CSX TRANSPORTATION

PRIVATE PRICE LIST & CONTRACT
GENERAL TERMS AND CONDITIONS

NOTICE

THESE TERMS ARE APPLICABLE TO CONFIDENTIAL RAIL TRANSPORTATION CONTRACTS PURSUANT TO 49 U.S.C. § 10709

Confidential Information

Published: ______
1. Application

These General Terms and Conditions (the “Terms”) are applicable to any rail transportation service requested pursuant to a private non-public price quoted by CSXT that is made available to a potential customer (“Industry”) by CSXT for immediate use but not yet incorporated into a contract (an “Open Price Authority”). These Terms, together with a Uniform Straight Bill of Lading or similar shipping instruction (collectively, the “Shipment Instruction”) and the price and terms of the applicable Open Price Authority, upon acceptance by Industry, constitute a contract between Industry and CSXT for the single shipment of freight over CSXT’s rail network described in the Shipment Instruction (the “Contract”). By tendering or causing the tender of a shipment of freight with a Shipment Instruction referencing an Open Price Authority, Industry accepts and agrees to the provisions of the Contract as to that shipment.

2. Transportation Particulars

CSXT agrees to provide rail contract carriage transportation service with reasonable dispatch over its rail network for Industry at the rates and subject to the additional terms and conditions set forth in the Contract.

3. Description and Inspection

Prior to each tender of freight, Industry or its agent shall provide the originating carrier with a Shipment Instruction. The description of commodity(s) on the Shipment Instruction shall conform to the Standard Transportation Commodity Code (STCC) and show the appropriate STCC Number(s). When different prices are provided for the same commodity(s) according to the type of packing or package, the type of packing or package must be shown. Carrier(s) reserve the right to inspect shipments to determine applicable prices. When the commodity(s) are found to be incorrectly described, freight charges will be collected according to the proper description and pursuant to the applicable agreement, publication or other document. If the Open Price Authority included a reference number, Industry will add the following to each Shipment Instruction: "Subject to Contract CSXT" followed by that reference number.

4. Shipping Limitations

The name of only one consignor, one origin, one consignee and one destination shall appear on a Shipment Instruction. No shipments shall be made as “Order Notify” shipments.

5. Loading and Unloading

Industry and its agents shall be responsible for the loading and unloading of cars in accordance with these Terms, including all terms, conditions, all appropriate AAR commodity loading publications, and all applicable governmental, industry and Carrier policies.

6. Car Supply

If a rail carrier is to furnish cars, such carrier will do so on a non-guaranteed basis subject to availability and distribution considerations. If Industry is to furnish cars, Industry will obtain any necessary OT5 authority. Carrier(s) will not be liable for, and Industry shall hold Carrier(s) harmless against, mileage, per diem or other charges in connection with the use of Industry furnished cars.
7. Incorporation of Documents; Conflict in Terms and Conditions

These Terms incorporate the provisions of the Open Price Authority, the Uniform Straight Bill of Lading, as well as CSXT’s tariffs, publications, statutes, regulations, AAR and other industry standards, requirements and procedures, (including, without limitation, the Bureau of Explosives BOE 6000-series, Directory of Hazardous Materials Shipping Description (Issued by RAILINC), Official Railroad Station List OPSL 6000-series, Official Railway Equipment Register RER-series, Standard Transportation Commodity Code STCC 6001-series, Uniform Freight Classification UFC 6000-series, and CSX Transportation Accessorial/Supplemental Tariffs CSXT 8100/8200-Series), that would apply if these Terms did not exist, as of the date of shipment tender. The other provisions of first the Open Price Authority and then these Terms control in case of any conflict.

The Shipment Instruction is solely for the purpose of describing the transportation being ordered, and any additional or conflicting terms contained therein are void and have no effect. To the extent any of the foregoing may be specifically listed or referenced in these Terms, the listing or reference shall include all changes, additions, and replacements of the listed or referenced items in effect at the relevant time in these Terms.

8. Participating Carriers

Industry acknowledges that it may not be party to, and may not have access to, any agreements for the divisions of rates or revenues associated with these Terms.

9. Payment of Charges – Extension of Credit

Payment of all rates and charges that may accrue and become due from Industry to CSXT in connection with an Open Price Authority or this Contract shall be made within the timeframes set forth in, and subject to the finance charges, late charges, and other provisions of Section 16, Tariff CSXT 8100 series (Merchandise) or Section 13, Tariff CSXT 8200 (Coal), except as may otherwise be set forth in a credit agreement between the parties. Information regarding the establishment of credit with CSXT and arrangements for electronic payment of rates and charges is available among those same provisions. If Industry fails to pay all rates and charges as required by this paragraph, CSXT may, without limitation, cancel or suspend its performance under, or terminate Industry’s Open Price Authority and this Contract. Industry may not set off or withhold any payment due to any Carrier in connection with an Open Price Authority.

10. Switching Absorption

Except as may be otherwise provided in the Contract, CSXT will absorb the switch charge, or a portion thereof, of the railroad serving the actual loading point at Origin and/or the actual unloading point at Destination as may be provided in Tariff CSXT 8100 series (Merchandise)/8200 series (Coal). Movements to or from such points will be automatically deleted from any rate authority if the associated switch service is terminated.

11. Fuel Rate Adjustment

In the event that the monthly average price per gallon of highway diesel fuel (as determined below, the “HDF Average Price”) equals or exceeds 200.0 cents, CSXT will apply a mileage-based fuel adjustment to the linehaul rates and charges provided for in any Open Price Authority. The fuel adjustment will be applied to each shipment with a Shipment Instruction dated on or after the first day of the second calendar month following the calendar month of a given HDF Average Price determination.

The “HDF Average Price” for a month will be the average price for that month of U.S. No. 2 Diesel Retail Sales by All Sellers, as determined and published by the U.S. Department of Energy,
Energy Information Administration ("DOE-EIA"). That average price will, in calculating the HDF Average Price, be rounded to the nearest 1/10\text{th} of a cent applying conventional rounding principles. The fuel adjustment will be 1 cent per mile per railcar for every 4 cents per gallon, or portion thereof, by which the HDF Average Price for the calendar month two months prior to the calendar month of shipment exceeds 199.9 cents.

The DOE-EIA publication referenced above can currently be found at www.eia.doe.gov. On the home page select “Petroleum;” under “Prices” select “Weekly Retail Gasoline and Diesel Prices;” for the “Area” select “U. S.;” for the “Period” select “Monthly” then refer to the data on the line entitled “Diesel (On-Highway).” Monthly data is normally published Wednesday after the last Monday of a given month. If DOE-EIA ceases publication of the above information, CSXT will employ a suitable substitute source of price or measure.

The mileage to be applied in calculating the fuel adjustment will be based on rail miles between origin, interchange(s) and destination, and can be found at www.csx.com. On the home page select “Customers;” select “Prices, Tariffs, Fuel Surcharge;” select “Fuel Surcharge;” then select “Mileage” and follow the instructions provided. Registration will be required to use the ShipCSX functions.

12. Damage Claims

Claims for loss, damage or delay to any commodity shipped by CSXT pursuant to this Contract shall be governed by the provisions of 49 USC §11706, 49 CFR §1005, and related decisions.

CSXT liability for loss or damage is contingent upon CSXT or its agent receiving immediate notification of all noted visible losses or damages discovered during the unloading of a rail car. Loss or damage discovered other than between 8:00 A.M. and 5:00 P.M., Monday through Friday, shall be reported no later than 24 hours following unloading from rail car, Saturdays, Sundays, and Holidays excluded. Concealed damage must be reported immediately upon discovery and made available for inspection at point of delivery. All loss or damage may be reported at the following telephone number: 800-432-1032.

Any claim for loss or damage must be filed within nine (9) months of the date the shipment was delivered, or in the case of failure to make delivery, then within nine (9) months after a reasonable time for delivery. Any lawsuit or other action for the enforcement or liability for loss of damage must be instituted within two years after CSXT first declines the claim. Any claim or lawsuit not filed within the periods set forth in the preceding sentences is waived by Industry. Loss and damage Claims submitted to CSXT should be sent or delivered to:

Director - Freight Claims Services
CSX Transportation, Inc. - J815
P.O. Box 44085
Jacksonville, FL 32231-4085
800-327-9715 (Within U.S.)
904-279-6331 (Outside U.S.)

13. Agent

For purposes of this Contract, any third party performing any obligation of Industry or CSXT is considered to be such party’s agent. Industry acknowledges and agrees that it shall be responsible for any charges or damages incurred or caused by its agents in connection with this Contract. For the avoidance of doubt, no other rail carrier shall be deemed CSXT’s agent in connection with any rail transportation provided in connection with an Open Price Authority or this Contract.
14. Confidentiality

The Open Price Authority is considered confidential and may not be disclosed to a third party without the consent of CSXT except: (a) as required by statute, regulation or valid court order, (b) to a parent, affiliate or subsidiary company or (c) to an auditing firm or legal counsel that are bound by confidentiality provisions no less protective than those in this Section 13. If this paragraph is breached, then the Open Price Authority offered in connection with these Terms may be terminated by CSXT upon notice to Industry.

15. Force Majeure

A party shall be excused from its performance if and to the extent prevented or delayed by the following natural or deemed force majeure conditions: Act of God; authority of law; weather impediments; fire; explosion; labor disputes; embargo; war; insurrection; threatened or actual act of terrorism; derailment; or other like causes beyond its control. A downturn in the economy is not a force majeure condition. The term for which any rates are offered shall not be extended due to the force majeure condition. The party claiming force majeure shall notify all other parties as soon as practical upon the beginning and ending of the force majeure condition.

16. Miscellaneous

· CSXT may, subject to any required regulatory approval, discontinue service on, or abandon the rail line that services any Origin or Destination. Such discontinuance or abandonment shall result in the automatic deletion of the applicable Origin or Destination from any Open Price Authority offered in connection with these Terms at no liability to CSXT as of the date of such discontinuance or abandonment.

· If the rail line serving an Origin or Destination is sold or leased by CSXT to a new operator, rates offered in connection with an Open Price Authority will terminate.

· Unless restricted, shipments reaching destination but not unloaded (for reasons other than the CSXT’s errors), may, at CSXT’s discretion, be returned to the original shipping point via the reverse route at the same price and conditions, unless a lower price exists for such return shipments.

· Rates and prices in any other rate authority may not be used to make a combination of rates or prices that lower the prices offered in the Open Price Authority.

· Except as otherwise noted, ancillary charges contained in CSXT Tariff 8100 (Merchandise)/8200 (Coal) Series as of the date of shipment tender shall apply.

· Notwithstanding anything to the contrary herein, CSXT shall not have any liability, including pursuant to any Damage Claim, for indirect, special, consequential or punitive damages.

· The waiver of any provision in these Terms must be in writing. Failure to enforce any provision is not a waiver.

· When proportional rates offered in the Open Price Authority are used to construct through rates beyond the geographic scope of this publication on a through Shipment Instruction, the proportional rates set forth in the Open Price Authority will be assessed and billed separately from any other portions of the resulting combination rate.
· Claims for overpayment of charges must be in writing and received by CSXT no later than one year after delivery or tender of delivery of shipment. Any lawsuit for overpayment of charges must be filed within two years after delivery or tender of delivery of shipment. Any claim or lawsuit not filed within the periods set forth in the preceding sentence or under thirty-five dollars ($35) per Shipment Instruction is waived by Industry.

· Paragraph titles are for the convenience of the parties and are not substantive in nature.

· All notices between the parties must be in writing and sent to the parties by First Class U.S. Mail, express carrier or electronic mail. If to Carrier, notices should be sent to the Director, Commercial Administration, 500 Water Street - J865, Jacksonville, FL 32202 or CSXTMktSvcs@csx.com.

· Prices or rates are stated and payable in U.S. currency unless shipment is wholly within Canada, in which case prices or rates are stated in Canadian currency.

17. Applicable Law

This Contract and these Terms shall be construed (except for matters referring to or traditionally governed by or construed under federal laws, regulations, or case law) according to the laws of the State of Florida without regard to its conflict of laws rules.

[END OF DOCUMENT]