KAW RIVER RAILROAD

FREIGHT TARIFF KAW 6000-A
(Cancels Freight Tariff KAW 6000)

NAMING
GENERAL CAR DEMURRAGE RULES AND CHARGES
AND
SWITCHING, TERMINAL AND MISCELLANEOUS RULES AND CHARGES
APPLYING AT BIRMINGHAM, KEARNEY, KANSAS CITY [A] AND LIBERTY, MO ON THE
KAW RIVER RAILROAD

This tariff is also applicable on intrastate traffic, except where expressly provided to the contrary in connection with particular items.

ISSUED: April 11, 2007          EFFECTIVE: May 1, 2007

ISSUED BY
T. D. Towner, President
Kaw River Railroad
315 West Third
Pittsburg, KS 66762

(The provisions published herein, if effective, will not result in an effect on the quality of the human environment.)
CANCELLATION NOTICE

Freight Tariff KAW 6000-A cancels Freight Tariff KAW 6000 in its entirety.

Provisions formerly published in Freight Tariff KAW 6000 and not brought forward in Freight Tariff KAW 6000 are hereby canceled.

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For explanation of terms and explanation of abbreviations and reference marks, see last page of tariff.
## RULES AND REGULATIONS - GENERAL

### ITEM 5

**[A]**

**WATCO WEBSITE**

This publication will be made available on the Internet for viewing or sending directly to your printer. The WATCO Home Page address is http://www.watcocompanies.com. From the Home Page click the ‘Railroads’ link, then choose the KAW Railroad. The KAW Railroad link will have an option called “Forms”; this option houses the publications necessary for understanding how to do business with KAW.

If you are not prepared to obtain a copy of this publication directly from the WATCO web site, a hard copy will be mailed to you, provided you furnish, to the address shown below, a formal written request for a printed copy. This formal request is required on an annual basis in accordance with the Surface Transportation Board’s policy decision under Ex Parte 528, Disclosure, Publication and Notice of Change of Rates and Other Service Terms for Rail Common Carriage. An annual $500.00 subscription fee will be assessed for those who wish to receive a hard copy.

Watco Transportation Services  
Attn:  Marketing Administration  
315 West 3rd Street  
Pittsburg, KS  66762

### ITEM 10

**[A]**

**METHOD OF CANCELLING ITEMS**

As this tariff is supplemented, numbered items with letter suffixes will be used in alphabetical sequence starting with A. Example: Item 1010-A cancels Item 1010, and Item 1010-B cancels Item 1010-A in a prior supplement, which in turn cancelled Item 1010.

### ITEM 15

**[A]**

**NOTIFICATION OF CHANGES**

The KAW reserves the right at any time to change the provisions of this Tariff; provided, however, any such change shall be effective only with regard to any transportation services provided under this Tariff for freight tendered on or after the effective date of the changes. KAW will make available on its webpage of the WATCO web site this Tariff and supplements, which may be made from time to time. Shipper should review this Tariff, as well as other Publications with regard to KAW before tendering freight to KAW.

For explanation of Abbreviations and Reference Marks indicating changes, see last page of this tariff.

## RULES AND REGULATIONS - UNLIMITED

### ITEM 20

**[A]**

**SECURITY DEPOSIT**

KAW has the right to demand that a rail customer, responsible for the payment of demurrage, which has a history of delinquency or non-payment of demurrage charges, not in bona fide dispute, provide assurance for the timely payment of those charges. Such ‘assurance’ will be required in one of the following forms:

- Payment upon incurrence of the charges by Mastercard or Visa credit card,  
- (2) by deposit with KAW of cash, letter of credit, surety bond or other suitable guarantee in the amount equal to average monthly demurrage bill, as calculated over the past six months.

Carrier will determine the suitability of the security tendered. All instruments on deposit are hereinafter referred to as ‘security’. If the credit card privilege is abused through a customer’s refusal to pay charges not in bona fide dispute, Carrier has the right to refuse further extension of the credit card option and to require thereinafter the deposit of security. If a demurrage bill incurred by a customer subject to the aforesaid security deposit requirement, not in bona fide dispute, is not paid when due, immediately thereafter, Carrier will satisfy the bill by drawing against the security. Because deposits are established due to delinquencies or non-payment of demurrage charges, no interest will be paid by Carrier on any security deposited with it. It is within the discretion of the Carrier to determine when issues of delinquency have been resolved and when the rail customer is no longer required to maintain a security deposit. Should rail service to the customer no longer be required, the security on deposit will be released and returned, upon satisfaction of all outstanding demurrage bills.

Credit card information will be required for each transaction and credit card information will not be retained by the carrier.

### ITEM 25

**[A]**

**CONGESTION RESULTING FROM RAIL CUSTOMER MAY RESULT IN AN EMBARGO**

If a rail customer’s excessive retention of railcars (whether or not related to the customer’s credit card/security deposit experience) results in operational congestion as determined by the carrier of the customer’s and/or the Carrier’s rail tracks. Carrier may impose an embargo against the customer’s receipt of further railcars until the congestion is eliminated.

### DEMURRAGE AND STORAGE RULES AND CHARGES

### ITEM 30

**[A]**

**INDEX OF TERMS**

For the purpose of applying provisions of this book, the following are defined and will govern:

- **ACTUAL PLACEMENT**: When a car is placed in an accessible position for loading or unloading, or at a point designated by the consignor or consignee or party loading or unloading the car.
- **APPROPRIATE**: To commence the loading, use or control of a car without benefit of a car order.
- **ASSIGNED CARS**: The assignment of cars to a given shipper at a specific location as defined in Car Service Rule 16 and Car Hire Rule 22 as published in the Official Railway Equipment Register.
- **CASH CUSTOMER**: Any customer notified by KAW that they have been placed on cash status for nonpayment of miscellaneous charges.
- **CAR ORDER WANT DATE**: The date for which customer requested car for loading.
- **CHARGEABLE DAY**: A twenty-four (24) hour period, or fraction thereof.

(Continued on next page)
ITEM 30 (Cont’d)

INDEX OF TERMS

CLOSING EVENT: The event in a car cycle that closes the cycle and results in computation of time and charges.

CONSIGNEE: The party designated on the bill of lading as the entity entitled to receive delivery of the car from the carrier.

CONSIGNOR: The party designated on the bill of lading as the entity which has caused the car to be consigned into transportation.

CONSTRUCTIVE PLACEMENT: When a car, including order notify and in-bond shipments, cannot be actually placed or delivered because of any condition attributable to the consignee, consignor, loader or unloader, such car will be held on KAW tracks and notice will be sent or given to the party entitled to receive notification that the car is held awaiting disposition instructions. Such cars which have been placed by KAW on private or other than public delivery tracks, including lead tracks serving the loader or unloader, will be considered constructively placed without notice.

CONSTRUCTIVE PLACEMENT TIME: The time from constructive placement notice until a car is ordered for placement.

DEMURRAGE DAY: A twenty-four (24) hour period, or fraction thereof, may also be referred to as “Debit.”

DISPOSITION: Information, including forwarding instructions and/or release, which allows the railroad to either tender or release the car.

EMPTY CARS ORDERED AND NOT USED: Empty cars ordered, placed or constructive placed for loading and not used in transportation service.

EMPTY RELEASE INFORMATION: Advice by unloader, given to an authorized representative of KAW, that a car is partially or completely unloaded and available to KAW.

EXCESS CHARGE: A specified daily charge applied to a car when chargeable debit days have been exceeded as specified in individual items.

EXTENDED USE FEE: A charge for a mechanical device used to control temperatures in rail cars.

FORWARDING INSTRUCTIONS: A bill of lading, or other suitable instructions, given to an authorized representative of KAW that contains all of the necessary information which allows for the immediate movement of traffic on KAW. Advice received by KAW to move a car from a shipper’s loading or storage track to KAW’s yard or hold track to be held for “forwarding instructions”, whether furnished by the party loading the car or another party, or a bill of lading or an order consigning the car to an Agent of KAW which has no beneficial interest in the lading, does not constitute “forwarding instructions” or a release from demurrage. A bill of loading, or other suitable order, covering car(s) requiring clearance from all carriers in the routing will not constitute “forwarding instructions” until clearance is received from all carriers in the routing.

FORWARDING INSTRUCTIONS: A bill of lading, or other suitable instructions, given to an authorized representative of KAW that contains all of the necessary information which allows for the immediate movement of traffic on KAW. Advice received by KAW to move a car from a shipper’s loading or storage track to KAW’s yard or hold track to be held for “forwarding instructions”, whether furnished by the party loading the car or another party, or a bill of lading or an order consigning the car to an Agent of KAW which has no beneficial interest in the lading, does not constitute “forwarding instructions” or a release from demurrage. A bill of loading, or other suitable order, covering car(s) requiring clearance from all carriers in the routing will not constitute “forwarding instructions” until clearance is received from all carriers in the routing.

INDUSTRIAL INTERCHANGE TRACK: Designated delivery or receipt track or tracks for the exchange of cars between carrier and industry performing their own switching including industrial switch line acting as Agent for Industry.

INDUSTRY TIME: The time from actual placement or notification of placement to team tracks until release and receipt of forwarding instructions, if applicable. The time from interchange receipt of a loaded car or a loaded private car released and held on railroad controlled tracks until forwarding instructions are received.

DEMURRAGE AND STORAGE RULES AND CHARGES

ITEM 30 (Cont’d)

INDEX OF TERMS

LEASED TRACK: A track assigned to a user through a written lease agreement and is considered the same as a private track for demurrage purposes.

LOADER: Party physically loading the car.

LOADING: The loading of a car in conformity with KAW loading and clearance rules, advice that the car is available for movement, and the furnishing of forwarding instructions.

ORDER IN CUSTOMER: A customer who, by prior arrangement, has notified KAW that cars shall not be placed, or considered to be placed, for loading or unloading, until KAW has received an order for placement from said customer. Until such order for placement is received, cars will be on constructive placement.

ORDER IN TIME: In order for a car on constructive placement to be spotted at a customer’s facility, the party entitled to receive the car must order the car for placement. This order in request must be made in accordance with the instructions provided by KAW on the Constructive Placement Notice. The date and time that KAW receives the order for placement will be considered the Order In Time and this time will be made part of that car’s demurrage record, except when KAW receives a request with a future order date, the request must include a date and time of the future order, this date and time will be made part of that car’s demurrage record.

OTHER THAN PUBLIC DELIVERY TRACK: Any trackage assigned for individual use, including privately owned or leased track.

PRERELEASE: A notification given to the carrier by a customer advising train will be ready for movement in a set amount of time. A prerelease does not constitute a release for demurrage purposes.

PRIVATE CAR: A car which is not a railroad owned or controlled car.

PRIVATE TRACK: Any track which is not owned or leased by a railroad.

PUBLIC DELIVERY TRACK: Any track for use by the general public for loading and unloading (i.e. Team Track).

RAILROAD CONTROLLED CAR: A car bearing other than railroad reporting marks provided to a railroad directly by car companies or others for use by a railroad in serving any of its customers.

RAILROAD CONTROLLED TRACKS: Any track designated by KAW not defined as a leased track or private track.

RELEASE: The following will constitute Release: Except as otherwise provided in this Tariff, the term “release” means the notification received from loader or unloader that loading or unloading of a car has been completed and the car is available for movement and forwarding instructions have been received, if applicable. Cars placed on industrial interchange tracks of a industry doing it’s own switching, including those tracks of an industrial switch line acting as Agent of industry, will be removed from track and considered received and held for disposition as provided in Item 70 of this Tariff.

For explanation of terms and explanation of abbreviations and reference marks, see last page of tariff.
### DEMURRAGE AND STORAGE RULES AND CHARGES

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**SPOT ON ARRIVAL:** KAW, without notification, will place cars for loading or unloading immediately upon their availability for placement.

**SPOT ON ARRIVAL CUSTOMER:** A customer who has not requested to be an Order In Customer will be considered a Spot On Arrival Customer (see Spot On Arrival). If constructive placement of a car is necessary, the car will not be placed for loading or unloading until KAW has received an order for placement from the Spot On Arrival Customer.

**STCC:** Standard Transportation Commodity Code.

**STORAGE DAY:** A twenty-four (24) hour period, or fraction thereof.

**TEAM TRACK:** Any track designated by KAW for use by the general public for loading and unloading (i.e. Public Delivery Track).

**TIME:** Local time applicable.

**TENDERED FOR DELIVERY:** All cars made available to a customer that have been constructively placed or ordered for placement on the same day.

**UNLOADER:** Party physically unloading a car.

**UNLOADED/UNLOADING:** The complete or partial unloading of a car and advice the car is available for movement and the furnishing of forwarding instructions when required.

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**A.** The rate in effect on the date of closing event will be used to calculate charges named in this Tariff.

**B.** The rates and charges in this Tariff are stated in money of the United States and are payable in United States dollars or its equivalent.

**C.** All railroad owned and controlled cars, assigned cars, and privately owned cars, including idler cars, held for or by freight payors in connection with diversion requests, consignors, consignees, loaders or unloaders, are subject to the rules and charges contained in this Tariff EXCEPT as provided for in paragraph E.

**D.** All privately owned covered hopper cars for transportation of Grain and Grain Products, and Sugar (STCC 20-621 and 20-629), held for or by freight payors in connection with diversion requests, consignors, consignees, loaders or unloaders, are subject to the rules and charges contained in this Tariff EXCEPT as provided for in paragraph E.

**E.** The rules and charges contained in this Tariff do not apply on the following:

1. Cars for loading or unloading of KAW company material.
2. Cars of refused or unclaimed freight to be sold by KAW for the time held beyond legal requirements.
3. Private cars held on private tracks.
4. Cars used for the purpose of testing loading and unloading procedures, new types of dunnage, or new types of equipment as authorized by KAW.
5. Empty cars actually placed for loading and then rejected as being unfit for loading.
6. Loaded and empty privately owned cars held on railroad tracks, except as provided for in paragraph D. (For application, see Item 45 STORAGE CHARGES ON PRIVATE CARS HELD ON RAILROAD TRACKS)

### DEMURRAGE CHARGES

**ITEM 40**

**DEMURRAGE CHARGES**

On cars subject to demurrage charges after expiration of free time allowed (See Item 80), the following charges per car, per day, or fraction of a day, will be made until the car is released (See Item 115):

- **Unloading Demurrage:** $75.00 per day
- **Loading Demurrage:** $75.00 per day, except Grain and Grain Products loading into Covered Hopper or Mechanical Refrigerator Cars
- **Grain and Grain Products Loading into Covered Hopper Demurrage:** $50.00 per day
- **Mechanical Refrigerator Cars Demurrage:** $100.00 per day

The applicable charge will accrue on all days, except holidays (See Item 90).

All Demurrage will begin assessment of $150.00 per day on the Fourth Chargeable Day and thereafter.

**ITEM 41**

**DEMURRAGE PLAN**

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**A.** Except non-credit or cash customers, (See Item 43), settlement of charges will be made on a calendar month basis on all cars with a closing event during the calendar month.

**B.** Free time and/or chargeable demurrage days will be calculated separately for the following transactions for each transaction type:

1. Cars held for complete loading (see Item 51).
2. Cars held for complete or partial unloading (see Item 52).
3. Cars held for purposes other than loading and unloading (see Item 53).
4. Loaded and empty private cars held on railroad tracks (See Item 54).
5. Refused loaded cars (See Item 55).
6. Straight Plan Demurrage (See Item 43)

**C.** Free time on one type of transaction, as listed in paragraph C, cannot be used to offset demurrage charges on another type of transaction.

**D.** Demurrage charges will be assessed against the consignor or consignee and they will be responsible for payment of such charges.

**E.** The Shipper (Consignor) is responsible for the designation of the bill of lading or other forwarding direction given to KAW of an appropriate entity to be identified as the Consignee, which by its authorization to such identification and by its participation in the receipt and handling of the lading becomes a party to the shipment. If the designated Consignee alleges that it is not responsible at law for destination demurrage attributable to the shipment because it is not a party to the transportation contract or consignee has address or operation outside the US, then KAW shall have recourse against the Shipper (Consignor) for such demurrage charges plus ten percent thereon as an extraordinary administrative cost of collection.

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For explanation of terms and explanation of abbreviations and reference marks, see last page of tariff.
### DEMURRAGE AND STORAGE RULES AND CHARGES

**ITEM 42 (A)**

**DEMURRAGE CHARGES ON CARS CONTAINING EXPLOSIVES OR HAZARDOUS MATERIALS**

A. Any loaded car containing Explosives or Hazardous Materials that is held on KAW tracks, including public delivery tracks, is subject to a charge immediately upon notification of constructive placement of $500.00 for the first 24 hours or portion thereof. Charges will increase to $1,000.00 per day, or portion thereof, for each day thereafter until space is made available. These per day charges will be in addition to, and run concurrent with, the applicable per day demurrage charge named in Item 40 or storage charge named in Item 45, as applicable in this Tariff.

B. Explosives are defined as Class A, B, and C Explosives as named in Part 172, Commodity List, Tariff Bureau of Explosives (BOE) 6000-Series.

C. Hazardous Materials are defined as “Hazardous Wastes” and “Hazardous Substances” as named in Hazardous Materials Regulations of the U. S. Department of Transportation in 40 Code of Federal Regulations (CFR) 260 through 263 and 49 CFR 171.8 or successor thereof.

D. The daily Explosives or Hazardous Materials charge in Paragraph A is in addition to the applicable rates named in Items 40 and 45.

E. Charges assessed under this Item cannot be offset by FREE TIME named in Item 80 of this Tariff.

**ITEM 43 (A)**

**STRAIGHT PLAN DEMURRAGE**

A. The provisions of this Item apply in connection with the following:

1. Non-Credit Customers
2. Sugar (STCC 20-621 and 20-629) Loading only. Empty private Covered Hoppers awaiting orders for placement to private tracks or railroad controlled Covered Hoppers held for loading and/or loaded on rail controlled or private tracks.
3. Sugar (STCC 20-621 and 20-629) moving in private and railroad controlled Covered Hoppers. Cars billed to a KAW hold track or railroad controlled Covered Hoppers to customer leased track and held waiting for forwarding instructions to final destination.
4. Cash Customers
5. Customers utilizing team track

B. Except for non-credit or cash customers, settlement of charges will be made on a calendar month basis on all cars with a closing event during the calendar month.

C. Settlement of charges for non-credit or cash customers will be made as charges accrue, or, at the option of KAW, on a monthly basis on all cars with closing events during the calendar month.

D. Demurrage will be calculated based on provisions of Items 51, 52, 53, 54, 55

**ITEM 45 (A)**

**STORAGE CHARGES ON PRIVATE CARS HELD ON RAILROAD TRACKS**

The rules and charges in this section apply to all loaded and empty private cars held on railroad track (Exception, see Item 35). On cars subject to storage charges after expiration of free time allowed (See Item 85), the following charges per car, per day, or fraction of a day, will be made until the car is released (See Item 115):

- **Loaded Private Cars** - $75.00 per day
- **Empty Private Cars** - $25.00 per day

Charges will accrue on all Saturdays, Sundays and holidays subsequent to the first chargeable day.

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For explanation of terms and explanation of abbreviations and reference marks, see last page of tariff.
### DEMURRAGE AND STORAGE RULES AND CHARGES

**ITEM 52**

[A][C] **CARS HELD FOR UNLOADING**

Except as provided for in Item 54 (Loaded and empty Private Cars Held on Railroad Tracks), this item covers cars held for complete or partial unloading.

**RELEASE:**

A. Date and time that KAW receives advice that a car is empty and available for movement.

B. Cars placed on industrial interchange tracks of an unloader doing its own switching, including those tracks of an industrial switch line acting as Agent of unloader, must be returned to the industrial interchange track for release in order to be considered available for movement.

C. When a car is unloaded and then reloaded, empty release information must be furnished. If not furnished, demurrage will be continuous until forwarding instructions are received.

**COMPUTATION:**

A. Demurrage computation.

1. Constructive Placement Time will be computed from the first 12:01 a.m. after constructive placement until order in time.

2. Industry Time will be computed from the first 12:01 a.m. after actual placement until released.

**ITEM 53**

[C] **CARS HELD FOR PURPOSES OTHER THAN LOADING AND UNLOADING**

Applicable to cars held (See Exception) while awaiting proper disposition from the loader, unloader, consignee or, in connection with a diversion request, the freight payor or its authorized representative.

**COMPUTATION:**

A. Demurrage computation:

1. Constructive Placement Time will be computed from the first 12:01 a.m. after constructive placement until disposition advice is received on:
   a. Cars diverted or reshipped.
   b. Empty cars ordered, constructively placed for loading, and not used in transportation service.
   c. Cars held by KAW for surrender of Order Notify Bills of Lading.
   d. Cars waiting for payment of accrued charges.
   e. Cars held for any other purpose, except as covered by Items 51, 52, 54, 55 and 43 which is not attributable to KAW.
   f. Cars with excessive lading held for reduction.

2. Industry Time will be computed from the first 12:01 a.m. after receipt by KAW until date and time of disposition on:
   a. Cars received from connecting carriers.
   b. Loaded private cars returned to railroad tracks.

3. Industry Time will be computed from the first 12:01 a.m. after actual placement until disposition advice is received on:
   a. Cars reshipped.
   b. Empty cars actually placed for loading, and not used in transportation service.
   c. Cars held for any other purpose, except as covered by Items 51, 52, 54, 55 and 43 which is not attributable to KAW.

(Continued in next column)

### DEMURRAGE AND STORAGE RULES AND CHARGES

**ITEM 53 (Cont’d)**

[C] **CARS HELD FOR PURPOSES OTHER THAN LOADING AND UNLOADING**

B. EXEMPT FROM FREE TIME listed in Item 80. NO FREE TIME IS GIVEN FOR THIS TRANSACTION

Exception: The provision of this item do not apply on shipments of Sugar (STCC 20-621 and 20-629) moving in Covered Hopper Cars that are billed to a KAW Hold Track, or customer leased track, and held waiting for forwarding instructions to final destination. For provision to apply, see Item 43 (Straight Plan Demurrage).

**ITEM 54**

[C] **LOADED AND EMPTY PRIVATE CARS HELD ON RAILROAD TRACKS**

A. Loaded and empty private cars, consigned or ordered for delivery to private tracks, which first must be held on railroad tracks under constructive placement are subject to demurrage and storage provisions and charges as provided in this Tariff.

B. Loaded private cars released and pulled from private tracks, which first must be held on railroad Track awaiting forwarding instructions, are subject to demurrage and storage provisions and charges as Provided in this Tariff.

C. Charges will be computed from the first 12:01 a.m. after constructive placement of loaded and empty private cars while held on railroad tracks until request for placement on private tracks is received.

D. Charges will be computed from the first 12:01 a.m. after release and removal of loaded private cars from private track until forwarding instructions are received.

E. SUBJECT TO FREE TIME listed in Item 80.

**ITEM 55**

[A] **REFUSED LOADED CARS**

Applicable to cars held while awaiting proper disposition from the loader, unloader, or consignee.

Computation:

A. Demurrage will be computed on the following from the first 12:01 a.m.:

1. After actual or constructive placement until date and time of refusal.
   a. Constructive Placement Time will be computed from the first 12:01 a.m. after constructive placement until the car is ordered for placement or refused.
   b. Industry Time will be computed from the first 12:01 a.m. after actual placement until the car is refused.

2. After notification is given to the party entitled to receive notice until date of disposition.
   a. Constructive Placement Time will be computed from the first 12:01 a.m. after constructive placement until disposition is received.
   b. EXEMPT FROM FREE TIME listed in Item 80. 48 HOURS FREE TIME IS ALWAYS GIVEN FOR THIS TRANSACTION

For explanation of terms and explanation of abbreviations and reference marks, see last page of tariff.
### DEMURRAGE AND STORAGE RULES AND CHARGES

**ITEM 60**  
**[A]**  
**LOADED PRIVATE CARS HELD FOR UNLOADING ON RAILROAD CONTROLLED OR PUBLIC DELIVERY TRACKS**

Applicable to loaded private cars other than listed in Item 35 paragraph D.

A. **Release:**
   1. Date and time that KAW receives advice that a car is empty and available for movement.  
   2. When a car is unloaded and then reloaded, empty release information must be furnished. If not furnished, charges will be continuous until forwarding instructions are received.

B. **Computation and Charges**
   Charges will be assessed from the second 12:01 a.m. (Saturdays, Sundays and holidays within the calculation to the second 12:01 a.m. will be excluded) after actual or constructive placement of a car until the car is unloaded.

   Charges will accrue on all Saturdays, Sundays and holidays subsequent to the first chargeable day.

   Each chargeable day, or fraction thereof, will be assessed at the applicable rate in Item 45.

---

**ITEM 61**  
**[A]**  
**LOADED AND EMPTY PRIVATE CARS HELD FOR INITIAL PLACEMENT**

Applicable to loaded and private cars other than listed in Item 35 paragraph D.

A. Loaded and empty private cars, consigned or ordered for delivery to private tracks, which first must be held on railroad tracks under constructive placement are subject to storage provisions and charges as provided in this Tariff.

B. Storage will be computed from the second 12:01 a.m. (Saturdays, Sundays & holidays within the calculation to the second 12:01 a.m. will be excluded) after notification of constructive placement of loaded or empty cars, while held on railroad tracks, until request for placement on private or leased tracks is received.

C. Charges will accrue on all Saturdays, Sundays and holidays subsequent to the first chargeable day.

D. Each chargeable day, or fraction thereof, will be assessed at the applicable rate in Item 45.

---

**ITEM 62**  
**[A]**  
**PRIVATE CARS REFUSED**

Applicable to loaded and private cars other listed in Item 35 paragraph D, that are held on KAW tracks while awaiting proper disposition from the loader, unloader or consignee, or car owner or lessee.

Computation and Charges:
A. Charges will be assessed on the following from the second 12:01 a.m. (Saturdays, Sundays and holidays within the calculation to the second 12:01 a.m. will be excluded):
   1. After constructive placement until date and time of refusal.  
   2. After notification is given to the party entitled to receive notification until date of disposition

B. Charges will accrue on all Saturdays, Sundays and holidays subsequent to the first chargeable day.

C. Each chargeable day, or fraction thereof, will be assessed at the applicable rate in Item 45.

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**ITEM 65**  
**[A]**  
**LOADED AND EMPTY PRIVATE CARS HELD FOR DELIVERY TO CONNECTING CARRIER**

Applicable to loaded and private cars other listed in Item 35 paragraph D, that are held for delivery to connecting carrier.

A. Loaded and empty private cars, consigned or waybilled for delivery to connecting carrier, which first must be held on railroad tracks under constructive placement, are subject to storage provisions and charges as provided in this Tariff.

B. Storage will be computed from the second 12:01 a.m. (Saturdays, Sundays & holidays within the Calculation to the second 12:01 a.m. will be excluded) after notification of constructive placement of loaded or empty cars, while held on railroad tracks, until request for delivery to connecting carrier is received.

C. Charges will accrue on all Saturdays, Sundays and holidays subsequent to the first chargeable day.

D. Each chargeable day, or fraction thereof, will be assessed at the applicable rate in Item 45.

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For explanation of terms and explanation of abbreviations and reference marks, see last page of tariff.
### ITEM 70

**PRIVATE CARS HELD FOR PURPOSES OTHER THAN LOADING, UNLOADING OR INITIAL PLACEMENT**

Applicable to loaded and private cars other than listed in Item 35 paragraph D, that are held while awaiting proper disposition from the loader, unloader or consignee, car owner or lessee or, in connection with a loaded car diversion request, the freight payor or his authorized representative.

**Computation and Charges:**

A. Charges will be assessed on the following from the first 12:01 a.m. (Inclusive of Saturdays, Sundays and holidays).
   - (a) Cars diverted or reshipped.
   - (b) Cars held for surrender of Order Notify Bills of Lading.
   - (c) Cars waiting for payment of accrued charges.
   - (d) Cars held for any other purpose, except as covered by Items 61, 56, 60, 65 and 62 which is not attributable to KAW. After a private car is received by KAW until date and time of disposition on:
     - (1) Private cars received from connecting carriers.
     - (2) Private cars returned to KAW tracks.

B. Each chargeable day (Including Saturdays, Sundays and holidays), or fraction thereof, will be assessed at the applicable rate in Item 45.

### ITEM 80

**DEMURRAGE AND FREE TIME**

Demurrage will be governed as follows:

**Railroad marked or Railroad controlled cars:** Demurrage will be governed under the rules of the demurrage plan as outlined in Item 41 as follows:

- Free Time:
  1. Cars for loading will be allowed 24 hours.
  2. Cars for unloading will be allowed 48 hours.

Free time begins at the first 12:01 A.M. after the car is constructively or actually placed (See Item 100) until released. Free time can only be used on the car it was earned.

**Covered hopper cars for transportation of Grain and Grain Products:** Demurrage will be governed under the rules of the demurrage plan as outlined in Item 41 as follows:

- Free Time:
  1. Whole Grains: Wheat, Durum and Barley for loading will be allowed 48 hours.
  2. All other Grains for loading will be allowed 24 hours.
  3. All Grain and Grain Products for unloading will be allowed 48 hours.

Free time begins at the first 12:01 A.M. after the car is constructively or actually placed (See Item 100) until order in time. Free time can only be used on the car it was earned.

See Item 90 for exclusions during Demurrage calculations.

### ITEM 85

**STORAGE FREE TIME**

Storage will be governed as follows:

Privately marked cars other than covered hopper cars for transportation of Grain and Grain Products:

- A. Loaded and empty private cars, consigned or ordered for delivery to private tracks, which must be held on railroad tracks under constructive placement are subject to storage provisions and charges as provided in this Tariff.
- B. Storage will be computed from the second 12:01 a.m. (Sat, Sun & holidays within the calculation to the second 12:01 a.m. will be excluded) after notification of constructive placement of loaded or empty cars, while held on railroad tracks, until request for placement on private or leased tracks is received.
- C. Charges will accrue on all Saturdays, Sundays and holidays subsequent to the first chargeable day.
- D. Each chargeable day, or fraction thereof, will be assessed at the applicable rate in Item 45. When empty cars are held short of the waybill destination the rate that will apply will be the rate applicable for the destination.

### ITEM 90

**HOLIDAYS**

Wherever reference is made to “holidays”, it shall mean only the days listed below:

- New Year’s Day – January 1 (See Note 1).
- Martin Luther King Day
- President’s Day
- Good Friday
- Memorial Day
- Labor Day
- Independence Day (See Note 1).
- Labor Day
- Thanksgiving Day – Fourth Thursday of November.
- The Friday After Thanksgiving
- Christmas Eve – December 24th
- Christmas Day – December 25th (See Note 1).
- New Year’s Eve – December 31st

**NOTE 1:** When this date occurs on a Sunday, the following Monday will be observed as the holiday.

**NOTE 2:** Day of the week – Sunday – is excluded from demurrage calculations, except for Mechanical Refrigerator Car or Sugar (20-621 and 20-629) in Covered Hopper cars.

### ITEM 110

**NOTIFICATION FROM CUSTOMER**

Notification by industry of release of cars must be by one of the following:

1. Shipper Connect (Web Interface Tools). To gain access please email RMIHelpdesk@watcocompanies.com
2. In writing via email to DataEntry@watcocompanies.com
3. In writing by fax to (866) 413-5160, 24 Hours a day

For explanation of terms and explanation of abbreviations and reference marks, see last page of tariff.
### FREIGHT TARIFF KAW 6000-A

**DEMURRAGE AND STORAGE RULES AND CHARGES**

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<tr>
<th>ITEM 111</th>
<th>NOTIFICATION FROM KAW</th>
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</table>

A. Notification will be delivered to the loader/unloader/in-care-of/or similar party as the Agent for the Consignor or Consignee, car owner or lessee.

1. The following notification will be furnished as indicated:

   (a) Cars held for initial placement on private tracks:

   - Notice of constructive placement shall be sent or given if a car is held on tracks of KAW at an available hold point or at billed destination due to any condition attributable to the loader, unloader or consignee which prevents KAW from making actual placement.

   (b) Cars for public delivery tracks:

   - Notice of constructive placement shall be sent or given if a car is held on tracks of KAW at an available hold point or at billed destination due to any condition attributable to the loader, unloader or consignee which prevents KAW from making actual placement.

   - Notice will be given to the party entitled to receive notification when a car is actually placed.

   (c) Refused cars:

   - When a car is refused, KAW will give notice of such refusal to the consignor, owner or lessee.

   (d) Freight Payor or Party Entitled to Received Notice:

   - Notice will be sent or given if a car is held on tracks of KAW awaiting proper disposition in connection with diversion requests.

   - Notice will be sent or given if a car is held on tracks of KAW awaiting payment of any lawful charges.

   (e) Cars held for delivery to a connecting carrier:

   - Notice of constructive placement shall be sent or given if a car is held on tracks of KAW at an available hold point or billed destination due to any condition attributable to loader, unloader or consignee which prevents KAW from making interchange to the connecting carrier.

2. When notification is required, the following effective dates and times will govern.

   (a) U. S. Mail – The date and time mailed by KAW.

   (b) Electronically or verbally – the date and time sent or given, as recorded by KAW.

3. Notification will contain the following:

   (c) Car initial and number.

   (d) Car location.

### DEMURRAGE AND STORAGE RULES AND CHARGES

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<tr>
<th>ITEM 115</th>
<th>RELEASES</th>
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A railcar is considered released only after billing instructions have been received, regardless of who is responsible for the billing.

1. Date and time that KAW receives forwarding instructions and advise that a car is available for movement and payment of any accrued charges from non-credit or cash customers. Notice may be given to KAW stating forwarding instructions will authorize release.

2. Cars found to be improperly loaded at origin will not be considered released, as described in paragraph 1, until the load has been properly adjusted and clearance, if necessary, has been obtained.

NOTE: Demurrage charges will continue to accrue to the Origin Industry even when cars are released to a Third-party, until the time billing is received from the Third-party.

### SWITCHING AND MISCELLANEOUS RULES AND CHARGES

<table>
<thead>
<tr>
<th>ITEM 201</th>
<th>TURNING CARS</th>
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1. If shipper issues instructions on the Bill of Lading as provided in paragraph (3) “NOTICE TO CARRIER” for turning rail cars, KAW will apply a $400 charge against the shipper. (See Note)

2. If “NOTICE TO CARRIER” as provided in paragraph 3 is not shown on bill of lading, KAW will assess an intra-terminal charge in both directions in accordance with rate in item 204 upon completion of the service. This charge will be assessed against the party requesting the turn.

3. NOTICE TO CARRIER: Deliver car for loading or unloading from "left side only" or "right side only" or end specified by placard. For EDI Billing in the H3 Segment (for special handling instructions) for unloading cars designate UR (unload right) or UL (unload left). Designation of UP (Unload as placarded) will not be accepted.

Note: Charges provided in paragraph (1) will be waived on staggered door boxcars, if customer complies with paragraph 3 (“NOTICE TO CARRIER”).

<table>
<thead>
<tr>
<th>ITEM 202</th>
<th>RECONSIGNMENT OR DIVERSION</th>
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$225.00 If car has not reached destination station.

$300.00 If car reached destination station, but has not been spotted.

<table>
<thead>
<tr>
<th>ITEM 203</th>
<th>INTRA-PLANT SWITCHING</th>
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The KAW will perform intra-plant switching on loaded or empty cars at a charge of $150.00 per car.

Intra-Plant Switching - A switching movement of cars, loaded or empty, from one track to another track or between two points on the same track, within the same plant or industry without leaving the tracks of the same plant or industry.

For explanation of terms and explanation of abbreviations and reference marks, see last page of tariff.
## Switching and Miscellaneous Rules and Charges

### Item 204

**Intra-terminal Switching**

The KAW will perform intra-terminal switching on loaded or empty cars at a charge of $400.00 per car.

Intra-terminal switching - A switching movement (other than intra-plant switching) from one track to another track of the same carrier, within the switching limits of one station or industrial switching district.

### Item 205

**Special Switching**

Except as otherwise provided and upon specific request of a customer and at the discretion of the carrier, carloads may be handled in special (not regular service). (See Note 1)

The special service charge as shown herein for each crew used will be in addition to any applicable switching charges. Charges will be assessed against the party requesting the service.

**A. Existing Crews**

- If no additional or new crews are required the charge is $500 within switch limits.

**B. Additional or New Crew**

- If additional or new crews are required the charge is $2,000 for up to eight (8) hours and $250 per hour or fraction thereof for each additional hour not to exceed twelve (12) hours within switch limits.

**Note 1.** Special (not regular) service is defined as:

(a) Service accorded shipments which cannot be handled in regular train operations because of excess weight, height, width or length and which necessitates handling in a special train.

(b) By specific instructions from consignor, loader, consignee or unloader.

### Item 206

**Special Train**

$1800.00 Per Request
Additional $225.00/hour, for services over 8 hours.

Requests must be received in writing prior to any movements being performed. The KAW will review all requests for special train and will approve or deny depending on railroad availability. (Over-sized / dimensional loads handled on individual basis)

### Item 207

**Empty Cars Ordered or Supplied for Specific Destinations or Junctions**

Empty cars that are ordered or supplied for specific destination or junctions that are loaded and billed to travel other than ordered or supplied route will incur a charge of:

- $500.00 Per car

This charge will be assessed by the KAW and there could be other charges imposed by the other roads involved or car owners.

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**For explanation of terms and explanation of abbreviations and reference marks, see last page of tariff.**

- **ITEM 208**  
  **Overloaded Cars**
  
  An overloaded car is defined as a rail car for which either the net weight (actual weight of freight including all other materials incidental to the movement of the goods) is in excess of the car's authorized load limit (as listed in Universal Machine Language Equipment Register-UMLER), or the gross weight (combined weight of railcar and freight including all other material incidental to the movement of the goods) is in excess of the track weight limitations at any point along the route of movement.

**ITEM 209**  

**Overloaded Cars - Notification of**

The party contracting for services or owner of the lading will be notified of the overload and will be allowed to remove the excess. Demurrage charges commence with the first 12:01 A.M. after notification is given user or owner of the lading by KAW, with no other free time allowed.

**ITEM 210**  

**Overloaded Cars at Origin**

When a car is overloaded and such fact is discovered at origin station, shipper or owner of the lading will be notified to remove the excess as provided in this Tariff. If the car is returned to the industry where loaded, one intra-terminal switch charge will be assessed in addition to a $750.00 per car penalty.

**ITEM 211**  

**Overloaded Cars at Other Than Origin**

When a car at a station is discovered to be overloaded and such fact is discovered after the shipment has left the origin station, shipper will be notified to remove the excess as provided in this Tariff. The applicable intra-terminal switch charge from the point where the overloaded condition is discovered to the nearest public track will be assessed in addition to a $750.00 per car penalty.

**ITEM 212**  

**Overloaded Cars - Disposition of**

When a customer fails to respond within the first twenty-four (24) hours, a second notice will be sent. If shipper fails to respond within seven (7) calendar days from the first 12:01 A.M. after the first notification, KAW will, at our option, transfer the shipment, transfer the excess to another car or remove the excess and sell it to the best advantage.

The actual cost of transfer for removing the excess plus any additional charge(s), less the proceeds of the sales of the excess, if any, will be assessed against the shipper, unless satisfactory arrangements are made with KAW.

**ITEM 213**  

**Overloaded Cars Received from Connecting Lines**

When a car is received from a connecting line in road haul service, and is discovered to be overloaded, shipper and delivery line will be notified to remove the excess as provided in this Tariff.

If the overload is discovered at the junction and car is ordered returned the delivering carrier, the applicable inter-terminal switch charge will be assessed in addition to a $750.00 per car penalty.
### ITEM 214

**[A] HOLD CHARGE**

When on instructions, loaded or empty cars moving on own wheels, are removed from industry, shop, team or interchange tracks and are held by carrier awaiting forwarding instructions, a charge of $400 per car with a maximum charge of $1,200 per bill of lading will be assessed against the loader, shipper or party taking responsibility for Miscellaneous Charges. If cars are subsequently ordered returned to loader’s or interchange tracks, the applicable intra-terminal switching charge will be assessed against party requesting the service.

The term "forwarding instructions" and "loader" will be as defined in Item 30 of this Tariff.

The charges provided in this item are in addition to applicable demurrage and storage charges and will not be absorbed in whole or in part.

**NOTE.**—Nothing in this item will be construed as authorization to charge any connecting carrier for railroad error moves.

### ITEM 215

**[A] CLAIM HANDLING**

In order to be allowed relief, a claim must be presented to KAW within 60 days of the billed date as shown on the invoice. Any claims not filed within 60 days of the billing date will be declined.

All Claims must be supported by documentation stating fully the conditions for which relief is claimed, identifying the contested cars by car initial, car number and location.

Claims can be filed one of two ways:

- **Method 1.** Electronically via email to: KAWDisputes@watcocompanies.com
- **Method 2.** Written claims are to be sent to:

  Watco Transportation Services  
  Attn: KAW DISPUTES  
  315 West 3rd Street  
  Pittsburg, KS 66762

Written Claims filed via Method 2 will be subject to a processing fee of $50.00 for each disputed bill.

### ITEM 216

**[A] EMPTY CARS RETURNED UNFIT FOR LOADING**

When an empty car is received from a connecting carrier for loading by an industry located on the KAW, and is refused by the industry because the car is not in proper condition to load and must be returned to the connecting carrier, Intra-terminal charges will be assessed in accordance with Item 204 against the connecting carrier. The charge will be made for one direction only.

### ITEM 217

**[A] EARLY RELEASE OF CARS PLACED FOR LOADING OR UNLOADING**

When a shipper instructs the release of a car(s) previously placed for loading or unloading, but KAW is unable to remove the car(s) because the loading or unloading of the car(s) has not been completed or for other reasons not attributable to KAW, the car(s) will remain on demurrage as if the release had not been instructed, and intra-terminal switch charge will apply.

When the placement of a car(s) cannot be accomplished due to early release of car(s) previously placed for loading or unloading or for other reasons not attributed to KAW the car(s) will remain on demurrage as if the car(s) had not been ordered and intra terminal switch charges will apply.

Applicable intra-terminal charges will apply up to a maximum charge of $1,200 per occurrence.

### ITEM 220

**SETBACK CHARGES FOR CARS HANDLED IN ERROR**

A charge of $150.00 per car will be assessed on cars interchanged to or from KAW due to error on the part of rail carrier making such interchange.

### ITEM 230

**PER-DIEM**

KAW does not pay private car mileage allowance.
<table>
<thead>
<tr>
<th>ABBREVIATION OR REFERENCE MARK</th>
<th>EXPLANATION</th>
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<tbody>
<tr>
<td>KAW</td>
<td>Kaw River Railroad</td>
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<tr>
<td>[A]</td>
<td>Addition / New</td>
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<td>[C]</td>
<td>Change in wording</td>
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<td>[I]</td>
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<td>[NC]</td>
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<td>[R]</td>
<td>Reduction</td>
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<td>United States dollar or dollars</td>
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(Underscored portion denotes change.)