5.6 - Clearance For New TIH Movements (**NEW ITEM)**

5.6.1 - CSXT’s Positive Train Control Footprint (**NEW ITEM**)

1. CSXT will spend in excess of $2 billion dollars to implement positive train control as required by law and the regulations of the Federal Railroad Administration (“FRA”) contained in 49 C.F.R. Part 236, Subpart I, as amended, supplemented or superseded, (the “PTC Regulations”). CSXT is on track to complete installation as required by law.

2. To maintain its compliance with the PTC Regulations, CSXT will require review of all new origins or destinations for shipments of railcars containing any of the following: (a) a material poisonous by inhalation as defined in 49 CFR 171.8, including anhydrous ammonia, (b) Division 2.3 gases poisonous by inhalation as set forth in 49 CFR 173.115(c), (c) Division 6.1 liquids meeting the defining criteria in 49 CFR 173.133(a)(1)(iii) and assigned to hazard zone A or hazard zone B in accordance with 49 CFR 173.133(a) (together, “TIH Hazards”).

Any (i) origin that has Tendered a TIH Hazard, (ii) destination that has received a TIH Hazard, or (iii) any interchange that has interchanged (or otherwise transited) a TIH Hazard within the last twenty four (24) months shall be considered an “Active TIH Facility.” Any (i) origin that has not Tendered a TIH Hazard, (ii) destination that has not received a TIH Hazard, or (iii) any interchange that has not interchanged (or otherwise transited) a TIH Hazard within the last twenty four (24) months, that a Customer proposes to have Tender, receive, interchange, or transit a TIH Hazard shall be considered a “New TIH Facility.” A pairing of two Active TIH Facilities between which a TIH Hazard has been shipped within the last twenty four (24) months shall be considered an “Active TIH Pair”. Any shipments of a TIH Hazard that is not between an Active TIH Pair is a “New TIH Service.”

3. No prior CSXT review and approval is required by a Customer to Tender a TIH Hazard if it is routed between an Active TIH Pair.

4. CSXT reserves the right to suspend movement for review of any New TIH Service, until the new service is approved pursuant to Section 5.6.2 below.

5. If a TIH Hazard’s route includes services by a carrier other than CSXT, it is the Customer’s responsibility to contact and determine any requirements, limitations, and fees of the other Carrier(s), and to secure permission for access to the other Carrier’s network.

5.6.2 - New Origin-Destination Pairs (**NEW ITEM**)
Customers wishing to Tender a TIH Hazard from an origin or to a destination such that it would constitute a New TIH Service, may either:

1. Enter into a contract with CSXT for the transportation of the TIH Hazards under conditions to be negotiated. To initiate contract negotiations, the customer must follow the procedure set out in 5.6.3 below.

2. Submit a request for a common carrier rate quotation pursuant to the procedure set out in Section 5.6.3 below. Common carrier rates may include volume, liquidated damage, and/or surcharge provisions.

If you believe your TIH Hazard shipment may constitute a New TIH Service, please contact your CSXT Marketing Manager or call CSXT Customer Service at 1-877-744-7279, Prompt 5, Prompt 6.

5.6.3 - Requests for New TIH Service (**NEW ITEM)**

1. The planning required to transport TIH Hazards can be significant and, even if a shipment can be accommodated, it can take a fair amount of time to both develop the appropriate route and plan. Customers needing to Tender or receive a TIH Hazard over a New TIH Service must submit a New TIH Service Request in order to begin that process. Given the specialized nature of the requested service, and of what may be required to provide it, please give us as much notice and information as possible in making the request for service to or from a New TIH Facility.

The New TIH Service Request requires the following information:

i. Name and address of Customer

ii. Name and STCC Code of each TIH Hazard for which it seeks transportation

iii. The Origins and Destinations for the TIH Hazards being transported.

iv. Any other information that may be necessary or useful for CSXT in assessing the request, such as car type and capacity; expected volumes by month or year; single car, multi-car or Unit Train shipments.

v. Applications must be submitted to: Market Manager, Chlor-Alkali and TIH Chemicals, CSX Transportation, Inc., 500 Water Street, J875, Jacksonville, FL 32202.

Upon receipt of a complete request, CSXT will conduct a review of the relevant track segments to determine whether the service can be provided over a route that complies with the PTC Regulations.

2. If the entire route of movement on CSXT is equipped with PTC at the time of the request, CSXT will notify the Customer, and the Customer may either negotiate a contract for transportation or request a common carrier rate.

3. If the entire route of movement on CSXT is not equipped with PTC at the time of the request, and the Customer is interested in discussing contractual arrangements that could include equipping the unequipped portions of the route of movement, CSXT will conduct an initial assessment of the cost that would be required to make the involved subdivisions (or portions thereof) PTC equipped. A preliminary engineering review charge of $2,500.00 in US Funds, payable in advance must be submitted at the time the customer requests a common carrier rate for service that constitutes a New TIH Service. If a contractual arrangement can be made, CSXT will apply a credit equal to the review charge against the first
shipments consigned along any such new route. Upon completion of the review, CSXT will submit a proposal to the requesting Customer for the sharing of costs necessary to make the affected subdivisions (or portions thereof) PTC Equipped.

4. If the entire route of movement on CSXT is not equipped with PTC at the time of the request, and the Customer requests a common carrier rate, CSXT will conduct an initial assessment of the cost that would be required to make the involved subdivisions (or portions thereof) PTC equipped. A preliminary engineering review charge of $2,500.00 in US Funds, payable in advance must be submitted at the time the customer requests a common carrier rate that constitutes a New TIH Service. Upon completion of the review, CSXT will provide a common carrier rate which may include volume, liquidated damages, and surcharge provisions addressing the costs of PTC expansion.

5.6.4 - PTC Footprint Changes (***NEW ITEM)

Notwithstanding any provision of these Terms and Conditions, CSXT may cease to maintain PTC equipment on any segment of its network in accordance with the law and the FRA Regulations.

5.6.5 – Improper Tender of TIH Hazards (***NEW ITEM)

Should a Customer tender a bill of lading or Shipping Instruction that purports to order a New TIH Service without filing a New TIH Service Request, CSXT will return the TIH Hazard to the Customer (or interchanging carrier) at the Origin (or interchange) and reserves the right to assess a charge of $5,000 for such improper tender.

9.4.1 – Quick List of Charges

-Add “Preliminary Engineering Review - $2,500.00” section 5.6.3
-Add “Improper Tender of TIH Hazards - $5,000.00” section 5.6.5