

**CGR TARIFF NO 01b
Supplement 2
CANCELS CGR TARIFF NO. 01b, Supplement 1 IN ITS ENTIRETY**

CG Railway, Inc.

CGR TARIFF NO. 01b, Supplement 2

**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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CG Railway, Inc.

CGR Tariff No. 01b, Supplement 2

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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 United States 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

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

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

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

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

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 and seventy-five dollars (\$375.00) per car. A **Hazardous Switching Surcharge** (see Item 203) of seventy dollars (\$70.00) per car may apply.

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.

203 Hazardous Switching Surcharge (N)

A hazardous switching surcharge in the amount of seventy dollars (\$70.00) per car will be assessed to all inbound, outbound, and special switching services movements for loaded railcars containing hazardous materials.

210 Overloading / Improper Loading of Railcars

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** (see Item 201) charge of three hundred and seventy-five dollars (\$375.00) per car. A **Hazardous Switching Surcharge** (see Item 203) of seventy dollars (\$70.00) per car may apply. 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 commencing 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

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

1-10 cars = \$175.00 per car

11-20 cars = \$150.00 per car

21 or more = \$125.00 per car

A **Special Switching Services** (see Item 201) charge for weighing or light weighing a car by CGR will be three hundred and seventy-five dollars (\$375.00) per car. A **Hazardous Switching Surcharge** (see Item 203) of seventy dollars (\$70.00) per car may apply.

212 Placarding

All traffic tendered CG Railway for Transportation requiring special placarding 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 and fifty dollars (\$250.00) per car. A **Special Switching Services** (see Item 201) charge for stenciling or placarding a car by CGR will be three hundred and seventy-five dollars (\$375.00) per car. A **Hazardous Switching Surcharge** (see Item 203) of seventy dollars (\$70.00) per car may apply. All applicable demurrage charges (see Item 220) will apply.

220 Demurrage Schedule and Rate (I)

A demurrage charge in the amount of sixty-one dollars (\$60.00) per car per day will be assessed by CG Railway to all private and non-private railcars and shall commence the first subsequent 7:00 AM 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

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** (see Item 201) charge of three hundred and seventy-five dollars (\$375.00) per car plus the applicable demurrage charges (see Item 220) commencing the first subsequent 7:00 AM after the car is ordered held for instructions. A **Hazardous Switching Surcharge** (see Item 203) of seventy dollars (\$70.00) per car may apply.

222 Diversions / Re-consignment / Customs Hold (C,I)

- (a) CG Railway will provide diversions and re-consignment services upon request from customer(s) 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 is interchanged with another carrier participating in the line haul movement. Charges for such service shall be two hundred and twenty-five dollars (\$225.00) per car. All railcars requiring diversion or re-consignment shall be subject to a **Special Switching Services** (see Item 201) charge of three-hundred and seventy-five (\$375.00) per car plus the applicable demurrage charges (see item 220) commencing the first subsequent 7:00 AM while awaiting diversion or re-consignment instructions. A **Hazardous Switching Surcharge** (see Item 203) of seventy dollars (\$70.00) per car may apply.
- (b) Cars requiring Customs inspections shall be subject to a **Special Switching Services** (see Item 201) charge of three-hundred and seventy-five (\$375.00) per car plus the applicable demurrage charges (see item 220) commencing the first subsequent 7:00 AM while awaiting Customs inspection.
- (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 commencing with the first subsequent 7:00 AM after the railcar is received in interchange.

223 Incomplete / Incorrect Documentation Charge

There will be a fifty (\$50.00) charge per railcar for all railcars received with incomplete and/or incorrect waybill documentation. There will be a fifty (\$50.00) charge per railcar for all railcars received with incomplete and/or incorrect import/export documentation. All railcars received with incomplete and/or incorrect documentation shall be subject to a **Special Switching Services** (see Item 201) charge of three hundred and seventy-five dollars (\$375.00) per car plus the applicable demurrage charges (see Item 220) commencing with the first subsequent 7:00 AM after the railcar is received in interchange. A **Hazardous Switching Surcharge** (see Item 203) of seventy dollars (\$70.00) per car may apply.

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
Internal Transaction Number (ITN)
Electronic Export Information (EEI)

224 Optional Storage of Railcars (N,I)

Private empty or loaded railcars not containing dangerous goods/hazardous materials can be stored when capacity is available at the rate of thirty-six dollars (\$36.00) per car per day. No free time.

Private empty or loaded railcars containing dangerous goods/hazardous materials can be stored when capacity is available at the rate of one hundred and thirty-six dollars (\$136.00) per car 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 sixty dollars (\$60.00) per car per day. No free time.

Non-private empty or loaded railcars containing dangerous goods/hazardous materials can be stored when capacity is available at the rate of one hundred and sixty dollars (\$160.00) per car per day. No free time.

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

A **Special Switching Services** (see Item 201) charge of three hundred and seventy-five dollars (\$375.00) is also applicable when a railcar is released from storage to a local industry or to a line haul carrier other than CGR. A **Hazardous Switching Surcharge** (see Item 203) of seventy dollars (\$70.00) per car may apply.

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 Revenue Percentage Based Fuel Surcharge (C)

In the event the price of West Texas Intermediate Crude Oil, as published in the Wall Street Journal, 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 can view the current fuel surcharge and any changes via the company website at CGRailway.com. 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 Original Mileage Fuel Surcharge (C)

In light of the STB's decision on January 26, 2007, and in compliance to said decision, CGR is introduced an Original Mileage 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 Miler.
- (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

304 New Mileage Fuel Surcharge

This offers our customers a new fuel surcharge option re-based from \$2.00 per gallon of OHD to \$2.50 per gallon of OHD. This option will be available to customers when the current publishing expires.

- 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 September will be calculated on the average OHD price for the month of July.
- CGR Fuel surcharge will be .01 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 \$2.49 per gallon.
- CGR will be resetting the "trigger point" to a more current fuel level and adjusting our freight rates accordingly.

The following table reflects a sampling of the fuel surcharge within the included OHD Average Price ranges:

OHD		Cents
Price Range		per
		mile
250	253.9	1
254	257.9	2
258	261.9	3
262	265.9	4
266	269.9	5
270	273.9	6
274	277.9	7
278	281.9	8
282	285.9	9
286	289.9	10
290	293.9	11
294	297.9	12
298	301.9	13
302	305.9	14
306	309.9	15
310	313.9	16
314	317.9	17
318	321.9	18
322	325.9	19
326	329.9	20
330	333.9	21
334	337.9	22
338	341.9	23
342	345.9	24
346	349.9	25
350	353.9	26
354	357.9	27
358	361.9	28
362	365.9	29
366	369.9	30
370	373.9	31
374	377.9	32
378	381.9	33
382	385.9	34
386	389.9	35
390	393.9	36
394	397.9	37
398	401.9	38
402	405.9	39
406	409.9	40
410	413.9	41
414	417.9	42
418	421.9	43
422	425.9	44
426	429.9	45
430	433.9	46

434	437.9	47
438	441.9	48
442	445.9	49
446	449.9	50
450	453.9	51
454	457.9	52
458	461.9	53
462	465.9	54
466	469.9	55
470	473.9	56
474	477.9	57
478	481.9	58
482	485.9	59
486	489.9	60
490	493.9	61
494	497.9	62
498	501.9	63
502	505.9	64
506	509.9	65
510	513.9	66
514	517.9	67
518	521.9	68
522	525.9	69
526	529.9	70
530	533.9	71
534	537.9	72
538	541.9	73
542	545.9	74
546	549.9	75
550	553.9	76
554	557.9	77
558	561.9	78
562	565.9	79
566	569.9	80
570	573.9	81
574	577.9	82
578	581.9	83
582	585.9	84
586	589.9	85
590	593.9	86
594	597.9	87
598	601.9	88
602	605.9	89
606	609.9	90
610	613.9	91
614	617.9	92
618	621.9	93
622	625.9	94

310a Empty Car Movement – Private Owned Equipment (N)

CG Railway may move Empty Private / Zero Mileage Railcars from Mobile, AL to Coatzacoalcos, VL or Coatzacoalcos, VL to Mobile, AL. This charge will apply to all empty Private / Zero Mileage cars not exceeding 75 ft in length that are not being returned from a loaded movement. This charge will be Two thousand fifty dollars (\$2050.00).

310b Empty Car Movement – Railroad Owned Equipment (N)

If Empty Railroad Owned Cars need to be moved from Mobile, AL to Coatzacoalcos, VL or Coatzacoalcos, VL to Mobile, AL, and are not being returned from a loaded movement, charges will be quoted upon request.

**SECTION 400
Connecting Railroad Carrier Charges**

401 Setbacks Charges

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.