

Quick Guide

Demurrage & Private Car Storage



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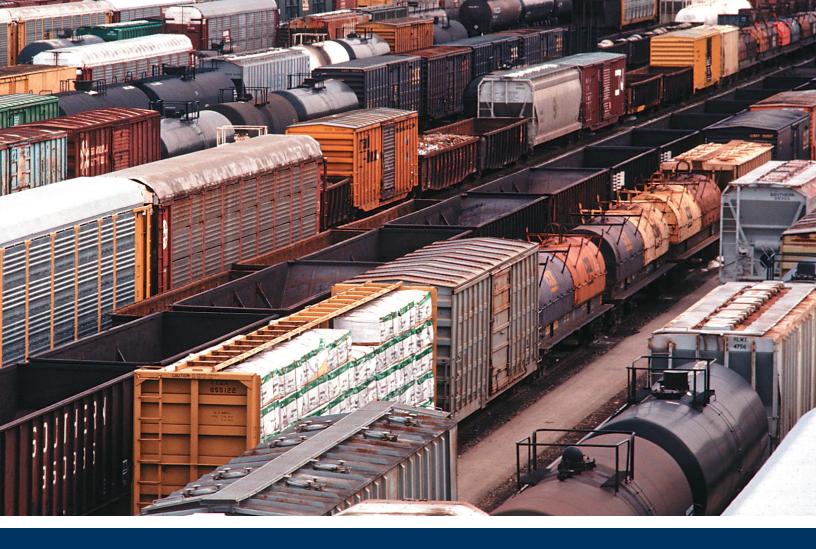
Introduction

Effective Asset Utilization is critical to the success of CSX and of our customers. The objective of this guide is to improve the handling of customer-related inquiries about demurrage and private car storage, so we can help our customers grow their business and be successful together.

Demurrage is a fee charged for the extended use of railroad-owned or controlled (Carrier) railcars and CSX tracks. Private car storage is a fee charged for the extended holding of customer-owned or controlled (Private) railcars on CSX tracks. These fees are intended to ensure that cars are loaded or unloaded, then released quickly, so that they can be made available for the next shipment and the track can remain fluid to handle traffic.

Although demurrage and private car storage are conceptually similar, there are important distinctions. **Demurrage** is applied to Carrier Cars that are held for Customer instructions, including those waiting to be loaded or unloaded while at origin/destination. **Open Gate Yard Demurrage (OGYD)** is applied when CSX is unable to place cars due to the facility being full, or for a customer reason. **Private Car Storage** fees are applied to Private Cars waiting on a railroad's tracks; usually for loading, unloading, or Shipment Instructions. Together, they help prevent railcars that you may need from sitting idle and ensure that our network doesn't become clogged with unused railcars.

The information in this guide contains the relevant provisions of the two services, credit days granted by CSX, and tips to help our customers manage their exposure to these charges. Complete rules are set forth in Publication CSXT 8100. You can view or print the current version of Publications CSXT 8100, CSXT 4048, CSXT 4049 and CSXT 8200 by visiting the Publications web page on CSX.com.



Demurrage

Demurrage is calculated on a debit and credit system and it is billed monthly. For Carrier cars delivered to a customer, one credit day is granted for empties and one credit day is granted for loads. The days that a car spends waiting to be placed at a customer's facility or sitting at a customer's siding are debited.

- The demurrage clock starts at 00:01 on the next scheduled service day after CSX places a railcar or notifies the Customer of Constructive Placement of a railcar.
- For Customers without scheduled service days, debit days start at 00:01 on the next calendar day after CSX places a railcar or notifies the Customer of Constructive Placement of a railcar.
- Debit days stop on the day the Customer orders the railcar for Actual Placement or when the customer Releases the railcar to CSX.

At the end of each month, cars, credit days and debit days are totaled for all loaded Carrier cars handled at a specific customer's location. Empty Carrier cars are handled in the same way (note: loaded and empty Carrier cars are handled in separate accounts).

Total debit days minus total credits = chargeable days. If total credit days exceed total debit days, no charges accrue (note: demurrage credits do not carry over to the next month). Chargeable days, multiplied by the applicable rate, determines the chargeable demurrage amount.

For example, a customer during the month of July handled 35 cars that earned 35 credits (assuming 1 credit per car) and totaled 45 debit days. Based on the current demurrage charge of \$150 per day, the customer will have to pay \$1,500.

45 debit days - 35 credits = 10 chargeable days x \$150 = \$1,500.

A customer is considered OPEN GATE when all cars can be placed on arrival without a request or placement instructions. A customer is considered CLOSED GATE when cars are ordered to their facility by either car initial and number or to a specific track or track spot.

Refrigerated Railcars

CSX services and monitors railroad-controlled refrigerated railcars in order to provide our customers with a reliable and efficient method to transport perishable freight. Refrigerated railcars require consistent recharging and regular observation to ensure that internal temperatures remain constant. This equipment should be unloaded quickly to help speed perishable products to market.

Demurrage and Private Car Storage Rates

DEMURRAGE CREDIT (FREE) DAYS	RATE PER DAY	REFRIGERATED CAR and HEAVY DUTY FLAT CAR RATE PER
1-DAY CREDIT FOR LOADING	\$150 per railcar	\$250 per railcar
1-DAY CREDIT FOR UNLOADING	\$150 per railcar	\$250 per railcar
0-DAY CREDIT FOR OVERLOADS	\$150 per railcar	\$250 per railcar
0-DAY CREDIT FOR RAILCARS	\$150 per railcar	\$250 per railcar
HELD FOR OTHER PURPOSES		

Appropriate Cars to Reload

Appropriating cars for reload is a quick process that stops the demurrage clock on the unload portion of a car cycle and begins the clock for calculating the loading cycle time. This ensures you are credited with the appropriate amount of time to accomplish the reload.

Customers may appropriate a car if they have an open car order for the same type of car and the car is non-hazmat, rail operated (not private) and not assigned to a shipper pool. Please request to appropriate a car to reload before actually reloading the car, to ensure it meets these conditions.

Missed Switch Allowance (MSA)

CSX makes every effort to switch customers on their regularly scheduled service day. If it is a service day and there is a plant switch with a pending place count and we miss for a railroad exception, an allowance will be applied to cars pending placement. Pending place count example: 10 cars ordered; 5 cars placed; 5 cars are pending placement and they will get an allowance if there is a railroad exception.

Late Constructive Placement Allowance (LCPA)

If a car CP's after 8:00 p.m. an allowance will be provided.

Empty Order Late Allowance (EOLA)

If a CSX railroad controlled car is placed 1-4 days later than the car demand date (order fill date), 1 allowance will be provided per car. If a CSX railroad controlled car is placed 5+ days later than the demand date, 3 allowances will be provided per car.

Open Gate Yard Demurrage (OGYD)

This applies on both rail controlled cars and private customer controlled cars in which cars are placed at industry on arrival. There is no constructive placement event and no communication is necessary with operations for the placement of cars. On scheduled service days, there is a snapshot taken one hour prior to crew on duty, and it captures all planned cars that arrive prior to the yard cutoff. If the number of available cars in the serving yard exceeds the available capacity, an OGYD event will be triggered for those cars over capacity.

Credits are applied to offset actual open gate yard demurrage for the day/switch.

Adjustments accrue from prior switch Railroad misses and will continue to carry forward until cars planned for placement do not exceed available capacity.

Private Car Storage Credit (Free) Days	Rate Per Day
1-Day Credit for Empties	\$75 Per Railcar
1-Day Credit For Loads	\$75 Per Railcar



Private Car Storage

Private car storage applies on customer-controlled (Private) empty cars that are not positioned for loading and/or customer-controlled loaded cars that are not positioned for unloading within the allotted time.

CSX allows 1 credit day for empty cars and 1 credit day for loaded cars. Private car storage billing is similar to demurrage billing.

- The private storage clock starts at 00:01 on the next scheduled service day after CSX notifies the Customer of Constructive Placement of a railcar.
- For Customers without scheduled service days, debit days start at 00:01 on the next calendar day after CSX notifies the Customer of Constructive Placement of a railcar.

Total debit days minus total credits = chargeable days. If total credit days exceed total debit days, no charges accrue (note: excess credits do not carry over to the next month).

Chargeable days, multiplied by the applicable rate, determines the chargeable Private car storage amount.

PRIVATE CAR STORAGE CREDIT (FREE) DAYS	RATE PER DAY	
1-DAY CREDIT FOR EMPTY RAILCARS	\$75 per railcar	
1-DAY CREDIT FOR LOADED RAILCARS	\$75 per railcar	
0-DAY CREDIT FOR OVERLOADS	\$75 per railcar	
0-DAY CREDIT FOR RAILCARS	\$75 per railcar	
HELD FOR OTHER PURPOSES		
HELD FOR OTHER PURPOSES PRIVATE CAR STORAGE CREDIT (FREE) DAYS	HAZMAT CARS RATE PER DAY	RSSM CARS RATE PER DAY
	HAZMAT CARS RATE PER DAY	RSSM CARS RATE PER DAY \$1,500 per railcar
PRIVATE CAR STORAGE CREDIT (FREE) DAYS	HAZMAT CARS RATE PER DAY \$250 per railcar	

Unloading Railroad-Owned or Controlled Car (Open Gate)

5 Days Of Week Service Mon-Fri – Car Placed On Thursday NOTE: Reference page 9 for OGYD description

SU	МО	TU	WE	TH	FR	SA
	1	2	3	4	5	6
7	8	9	10	11 ACTUAL PLACEMENT	DEM. 12 CLOCK STARTS 00:01	13
14	15	16	17 RELEASE	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

DEBIT DAYS

DAY	EVENTS
=	ACTUAL PLACEMENT ON THE 11TH
1	DEMURRAGE CLOCK STARTS 00:01 ON THE 12TH
6	RELEASE SENT ON THE 17TH

FREE DAYS

Unloading Railroad-Owned or Controlled Car (Closed Gate)

5 Days Of Week Service Mon-Fri - Car Cp'd On Thursday

DEMURRAGE DEBIT DAYS - 6 DAYS

SU	МО	TU	WE	TH	FR	SA
	1	2	3	4	5	6
7	8	9	10	11 CONSTRUCTIVE PLACEMENT	DEM. 12 CLOCK STARTS 00:01	13
14	15	16 ORDER FOR PLACEMENT	17	18 PLACEMENT AT INDUSTRY	DEM. 19 CLOCK STARTS 00:01	20
21	22	23 RELEASE	24	25	26	27
28	29	30	31			

DEBIT DAYS

DAY	EVENTS
-	CONSTRUCTIVE PLACEMENT ON THE 11TH
1	DEMURRAGE CLOCK STARTS 00:01 ON THE 12TH
5	ORDER SENT ON THE 16TH
_	PLACEMENT AT INDUSTRY ON THE 18TH
1	DEMURRAGE CLOCK STARTS 00:01 ON THE 19TH
5	RELEASE SENT ON THE 23RD
_	DEMURRAGE DEBIT DAYS - 10

FREE DAYS

KEY:

KEY:

Unloading Railroad-Owned or Controlled Car (Open Gate)

5 Days Of Week Service Mon-Fri – Car Placed On Friday NOTE: Reference page 9 for OGYD description

SU	МО	TU	WE	TH	FR	SA
	1	2	3	4	5	6
7	8	9	10	11	12 ACTUAL PLACEMENT	13
14	DEM. 15 CLOCK STARTS 00:01	16	17 RELEASE	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

KEY:	FREE DAYS	DEBIT DAYS

DAY	EVENTS
-	ACTUAL PLACEMENT ON THE 12TH
1	DEMURRAGE CLOCK STARTS 00:01 ON THE 15TH
3	RELEASE SENT ON THE 17TH
-	DEMURRAGE DEBIT DAYS - 3 DAYS

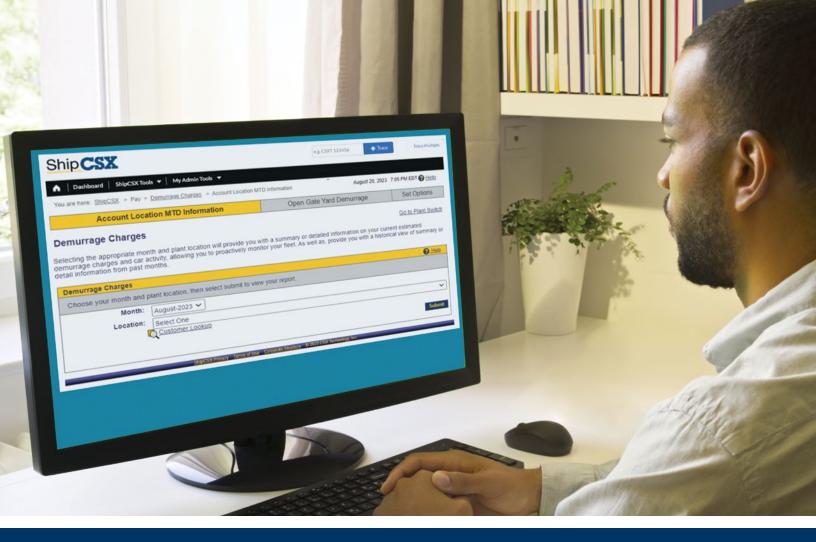
Loading/Unloading Railroad-Owned Or Controlled Car (Closed Gate)

5 Days Of Week Service Mon-Fri - Car Cp'd On Friday

SU	МО	TU	WE	TH	FR	SA
1	2	3	4	5	6 CONSTRUCTIVE PLACEMENT	7
8	DEM. CLOCK STARTS 00:01	10	11 ORDER FOR PLACEMENT	12 PLACEMENT AT INDUSTRY	DEM. CLOCK STARTS 00:01	14
15	16	17 RELEASE	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

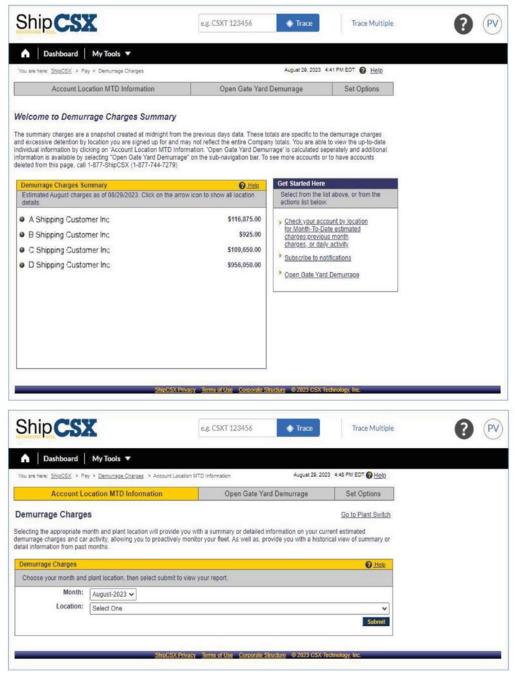
KEY:	FREE DAYS	DEBIT DAYS

DAY	EVENTS
_	CONSTRUCTIVE PLACEMENT ON THE 6TH
1	DEMURRAGE CLOCK STARTS 00:01 ON THE 9TH
3	ORDER SENT ON THE 11TH
_	PLACEMENT AT INDUSTRY ON THE 12TH
1	DEMURRAGE CLOCK STARTS 00:01 ON THE 13TH
5	RELEASE SENT ON THE 17TH
_	DEMURRAGE DEBIT DAYS - 8



ShipCSX Demurrage Module

View Demurrage Charges Summary

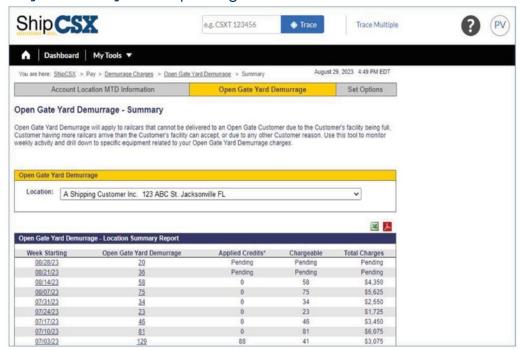


In this section, you can view a summary of demurrage charges by company and location. The summary charges are a snapshot created at midnight from the previous day's data. These totals are specific to the demurrage charges by location you are signed up for and may not reflect the entire Company totals. You are able to view the up-to-date individual information by clicking on Account Location MTD Information.

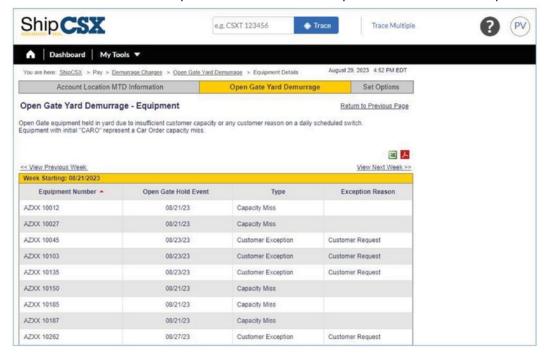
To see more accounts or to have accounts deleted from this page, call 1-877-ShipCSX (1-877-744-7279) option 2, option 1.

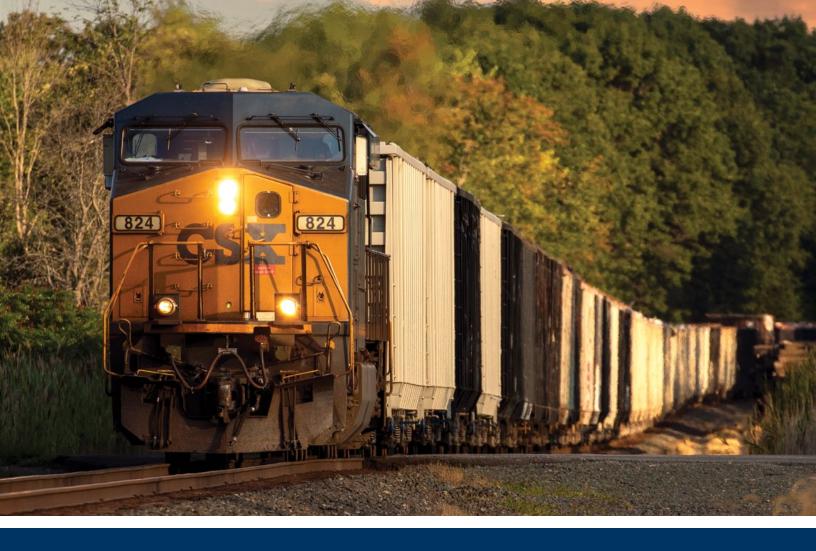
View Open Gate Yard Demurrage Charge (OGYD) Summary

In this section, you can view a summary of OGYD charges by company and location. This section allows you to see each OGYD miss, adjustment, and chargeable miss applied to the bill. OGYD bills are billed every week, but two weeks in arears. This is why the activity shows 'pending' for the first two weeks.



By clicking on the hyperlink, the type of chargeable miss and/or Exception Reasons are available. If exception reason is blank, subscribe to receive work order notifications within ShipCSX for a detailed explanation of the exception reason.





Managing Demurrage and Private Car Storage Charges

- Understand CSX's demurrage and private car storage rules published in CSXT 8100, CSXT 4048 and CSXT 4049.
- Use **ShipCSX.com** tools.
- Maintain close communication between shippers and receivers to avoid having too many cars in the pipeline.
- Closely monitor:
 - o The movement of cars from origin to destination
 - o Switching activities
 - o When loaded/empty cars are placed at the plant
 - o When a bill of lading is sent in on loaded cars
 - o When loaded/empty cars are pulled from the plant
 - o When loaded/empty cars are Constructively Placed in serving rail yard
 - o When loaded/empty railroad-owned cars are released from the plant
- Order Constructively Placed cars as soon as possible.
- Release railroad-owned or controlled cars from your siding the day they are made empty/loaded.
- Unload railroad-owned or controlled equipment before privately-owned equipment.
- Communicate to Customer Service any problems associated with movement of cars into or out of your plant.
 - o Use the ShipCSX Shipment Problem Resolution tool, under 'Trace' and 'Resources' tab.
 - o Use ShipCSX Notifications and Subscriptions to subscribe to receive work order notifications, industrial notices, etc., under 'Ship' and 'Notifications & Subscriptions' tab.
 - o Call 1-877-ShipCSX. You will be prompted to enter your ShipCSX User ID and PIN to access. Options 2-1.
- Make sure that shipper-assigned car pools are sized properly to the current traffic volumes.
- Invest in loading/unloading equipment, facilities and infrastructure that can adequately handle the volume of railcars you ship/receive.

Demurrage and Private Car Storage Rates

DEMURRAGE CREDIT (FREE) DAYS	RATE PER DAY	REFRIGERATED CAR and HEAVY DUTY FLAT CAR RATE PER
1-DAY CREDIT FOR LOADING 1-DAY CREDIT FOR UNLOADING	\$150 per railcar \$150 per railcar	\$250 per railcar \$250 per railcar
0-DAY CREDIT FOR OVERLOADS	\$150 per railcar	\$250 per railcar
O-DAY CREDIT FOR RAILCARS HELD FOR OTHER PURPOSES	\$150 per railcar	\$250 per railcar
PRIVATE CAR STORAGE CREDIT (FREE) DAYS	RATE PER DAY	
1-DAY CREDIT FOR EMPTY RAILCARS	\$75 per railcar	
1-DAY CREDIT FOR LOADED RAILCARS	\$75 per railcar	
0-DAY CREDIT FOR OVERLOADS	\$75 per railcar	
O-DAY CREDIT FOR RAILCARS HELD FOR OTHER PURPOSES	\$75 per railcar	
PRIVATE CAR STORAGE CREDIT (FREE) DAYS	HAZMAT CARS RATE PER DAY	RSSM CARS RATE PER DAY
0-DAY CREDIT FOR LOADED RAILCARS		\$1,500 per railcar
1-DAY CREDIT FOR LOADED RAILCARS	\$250 per railcar	
1-DAY CREDIT FOR EMPTY RAILCARS	\$75 per railcar	\$75 per railcar
DEMURRAGE CREDIT (FREE) DAYS	HAZMAT CARS RATE PER DAY	RSSM CARS RATE PER DAY
0-DAY CREDIT FOR LOADED RAILCARS		\$1,500 per railcar
1-DAY CREDIT FOR LOADED RAILCARS	\$250 per railcar	
1-DAY CREDIT FOR EMPTY RAILCARS	\$150 per railcar	\$150 per railcar
1-DAY CREDIT FOR EMPTY RAILCARS OPEN GATE YARD DEMURRAGE/PRIVATE CAR STORAGE	\$150 per railcar	\$150 per railcar

- Held for other purposes due to a customer reason includes but is not limited to:
 - o Empty Railcars placed in industry and released empty
 - o Railcars tendered to a Consignee and ultimately refused by the Consignee
 - o Railcars held due to being overloaded
 - o Railcars held while awaiting any change to the Shipping Instructions
 - o Railcars held short of destination due to Customer's inability to accept delivery
 - o Railcars held for load transfers waiting for private empty equipment



How To Dispute A Bill

A Formal Dispute must be submitted within 30 days from the invoice date. ShipCSX provides capabilities to view, pay and dispute bills online. ShipCSX can be accessed at www.ShipCSX.com. To file a dispute online the customer must log into ShipCSX using his/her own password and ID:

- 1. Select the Pay Tab.
- 2. Select Account Invoices.
- 3. Select invoices, of a single bill type, by checking boxes.
- 4. Select Dispute in the Actions field.
- 5. Use the drop-down list to choose an option for submitting disputes.
- 6. Provide detailed comments including: car initial and numbers, place dates, release dates, service dates, contract or tariff and rate differences.
- 7. Submit dispute(s).

The Supplemental Services team will investigate the dispute and respond in writing to the customer if the dispute is accepted or declined. The customer should issue partial payment on the portion of the bill where no exception is requested.

The name and phone number of the Customer Account Associate appears at the top of the Supplemental Bill.



Frequently Asked Questions

What is demurrage?

Demurrage is a fee charged to the customer for the extended use of railroadowned or controlled (Carrier) railcars and CSX tracks beyond the credit (free) days granted by CSX.

What is open gate yard demurrage (OGYD)?

Open gate yard demurrage is a fee charged when CSX in unable to deliver cars to a station that is at max capacity preventing cars from being placed. No specific placement instruction will be accepted for Open Gate railcars. A Station may be Open Gate (no instructions) for some commodities or railcars and Closed Gate (customer instructions) for other commodities or railcars.

What is private car storage?

Private car storage is a fee charged to the customer for the extended holding of customer-owned or controlled (Private) railcars on CSX tracks.

Why does CSX charge for demurrage and private car storage?

Demurrage and Private Car Storage fees help railroads maintain efficient networks by encouraging the timely loading, unloading and release of railcars. The purpose of these charges is to provide customers with an incentive to promptly load or unload railcars and to quickly release or move railcars from CSX track.

How many credit (free) days do I have for demurrage and private car storage?

For demurrage, customers receive 1 day of credit for loading a railcar and 1 day of credit for unloading a railcar. For private car storage, customers receive 1 day for empty cars and 1 day for loaded cars.

Do credit days carry over to the next month?

No, credit days do not carry over to the next month.

What is the per day charge for demurrage and private car storage?

Railroad-owned car demurrage is \$150.00 per car per day. Refrigerated cars and hazmat cars are \$250.00 per car per day. Private car storage is \$75.00 per car per day. Open Gate Yard Demurrage is \$75.00 per car per event.

What is Excessive Detention?

Excessive detention is a charge for rail-owned cars not released within 10 days.

What is the per day charge for Excessive Detention?

Excessive detention is \$100 per car per day.

Will open gate customers receive yard demurrage bills and industry demurrage bills?

Open gate customers may receive two separate bills for rail owned equipment, an open gate yard demurrage (OGYD) bill for cars that dwell in the yard and a demurrage bill for cars that dwell in the industry.

What is the difference between actual and constructive placement?

Actual placement is when CSX places a car in a position accessible for loading or unloading. Constructive placement is the holding of a railcar on CSX's tracks when actual placement of the railcar is not possible due to causes attributable to the customer, in whole or in part.

When does demurrage begin?

Demurrage starts at 00:01 the next scheduled service day after CSX places a car or notifies a customer of constructive placement of a car.

When does demurrage end?

Demurrage stops when a railcar is ordered into the customer's facility or when a car is released by the customer.

When does open gate yard demurrage begin?

One hour prior to the crew on duty, the system takes a snapshot of the number of available cars in the serving yard for placement, the number of cars that have been released by the customer, and the number of available spots in the industry, including released cars. If the number of available cars in the yard exceeds the available capacity, the OGYD event will be triggered for those cars over the capacity or marked as a customer exception.

When does open gate yard demurrage end?

Open gate yard demurrage ends once the car is placed.

When does private car storage begin?

Private car storage starts at 00:01 the next scheduled service day after CSX notifies a customer of constructive placement of a car.

When does private car storage end?

Private car storage ends when a private railcar is ordered into the customer's facility.

Who is my Supplemental billing account representative?

The name and phone number of your Customer Account Associate appears at the top of the Supplemental bill.

Can CSX help me manage demurrage and/or private car storage?

Yes, ShipCSX.com is available 24 hours-a-day to view your current month's potential demurrage charges. You can also use ShipCSX.com tools including ShipCSX Notification and Subscriptions for industrial notices, work order exceptions, open gate over capacity notice, etc.



Key Terms

Actual Placement: The placement of a railcar at origin or destination, or any other agreed upon point, for loading or unloading.

Consignee: The party to whom a shipment is consigned. The Consignee is usually, but does not have to be, the Receiver.

Consignor: The party in whose name a railcar is ordered for loading; the party consigning a shipment; or the party who furnishes shipping instructions. The Consignor is often, but not always, the Shipper.

CSX Credit Term: Full payment of all line-haul and supplemental charges must be received by CSX from credit customers within fifteen (15) days of the date of the bill.

Constructive Placement: The holding of a railcar on CSX's tracks when Actual Placement of the railcar is not possible due to causes attributable to the Customer, in whole or in part.

Day: A twenty-four (24) hour period (calendar day) or part thereof.

Loading: The complete or partial loading of a railcar in conformity with loading and clearance rules.

Loaded Railcar: A railcar that is completely or partially loaded.

Private Car: A railcar that is not owned or leased by a rail common carrier.

Reloading: When a railcar that has been unloaded by a Customer is held for loading by the same Customer.

Shipping Instructions: Instructions provided at the point of loading that contain all of the necessary information to transport the shipment to its final destination.

Time: Local time is applicable and is expressed on the basis of the 24-hour clock. Example: 12:01 AM is expressed as 00:01 hours.

Unloading: The complete unloading of a car, and notification from the consignee that the car is empty and available to the railroad.





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