)

STORAGE RULES AND CHARGES

ITEM 6222

FUEL SURCHARGE

A fuel surcharge will be applied if the benchmark rate of WTI crude oil rises to \$90.00 per barrel, as reported by NYMEX using the nearby futures price at the commencement of each calendar month.

The fuel surcharge is \$2.00 per car for each \$5.00 increment of the benchmark price increase.

ITEM 6225

LIABILITY AND INDEMNIFICATION

- A. Customers will be solely responsible for the security, condition, and state of repair of stored railcars and their contents; for any loss or damage to the contents or structure of stored railcars; and for any release of Hazardous Materials from stored railcars
- B. Customers release, indemnify, defend, and hold harmless TXGN and TXGN's affiliated companies, partners, successors, assigns, legal representatives, officers, directors, shareholders, employees, and agents for, from, and against any and all claims, liabilities, fines, penalties, costs, damages, losses, personal death or injury, liens, causes of action, suits, demands, judgments and expenses (including, without limitation, court costs, attorneys' fees and costs of investigation, removal and remediation and governmental oversight costs) of any nature, kind or description, environmental or otherwise, to any person or entity directly or indirectly arising out of, resulting from or related to (in whole or in part) any release of any contents of any stored railcar (including but not limited to those relating to any explosion, fire or contamination, acts of war or terrorism, or as a result of any third-party act or omission) or the presence, storage, discharge or release of any Hazardous Materials or substance from any stored railcar, whether intentionally or unintentionally, and regardless of any ordinary negligence or alleged ordinary negligence of TXGN, provided, however, that Customers shall not be liable to TXGN for any loss, injury or death result from the gross negligence or willful misconduct of TXGN.
- C. Any Customer utilizing services under Item 6200 -A1(d) or A2(a) shall, at its sole cost and expense, procure and maintain in force commercial or comprehensive general liability insurance, including contractual liability coverage, with a limit of not less than \$10 million per occurrence (\$20 million per occurrence for hazardous material railcar storage) and an aggregate

(Cont. on next page)

**SECTION 3
DIVERSION AND RE-CONSIGNMENT**

ITEM 6225

LIABILITY AND INDEMNIFICATION (Cont'd)

limit of not less than \$15 million (\$30 million for hazardous material railcar storage). Such insurance shall include environmental (sudden, seepage and pollution) liability coverage. If any insurance policies exclude claims arising on or near active railroad facilities, the Customer shall also provide Railroad Protective Insurance with the same limits. All such insurance policies shall name TXGN as an additional insured, and at TXGN's request, the Customer shall furnish insurance certificates evidencing compliance with these requirements.

ITEM 6300

DIVERSION AND RE-CONSIGNMENT

APPLICATION

Charges under this Section will be assessed against the party requesting the Diversion, Re-consignment or Transfer of Cars or Correction. These charges are in addition to applicable switching charges, demurrage charges, and other charges as outlined in this Tariff and FT TXGN 8000- series.

DIVERSION

A car that is Diverted will be assessed a charge of \$250.00 per car.

RE-CONSIGNMENT

A car that is Re-consigned will be assessed a charge of \$350.00 per car.

ADMINISTRATION FEE

A. Transferring cars from one Storage Customer to another within the limits of TXGN will be assessed a charge of \$5.00 per car for fifty (50) or more cars that are requested to be transferred. Ask TXGN for a "Diversion/Re-Consignment/Transfer" form.

1. Refer to Re-consignment if transferring car(s) from a Storage Only Customer to a Freight Customer or from a Freight Customer to a Storage Only Customer.
2. All parties must agree, in writing, prior to completion of transfer.

B. A car(s) order that has been cancelled, modified, or needs corrections at the Customer request to TXGN will be assessed a charge of \$25.00 per car

**SECTION 4
ITEMS ADDED, REVISED OR REMOVED**

ITEM 6400

**ITEMS ADDED, CHANGED, REVISED OR
REMOVED**

6400 ITEMS ADDED, CHANGED, REVISED OR REMOVED	
COVER PAGE	REVISED
TABLE OF CONTENTS	REVISED
GLOSSARY	REVISED
6110	REVISED
6115	REVISED
6200	REVISED
6205	REVISED
6215	REVISED
6220	REVISED
6222	REVISED
6300	REVISED
6400	REVISED
6500	REVISED

**SECTION 5
PRICE LIST**

**ITEM 6500
PRICE LIST**

DESCRIPTION	TOTAL
AEI TAG SERVICE	\$125.00
AIR TEST SERVICE	\$200/HR
CHERRY PICKING	\$200.00
DIVERSION	\$250.00
HATCH SERVICE	\$50.00
MANUAL PROCESSING	\$50.00
PICTURE SERVICE	\$25.00
PLACARD SERVICE	\$50.00
REFLECTOR SERVICE	\$150.00
RELEASED NOT READY	\$550.00
RETENCIL SERVICE	\$250.00
RECONSIGNMENT	\$350.00
SCALING OF CARS (WEIGH)	\$500.00
SWITCH INTO TXGN Track Non-Hazardous Materials	\$275.00
SWITCH OUT OF TXGN Track Non-Hazardous Materials.	\$275.00
SWITCH IN/OUT - LOADED HAZMAT ON TXGN Track	\$550.00
TRANSFER OF CARS	\$5.00
TRACK LOCKOUT FEE	\$20.00
UNABLE TO PLACE	\$550.00

**EXPLANATION OF ABBREVIATIONS AND
REFERENCE MARKS**

**ITEM 9999
EXPLANATION OF ABBREVIATIONS AND
REFERENCE MARKS**

AAR - Association of American Railroads
BNSF - BNSF Railway
BOE - Bureau of Explosives
BOL - Bill of Lading
EDI - Electronic Data Interchange
FT - Freight Tariff
OPSL - Official Railroad Station List
RER - Railway Equipment Register
RIC -Railinc
TXGN - Texas Gonzales Northern Railway
UP – Union Pacific Railroad

[A] - Addition

[C] - Change

[I] - Increase

[R] - Reduction/Decrease

(Underscored portion denotes addition/change.)
