

CGR TARIFF NO 01b
CANCELS CGR TARIFF NO. 01a IN ITS ENTIRETY

CG Railway, Inc.

CGR TARIFF NO. 01b

**CHARGES, RULES AND REGULATIONS
GOVERNING
ACCESSORIAL, DEMURRAGE, STORAGE, SWITCHING,
FUEL SURCHARGES, AND RAIL / MARINE TERMINAL SERVICES
ON
RAIL CARS AND ALL FREIGHT IN OR ON CARS
BETWEEN
POINTS ON CG RAILWAY, INC.**



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EFFECTIVE: January 2, 2008

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CG Railway, Inc.

CGR Tariff No. 01b

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SECTION 100
General, Rules, Regulations, and Definitions

101 Geographical Location

CG Railway operates Rail Marine Terminal Facilities located at Mobile, Alabama and Coatzacoalcos, Mexico connected via Rail Marine Vessel Services operated on a scheduled basis between the two ports.

102a Rail Connections – Mobile, Alabama

AGR – Alabama and Gulf Coast Railway
BNSF – Burlington Northern Santa Fe
CSX – CSX Transportation
CN – Canadian National Railway
KCS – Kansas City Southern
NS – Norfolk Southern
TASD – Terminal Railway, Alabama State Docks

102b Rail Connections – Coatzacoalcos, Mexico

FSRR – Ferrosur
(Note: the Ferrosur Railroad has connections with FCCM, FXE, and TFM)

103 Application of Tariff

CG Railway under this tariff provides for the movement of Rail Traffic via a rail/water route between origins and destinations in the United States and Canada and origins and destinations in Mexico through the North American Port of Mobile, Alabama and the Mexican Port of Coatzacoalcos. Services performed by CG Railway are subject to Federal, State and Municipal laws and regulations such as embargoes, quarantines and service orders. Provisions of this Tariff apply only to cars that are in CG Railway's account as a line haul carrier.

All tariffs and rules of each handling carrier shall apply while on the tracks of that carrier, including but not limited to customs matters and claim liabilities.

104 Interpretation of Tariff

CG Railway is Author and Interpreter of this tariff any supplements thereto and revisions thereof.

105 Explanation of Reference Marks

Reference Mark	Explanation
(I)	Denotes Increase
(D)	Denotes Decrease
(C)	Denotes a change in wording which results in neither an Increase or Decrease in charges
(N)	Denotes a new or initial matter

110 New Industry (N)

Traffic to and from new industries not established with CGR before the effective date of this Tariff will be subject to all provisions and charges published in this Tariff.

111 Name Change of Industry (N)

Where Industries or Firms are specifically associated with rates or charges, those specific rates or charges will continue to apply although such Industries or Firms may undergo a change in name or ownership, provided there is no change in location.

120 Definition of a Switch Movement (N)

A Switch Movement as referred to herein, is defined as a switching service performed to or from private or assigned tracks, industries, or sidings within yard or switching limits of the CG Railway. This type of movement is referred to in Section 200 of this Tariff.

121 Definition of a Private Car (N)

A Private Car is a railcar having other than railroad ownership. A lease of a car is equivalent to ownership. Private cars must have the name of the owner or lessee visibly stenciled on it's exterior.

SECTION 200

Charges Pertaining to Switching, Rules, Regulations, and Requested Services

201 Special Switching Services (D)

CG Railway upon specific request and contingent upon operational viability may provide special switching services in connection with its rail Marine Operations. Such services will be provided only when operationally feasible and will be performed at a rate of three hundred dollars (\$300.00) per car.

202 Domestic Switching Services

Upon request CG Railway may arrange domestic switching services from and to industries in the Mobile, Alabama Commercial Area. Charges for these services will be quoted on request.

210 Overloading / Improper Loading of Railcars (D)

CG Railway will not accept in interchange from shippers, receivers or connection railroads for movement over and on the tracks or operation of CGR, railcars that are loaded in excess of the stenciled load limit as shown on the car, or if the gross weight (combined weight of railcar and freight including all other material incidental to the movement of goods) is in excess of the track weight limitations at any point along the route of movement. In the absence of such stenciled load limit, the loading capacity of the car as delineated in the Official Railway Equipment Register issued by the Railway Equipment and Publication Company will govern.

Cars found to be overloaded/improperly loaded will be subject to a **Special Switching Services** charge of three hundred dollars (\$300.00) per car. A car that is found overloaded beyond tolerances or improperly loaded will not be allowed to go forward until the condition is rectified. The removal and disposal of the overloaded portion of the contents of the car and the cost of load adjustment in addition to any additional switching charges necessary to effect removal, disposal, or adjustment is entirely the responsibility of the shipper.

The applicable demurrage rate (see Item 220) shall be assessed if the car is held on CG Railway past the first subsequent 7:00 am after notification by CG Railway to the shipper of the overloaded or improperly loaded condition.

211 Weighing / Light Weighing (I)

Charges for weighing or light weighing cars by CGR are as follows:

1-10 cars = \$150.00 per car

11-20 cars = \$125.00 per car

21 or more = \$100.00 per car

A **Special Switching Services** charge for weighing or light weighing a car by CGR will be three hundred dollars (\$300.00) per car.

212 Stenciling and Placarding (I)

All traffic tendered CG Railway for Transportation requiring special placarding or stenciling shall have the applicable designations and identifications in place before acceptance by CG Railway.

Upon request, and if operationally feasible, CG Railway will install applicable placarding at a charge of two hundred, fifty dollars (\$250.00) per car. Upon request, and if operationally feasible, CG Railway will install applicable stenciling at a charge of five hundred dollars (\$500.00) per car. A **Special Switching Services** charge for stenciling or placarding a car by CGR will be three hundred dollars (\$300.00) per car. All applicable demurrage charges (see Item 220) will apply.

220 Demurrage Schedule and Rate (I)

A demurrage charge in the amount of fifty dollars (\$50.00) per day will be assessed by CG Railway to all private and non-private railcars and shall commence the first 7:00am subsequent to receipt of any rail traffic to be held for orders or special movements requiring additional transportation or service arrangements.

221 Holding for Orders / Instructions (D)

CG Railway upon specific request will hold railcars for subsequent instructions. (i.e. diversions, re-consignment, transloading, and transshipment). Such request shall be subject to a **Special Switching Services** charge of three hundred dollars (\$300.00) per car plus the applicable demurrage charges (see Item 220) commencing the first 7:00 am after the car is ordered held for instructions.

222 Diversions / Re-consignment / Customs Hold

- (a) CG Railway will provide diversions and re-consignment services upon request from shippers, receivers, and connections relative to traffic tendered for transportation prior or subsequent to loading or discharge of ocean leg. In order to effect a diversion, instructions must be received in time to permit the change to be accomplished before the car reaches destination or is interchanged with another carrier participating in the line haul movement. Charges for such service shall be two hundred dollars (\$200.00) per car. The applicable demurrage charges (see Item 220) shall be assessed if the car is held on CG Railway past the first subsequent 7:00 am while awaiting re-consignment or diversion instructions.
- (b) Cars requiring customs inspections shall be subject to all applicable switching charges involved in addition to the demurrage charges (see item 220).
- (c) In the event necessary customs documentation and information is not provided in a complete and timely manner, but in no event later than twenty-four (24) hours prior to next vessel departure after receipt by CG Railway, the applicable demurrage charges (see Item 220) shall be assessed if the car is held by CG Railway awaiting proper documentation starting with the first 7:00 am after receipt.

223 Incomplete Documentation Charge (N)

There will be a \$50 charge per railcar for all cars received without complete and correct waybill information. Complete and accurate information on your waybills helps us to provide you with safe and efficient delivery of your freight.

Each waybill must have the correct information including, but not limited to the particulars listed below:

- Railcar initial and number
- Shipper's name and address
- Consignee's name and address
- Origin
- Destination
- Routing
- Load or Empty
- Commodity and Standard Transportation Commodity Code (STCC)
- Weight
- Number of Pieces

Customs Broker

Seal numbers

Documentation for hazardous cargos must meet all Regulatory requirements to be considered complete

224 Optional Storage of Railcars (N)

Private empty or loaded railcars not containing dangerous goods/hazardous materials can be stored when capacity is available at the rate of thirty dollars (\$30.00) per day. No free time.

Private loaded railcars containing dangerous goods/hazardous materials can be stored when capacity is available at the rate of one hundred dollars (\$100.00) per day. No free time.

Non-private empty or loaded railcars not containing dangerous goods/hazardous materials can be stored when capacity is available at the rate of fifty dollars (\$50.00) per day. No free time.

Non-private loaded railcars containing dangerous goods/hazardous materials can be stored when capacity is available at the rate of one hundred, twenty dollars (\$120.00) per day. No free time.

Once storage charges commence, charges are applicable on all days including weekends and holidays.

A **Special Switching Services** charge of three hundred dollars (\$300.00) is also applicable when a railcar is released from storage to a local industry or to a line haul carrier other than CGR.

CG Railway accepts no liability and the user of the storage arrangement releases CG Railway from such liability, with respect to any damage, loss or injury to the railcar(s) or its contents, while in stored status, except to the extent caused by the negligence of CG Railway.

**SECTION 300
Charges for Freight and Fuel**

301 Rates and Charges for Individual Commodities

When handled in Rail Marine Transportation between Mobile, Alabama and Coatzacoalcos, Mexico. All applicable rates are quoted on request. CG Railway reserves the right to contract for volume carriage based on a designated minimum volume of rail traffic within a specified period of time.

302 Original Fuel Surcharge

In the event the price of West Texas Intermediate Crude Oil, as published in the Wall Street Journal, commencing January 1, 2003 equals or exceeds \$28.00 dollars per barrel for thirty (30) consecutive days, CG Railway will apply a fuel surcharge to the line haul freight charge(s) in effect on the date the fuel surcharge is applied, herein after referred to as the "Base Freight Charge(s)". The fuel surcharge shall be applied according to the following schedule.

West Texas Intermediate Crude Oil (Price per barrel)	Cumulative Fuel Surcharge (Percentage)
under \$28.00	0%
\$28.00 - \$32.99	2%
\$33.00 - \$37.99	4%
\$38.00 - \$42.99	6%
\$43.00	8%
Each \$5.00 per barrel increase thereafter	an additional 2%

The price of West Texas Intermediate Crude Oil must be equal or exceed a given bracket for thirty (30) consecutive days for the surcharge under that bracket to be applicable. If the price of West Texas Intermediate Crude Oil ceases to be available from the Wall Street Journal or some other readily accessible source, a substitute to measure will be utilized.

Customers will receive notice of any fuel surcharge prior to its application. Any fuel surcharge applied to the line haul freight charge(s) will be removed or reduced when the price which triggers a specific surcharge bracket for thirty (30) consecutive days. Reductions will be made promptly after they become applicable. In no case will the freight charge(s) be reduced below the Base Freight Charges(s) nor will the application or removal of the fuel surcharge be retroactive.

303 New Fuel Surcharge

In light of the STB's decision on January 26, 2007, and in compliance to said decision, CGR is introducing a new Fuel Surcharge Tariff 01a - Item 16 effective April 26, 2007. Please see the terms of CGR's new Fuel Surcharge below:

- (a) Effective April 26, 2007 CGR will be changing to a mileage based Fuel Surcharge tariff for all new publishings. We will be using a rail-mileage calculation from third party software provider ALK Technologies - PC Miller.
- (b) The new FSC will be calculated monthly. It will be based on the average price of "US No. 2 Diesel Retail Sales by all Sellers on Highway Diesel" as determined by the US Department of Energy of the second calendar month prior to the month in which the FSC is applied. For example, the FSC in April will be calculated on the average OHD price for the month of February.
- (c) Our Fuel surcharge will be .02 cent per rail mile for every .04 cents per gallon by which the HDF average price for the Calendar month 2 months prior to the calendar month of shipment exceeds \$1.99 per gallon.

HDF Average Price

Cents Per Gallon	Cents Per Mile
0 - 199.9	0
200.0 - 203.9	2
204.0 - 207.9	4
208.0 - 211.9	6
212.0 - 215.9	8
216.0 - 219.9	10
220.0 - 223.9	12
224.0 - 227.9	14
228.0 - 231.9	16
232.0 - 235.9	18
236.0 - 239.9	20
240.0 - 243.9	22
244.0 - 247.9	24
248.0 - 251.9	26
252.0 - 255.9	28
256.0 - 259.9	30
260.0 - 263.9	32
264.0 - 267.9	34
Each 4 Cents Per Gallon Increase Thereafter	An Additional 2 Cents

SECTION 400
Connecting Railroad Carrier Charges

401 Setbacks Charges (N)

Car(s) loaded or empty, received by CGR in error, without forwarding instructions, or in bad order from the delivering carrier, will be returned to the delivering carrier. Where no reciprocal agreement exists between CGR and a Connecting Railroad Carrier, CGR shall assess the same per car setback charges as the applicable Connecting Railroad Carrier would assess CGR for setback cars.