

SBG TARIFF OF GENERAL RULES & CONDITIONS OF CARRIAGE

SBG 9000



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Check Sheet of Items and Revisions

The items contained in this publication are listed consecutively by number. The paragraph that has been changed within an item will contain one of the following reference marks placed next to the item number:

- (I) Denotes increase
- (R) Denotes reductions
- (C) Denotes changes in wording which result in neither increases nor reductions in charges
- (N) Denotes new item

In addition, the effective date of the revised item will be added to this index page "CHECK SHEET OF ITEMS AND REVISIONS" to identify which item(s) have been changed.

Revision Type	Item Number and Description	Effective Date
(N)	New Publication – ALL ITEMS SHOULD BE EXAMINED	August 1, 2023

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General Rules

To do business with SBG, a Customer must have established credit or cash deposit. There may be other conditions of carriage when you do business with SBG.

ITEM 10 - SBG Publications

This publication is available on the Internet for viewing or printing at <u>Railroad Tariffs - Savage (savageco.com)</u>. For switching and other miscellaneous charges, please refer to publication SBG 7000-Series and SBG-8000 Series. All publications for which a subscribing carrier is listed should be reviewed before shipping/receiving railcar(s).

ITEM 20 - Reference to Tariffs, Items, Notes and Rules

Where reference is made in this tariff to tariffs, items, notes or rules such reference(s) are continuous and include supplements to and successive issues and reissues of such tariffs, items, notes and rules.

ITEM 30 - Currency and Increases

Chargeable fees published herein are subject to increase by republication and are in United States Dollars (USD).

ITEM 40 - Cancellation Notice and Methods

SBG 9000 cancels SBG Tariff 8100 and supplements thereto. Provisions in SBG Tariff 9000 that are not published herein may be listed in a contract or another published Tariff in which SBG subscribes. All publications and contracts should be reviewed prior to tendering shipments on any railroad.

As this tariff is supplemented, letter suffixes will be used in alphabetical sequence starting with letter A. For example: SBG 9000-A would cancel SBG 9000, and then SBG 9000-B would cancel SBG 9000-A. Individual item(s) may also be handled in the supplements the same way.

ITEM 45 - Capacities and Dimensions of Cars

For marked capacities, lengths, dimensions, and cubical capacities of railcars, see the Official Railway Equipment Register, RER 6414-series (or other replacement publication), issued by National Railway Publication Company, Agent.

ITEM 50 - Congestion Resulting in Embargo

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

ITEM 55 - Transportation

The SBG agrees to transport shipments with reasonable dispatch. The SBG does not guarantee rail service within any particular timeframe. Bunching and Run Around will not be considered railroad error and no allowance will be made. Cars are not subject to transit privileges of any kind, including diversions, inspections or otherwise.

ITEM 60 - Glossary of Terms

ACTUAL PLACEMENT: When a car is placed in an accessible position for loading or unloading, or at a point designated by the shipper or consignee or party loading or unloading the car. Communication of Actual Placement is not provided by SBG. When Actual Placement (commonly referred to as AP or PACT) occurs, this shall constitute final delivery of the car. **Any subsequent movement of a car will be subject to additional charges.**

ARMS: Web based interface that allows Customers to manage their inventory while online as well as release of empty railcars.

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 Railinc Circular No. OT-10.

ASSIGNEE: A shipper who has requested and has been assigned specific cars.

BILL OF LADING: Uniform Bill of Lading as contained in the Uniform Freight Classification UFC 6000-Series, subject to modification as may occur from time to time. Commonly referred to as BOL.

BROKER: An agent or intermediary negotiating the buying or selling contents of car, other than shipper or consignee.

BUNCHING: The accumulation of cars for loading or unloading shipped on different days. Since the SBG does not control the flow of inbound cars from connecting railroads, no allowance will be made in demurrage charges.

CARRIER: Railroad with registered AAR mark, operating as STB common carrier.

CHARGEABLE DAY: A twenty-four (24) hours period or fraction thereof that follows the expiration of Free Time.

CHARGEABLE DEBIT: Chargeable debits are the difference between the debits applied to a car minus any applicable credits.

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

CONSIGNOR or SHIPPER: 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 cannot be actually placed or delivered because of any condition attributable to the consignee, shipper, loader or unloader, such car will: (a) be held on SBG tracks and notice will be sent or given to the party entitled to receive notification that the car is held awaiting disposition instructions; (b) have been placed by the SBG on private or Industrial Track tracks, including lead tracks serving the consignee, shipper, loader or unloader, will be considered constructively placed without notice. Constructive Placement is commonly referred to as CP or PCON.

CONSTRUCTIVE PLACEMENT TIME: The time from constructive placement until a car is actually placed.

CREDIT: See description of term for Free Time

CUSTOMER: Shipper, Loader, Unloader, Consignee, Freight Payer or party entitled to receive notification.

DEBIT: See description of term for Demurrage Day.

DELAY OF TRAIN: A direct cause in the delay to train crew operations during normal switching services.

DEMURRAGE: Demurrage is a charge for detaining a railcar. Railroads charge demurrage as an incentive for Customers to load and unload cars promptly, to prevent congestion in railroad terminals caused by idle cars, and ultimately to improve the utilization of a valuable asset. Reduced dwell translates into faster, more reliable cycle times and better service.

DEMURRAGE DAY: A twenty-four (24) hour period, or fraction thereof, commencing at the first 12:00 AM after the applicable start event, may also be referred to as "Debit."

DESTINATION: Billing destination, or if such destination is serviced by a terminal yard, then such terminal yard will be considered as the destination.

DISPOSITION: Information, including forwarding instructions and/or release, which allows the railroad to tender or release the car from the shipper's, consignee's, loader's, or unloader's account.

DIVERSION: The term "Diversion" can be used interchangeably with "Reconsignment" and means any request for change in the bill of lading or waybill. A diversion is used to change name of consignee or consignor, route, or deliver railcar(s) to other than the original billed destination. If change requires the car to move over track that it has already traveled (back haul), the car may be diverted to the next logical yard or terminal. From there, new shipping instructions (new Bill of Lading) will be required to move the car from its current location to the new destination.

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

EMPTY RELEASE INFORMATION: Advice from consignee and/or unloader, given to an authorized representative of the SBG, that car is unloaded and available for the railroad. Information is received electronically via Customer Web Tools (ARMS) or via EDI. The SBG will also accept empty release information in writing via email to the Customer Service group listed on the subscription page (found on page 2 of this tariff) subject to item 95 per release/bill of lading. Information given must include identity of consignee, and/or unloader, party furnishing the data, car initial, number date and time. Release will be effective on date and time advice is received by the railroad. The SBG reserves the right to reject any request as an unreasonable request for service, any email forwarding instructions that are illegible, whether due to poor transmission quality, poor or illegible handwriting, or otherwise. The SBG will not accept delivery of empty release instructions by U.S. Mail, express service, personal delivery, telephone, or otherwise.

Advice received by the railroad to move a car from an unloading or storage track to a railroad yard or hold track to be held for "forwarding instructions", whether furnished by the party unloading car or another party, or a bill of lading or an order consigning the car to an Agent of the SBG which has no beneficial interest in the car, does not constitute "forwarding instructions" or a release from demurrage or other like charges.

A bill of lading, 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 given to authorized representative of the SBG that contains all of the necessary information which allows for the immediate movement by the railroad. Forwarding instructions will be effective on date and time advice is received by the railroad. Information is received electronically via Customer Web Tools (ARMS) or via EDI. The SBG will also accept bill of lading in writing via email to the Customer Service group listed on the subscription page (found on page 2 of this tariff) subject to item 95 per bill of lading. The SBG reserves the right to reject any request as an unreasonable request for service, any email forwarding instructions that are illegible, whether due to poor transmission quality, poor or illegible handwriting, or otherwise. The SBG will not accept delivery of empty release instructions by U.S. Mail, express service, personal delivery, telephone, or otherwise.

Advice received by SBG to move a car from a loading/unloading or storage track to a railroad yard or hold track to be held for "forwarding instructions", whether furnished by the party loading car or another party, or a bill of lading or an order consigning the car to an Agent of the SBG which has no beneficial interest in the lading, does not constitute "forwarding instructions" or a release from demurrage or other like charges.

A bill of lading, 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.

FREE TIME: A period of time following actual or constructive placement during which demurrage is not charged. May also be referred to as Credit.

HAZARDOUS MATERIALS (OTHER THAN TIH/PIH): SUBJECT TO TARIFF BOE 6000 (HAZARDOUS MATERIALS REGULATIONS OF THE DEPARTMENT OF TRANSPORTATION) 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, requiring the use 4-digit identification numbers on shipping documents, placards or panels and identified with Standard Transportation Commodity Codes (STCC) beginning with 48 and 49 or beginning with STCC 28 and 29 and converting to STCC 48 or 49.

IDLER CAR: An empty car used to protect overhanging loads or used between cars loaded with long material.

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

INTRA-PLANT SWITCHING: A Customer-requested switching movement subsequent to ACTUAL PLACEMENT, when 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.

INTRA-TERMINAL SWITCHING: A Customer-requested 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.

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

LOADED CAR: A car that is completely or partially loaded.

LOADER: Party physically loading the car.

LOADING: The complete or partial loading of a car in conformity with SBG's loading and clearance rules, advice that the car is available for movement, and the furnishing of forwarding instructions.

LOCAL FREIGHT: Movement between stations that are not located within the switching limits of the same station. Can be associated with a Rule-11 routing.

NON-CARRIER: Railroad operations that do not operate as an STB common carrier.

NOTIFICATION: When required, notification will be furnished either electronically or in writing to all parties entitled to receive notification.

ORDER IN CUSTOMER: A Customer who, by prior arrangement, has notified the SBG that cars shall not be placed, or considered to be placed, for loading or unloading, until the SBG has received an order for placement from said Customer.

ORDER IN: An 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.

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

PRIVATE CAR(S): A car bearing other than railroad or TTX reporting marks that is not railroad controlled. **PRIVATE TRACK**: Any track not owned or leased by a railroad.

PUBLIC DELIVERY TRACK: Any track for use by the general public for loading or unloading railcars. Commonly referred to as a Team Track.

RAILROAD CONTROLLED CAR: Any car other than a private car.

RAILROAD CONTROLLED TRACKS: Any track not defined by SBG as a lease track or private track.

RECEIVING PARTY: The Customer physically receiving the railcar is known as the receiving party and is responsible for the demurrage.

RECONSIGNMENT: See Diversion.

REFUSED/REJECTED LOADED CAR: An original loaded car refused at destination without being unloaded.

RELEASE: The notification received from shipper, loader, consignee, or unloader that loading or unloading of a car has been completed and car is available for movement and forwarding instructions have been received, if applicable. Date and time that the SBG receives forwarding instructions and advice that a car is available for movement and from non-credit Customers, upon payment of any charge due. Cars placed on industrial interchange tracks of an industry doing its 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 this Tariff. Cars found to be improperly loaded at origin will not be considered released until the load has been properly adjusted and clearance has been obtained. 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. Loaded or empty cars released and pulled from private tracks, which must first be held on railroad track awaiting forwarding instructions, are subject to demurrage/storage provisions and charges as provided in this Tariff.

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

RUN AROUND: Car(s) placed at Customer designated track(s) ahead of previous arrivals held by the railroad on railroad owned tracks.

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

SPECIAL SWITCH: When Customer requests and receives service outside of the normal service hours.

SPECIAL TRAIN: When Customer's shipment requires special handling (typically over-sized and dimensional shipments) or when Customer requires expedited service.

SPOT ON ARRIVAL: The SBG, 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 the SBG has received an Order In for placement from the Spot On Arrival Customer.

STCC: Standard Transportation Commodity Code.

STOPPED IN TRANSIT: When cars are held en route because of any condition attributable to the shipper, consignee, or owner.

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

TEAM TRACK: Any track for use by the general public for loading or unloading railcars. Commonly referred to as a Public Delivery Track.

TENDER: The offer of goods for transportation, or the offer to place cars for loading or unloading.

TIH/PIH: Toxic Inhalation Hazards (TIH) and Poison Inhalation Hazards (PIH), as defined in AAR Circular No. OT-55. The terms TIH and PIH are synonymous as they apply to this Tariff.

TIME: Local time applicable.

UNIT TRAIN: A physically consecutive and connected set of at least 50 cars tendered for movement together, unless otherwise stated in your contract.

UNLOADER: Party physically unloading the car.

UNLOADING: The complete unloading of a car and notice from the consignee the car is available for movement and the furnishing of forwarding instructions when required.

Item 70 - Credit Extension and Payment Terms

Shipments must be accompanied by full payment of charges unless the party responsible for payment of charges has established credit to the satisfaction of the SBG.

- 1. Payment of all charges shall be made according to the terms established by the SBG. Freight charges are due within fifteen (15) calendar days from the date of the freight invoice. Accessorial charges (e.g. demurrage, switching, weighing, etc.) are due within thirty (30) calendar days from the date of the accessorial invoice.
- 2. Payment shall be deemed to have been made upon receipt of funds in SBG's bank.

In no event shall any amount(s) claimed against SBG be deducted from or offset against freight or other charges due. In the event that an amount(s) is deducted or offset against freight or other charges due the SBG, the party making such offset or deduction will be assessed a service charge of ten percent (10%) plus one- and one-half percent ($1^{1}/_{2}$ %) per month of the amount offset or deducted.

It is understood that any payment of amounts less than as stated on an invoice will be considered: "Payment-on-Account" and not as: "Payment-in-Full" (not withstanding any notation to the contrary as to the payer's intent.) Acceptance by the SBG of a lesser amount will not constitute an accord and satisfaction. In such a situation, the payer will be advised of the remaining balance deemed due (after the application of the funds received has been attempted, as specified by payer.)

Customers shall be liable for payments of the transportation charges accruing on a shipment, and nothing herein shall limit the right of the SBG to require at time of shipment the prepayment of charges or guarantee thereof. If transportation charges have not been prepaid, or Customer has not entered into an agreement for credit the SBG, the SBG may withhold delivery of the shipment until payment or guarantee by Customer of all charges. Placement of equipment by the SBG for unloading or loading shall be deemed acceptance of shipment and/or equipment.

Acceptance of shipment by consignee or beneficial owner shall be deemed acceptance of responsibility for payment of all charges accruing on the shipment, including demurrage and switching services performed at destination. The issuance of a Shipping Document for a shipment consigned "to order", or to one party with directions to notify or advise another party as a prior condition to delivery, is prohibited, unless prior written arrangements have been made.

Freight charges or other charges due must be paid in full, and any claim against SBG must be asserted separately in accordance with the applicable procedure listed in item 85.

In the event freight charges or other charges are not paid in full, the SBG will assess a finance charge of the lessor of 12% per annum 2% per month or portion thereof, or the maximum amount permitted by law on the unpaid bills or portion thereof which are past credit terms. The finance charge will accrue daily on the unpaid balance from the first day following the end of the credit term until date of receipt of payment in full by the SBG. The finance charge will not apply against disputed charges that are found by SBG to have been incorrectly billed. The finance charge will be billed monthly for all charges that were not paid within the applicable credit period in the prior calendar month.

Item 70 - Credit Extension and Payment Terms

The SBG may at any time, at its sole discretion, revoke credit privilege and institute any one or more of the following:

- 1. Require that applicable charges be paid by a person or entity with approved credit status with the SBG.
- 2. Require that the Customer responsible for the payment of charges tender one or more of the following: Standby Irrevocable Letter of Credit and/or a Surety Bond and/or a personal or corporate guarantee of indebtedness and/or a sufficient cash deposit (see item 80).
- 3. Assess demurrage charges on rail cars placed in hold status while awaiting payment.

ITEM 80 - Security Deposits for Payments of Charges

The SBG has the right to demand that a rail Customer (Any SBG served shipper, loader, consignee or unloader responsible for the payment of demurrage), without sufficient credit history, or with a history of delinquency or nonpayment of freight, demurrage or other charges not in bona fide dispute, deposit with the SBG, money or security adequate to pay an average monthly invoiced services calculated over the past six months or a per car fee based on potential services. (1) The deposit may be satisfied with cash, letter of credit, surety bond or another appropriate instrument. The SBG will determine the suitability of the security tendered. (All instruments on deposit are hereinafter referred to as "security")

If any SBG invoice, not in bona fide dispute, is not paid when due; immediately thereafter the SBG will satisfy the bill by drawing against the security on deposit. Thereafter, the rail Customer will be required to reinstate the value of the security to its former level or to another level equivalent to its average monthly invoiced services or per car fee based on potential services.

Should demand be made upon a rail Customer for the deposit or maintenance of security as heretofore stated and should the rail Customer refuse or fail to deposit or maintain the security, the SBG may refuse to provide any further rail service until the deposit requirement is fulfilled. If service is refused and rail Customer is the subject of congestion, the SBG will issue an embargo against all rail transportation by the SBG to and from that rail Customer, so long as congestion exists or otherwise continues. In short, SBG may issue and maintain the embargo while the congestion exists, irrespective of rail Customer compliance or non-compliance with the Security Deposit provisions in this item.

No interest will be paid by the SBG on any security or monies deposited with it. It is within the discretion of the SBG to determine when creditworthiness of the rail Customer no longer necessitates the imposition of a security or deposit. If rail service to the Customer is permanently discontinued, upon satisfaction of all invoiced bills the security on deposit held by the SBG will be released and returned.

Item 85 - Invoice Claims

In order to be allowed relief from a billed amount, a claim must be presented to the SBG, in writing within thirty (30) days of the billing date, with supporting documentation, stating fully the conditions for which relief is claimed, identifying contested cars by car initial, car number and location.

Claims sent to the SBG which are not found to be valid will be subject to a processing fee of **\$50.00** for each incorrectly disputed car. Claims are to be sent to the email addresses listed on the subscription page (found on page 2 of this tariff)

All claims not received within thirty (30) days will result in invoice being considered valid and prompt payment will be expected.

Improper Charges

If, by error, demurrage or storage charges are improperly assessed, charges will be adjusted to the amount that would have accrued but for such error.

Unacceptable Claims

Bunching and run around will not be considered railroad error and no allowance will be made.

Force Majeure

In the event it is impossible for shipper, loader, consignee, or unloader to get to a car or to load or to unload due to acts of God, including, but not limited to flood, earthquake, hurricane, tornado, or other severe or climatic conditions, the demurrage directly chargeable thereto will be adjusted, provided the impediment is at least two (2) days in duration. Notification of this impediment must be made to Customer Service within 24 hours of interference and daily updates must be sent to the SBG at the email addresses listed on the subscription page (found on page 2 of this tariff).

Strike Interference

In the event it is impossible for shipper, loader, consignee, or unloader to get to a car or to load, unload or receive cars from or make cars available to SBG, the demurrage directly chargeable thereto will be charged at a rate of **\$50.00** per car per day or fraction thereof without free time allowance. Strike Interference claims must be provided in writing to SBG at the email addresses listed on the subscription page (found on page 2 of this tariff) within thirty (30) days after the date on which the strike interference ceases, stating the date and time strike interference began and ended.

Item 90 - Bankruptcy or Insolvency

In the event a Customer files or is the subject of a filed petition in bankruptcy and has a transportation contract or other agreement with SBG (collectively "Agreement"), Customer will, as soon as practicable:

Identify the SBG as a "Critical Vendor" of essential services as that term is interpreted and understood within the context of a bankruptcy proceeding;

Identify any Agreement with the SBG under which there remains continuing unperformed obligations; and,

Choose to elect to either assume or reject such Agreements identified pursuant to paragraph (2) above within sixty (60) days of the date of the filing of the petition in bankruptcy.

In the context of a bankruptcy proceeding, no Agreement identified under paragraph (2) may be assigned without the SBG's consent, unless the SBG is given adequate assurance of future performance by the assignee. Such adequate assurance will include, but not necessarily be limited to, a deposit with the SBG as security for the timely payment of invoices for services rendered in an amount equal to the average thirty (30) day accrual for such charges.

Item 95 - Communication of Release via Phone or Email

Empty or Loaded Release Information received by the SBG via phone or email are subject to **\$100.00** per release/bill of lading.

Item 100 - Overloaded Railcars

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.

To determine track weight limitation at any point along the route of movement for the SBG, you can contact the SBG at the emails listed on the subscription page 2 of this tariff.

If car is overloaded, shipper is responsible for the removal and disposal of the excess portion of the lading of the car. SBG will not be responsible for damaged goods, or loss of lading resulting from the process of removing excess portion and SBG will not assume responsibility for the proper loading or unloading of any lading into or out of a car containing excessive lading. All charges referred to are assessed as a deterrent to the unsafe practice of overloading rail cars and are not connected in any way with the line-haul transportation charges. These charges are not freight or "or other lawful charges" within the meaning of Section 7 of the Bill of Lading, and the execution of Section 7 will not in any way relieve the shipper from the responsibility for the charges set forth in this Item.

If a car is found to be overloaded at origin after having been removed from industry or if a car is found to be overloaded at railroad tracks where loaded or if a car is found to be overloaded after the car has departed the origin station, the overloaded car(s) will be placed at a point of SBG's choosing until the excess lading is removed and will be subject to a **\$1,000.00 surcharge** will be applied against each car. In addition to the surcharge, an intraterminal switch charge as provided in SBG 8000-series will be applicable. These charges are in addition to the applicable freight charges.

Shipper will be notified and shall remove the excess lading at the operating convenience of the SBG. Cars found to contain excess lading at origin will remain on continuous demurrage under the provisions found in tariff SBG 8000-series covering demurrage charges, until the excess lading is removed.

If the shipper fails or refuses to arrange to have the excess lading removed from each car within one hundred and twenty (120) hours from the date and time of notification, SBG may, at its discretion, arrange for removal and disposal of the lading in excess of the weight limit needed to allow the car to continue safely to destination. The shipper will be assessed and pay actual cost of removal and disposal to the party removing the lading from the car. If shipper/consignor has not commenced reducing the excess portion from each car after two hundred and forty (240) hours from the date and time of notification, the lading in the car will have been deemed abandoned and SBG may, at the option of SBG's freight Claim Department sell or dispose of the lading. All charges (switching, weighing, demurrage, reduction and disposal expense) resulting from the overloaded car, will be deducted from the proceeds of sale.

If a car found to be overloaded and can be safely moved, or is discovered as overload at destination, a **\$1,000.00 surcharge** will be applied against each car.

Item 105 - Damage to Tracks

Railroad Controlled Track

At any location where the Customer uses its own locomotives, railcar mover, or other equipment to move railcars on railroad controlled track, and if the movement of such cars by the Customer, while such cars are in the custody and control of the Customer, causes damage to railroad controlled track(s), the Customer shall reimburse the SBG as follows:

- 1. If SBG repairs or hires contractor to perform repairs necessary to repair the damage and return the track(s) to service, a charge of 30% of the total cost of the repairs will be billed to the Customer, in addition to the total cost of repair.
- 2. Said track(s) will be returned to service when all necessary repairs have been made, and SBG has inspected the repairs.
- 3. If Customer repairs or hires contractor to perform repairs necessary to repair the damage and return the track(s) to service, a charge of **\$500.00** per day, or fraction thereof, until track is repaired will be billed to the Customer. Charges will begin on the day damage occurred and will end on the day repairs are finished (as long as SBG has inspected repairs and SBG has said track(s) are returned to service).
- 4. Said track(s) will be returned to service when all necessary repairs have been made, and SBG has inspected the repairs.

Customer Track

In the event a Customer's track is in need of maintenance or repair, the following will apply:

- 1. Customer is responsible for hiring contractor to perform repairs necessary to return track(s) to service.
- 2. Said track(s) will be returned to service when all necessary repairs have been made, and SBG has inspected the repairs.
- 3. A charge of **\$500.00** per day, or fraction thereof, will be assessed until track is repaired and will be billed to the Customer. Charges will begin on the day track was identified as being need of maintenance or repair "OUT OF SERVICE" date and will end on the day repairs are finished (as long as SBG has inspected repairs and SBG has said track(s) are returned to service).
- 4. Said track(s) will be returned to service when all necessary repairs have been made, and SBG has inspected the repairs.

NOTE 1: All damages to locomotives, railcars, product or any other expenses caused by the track conditions listed in this ITEM 105 will be the responsibility of the Customer.

NOTE2: Charges in this ITEM 105 are in addition to and not in lieu of Demurrage Charges found in SBG 8000-series.

Item 110 - Protective Service

Perishable or any freight under protective service will be accepted from connecting carrier for delivery to Customers with the understanding that protective service is not provided by the SBG, therefore the SBG will not accept liability of any loss or damage resulting from failure of such protective service.

Item 115 - Dimensional Pre-clearance Proposal

There will be a **\$1,000.00** pre-clearance proposal charge for each dimensional proposal submitted to the SBG, While the proposal is in "submitted" status, changes to the proposed dimensions (length, width, height) may be made at any time without additional penalty. Once the proposal is in "working" status, the Customer may make only two additional changes to the proposed dimensions (length, width, height) without incurring an additional charge. Any additional charges (beyond the changes described above) to the proposed dimensions will be subject to an additional pre-clearance proposal charge. Once the proposal is in "completed" status, no more changes can be made.

Payment of any pre-clearance proposal charges must be made before "working" status.

Each pre-clearance proposal that results in an actual load moving on the SBG within one (1) year from the date the clearance review is completed, the Customer will be entitled to a refund of the pre-clearance proposal charge. The Customer must submit proposal and refund requests through email listed on subscription (page 2 of this tariff).

In the event the clearance proposal results in the SBG not being able to clear the load for transportation, a refund will not be issued but clearance maximum dimensions will be provided. If the clearance maximum dimensions can be accommodated by the Customer and a shipment meeting the clearance maximum dimensions subsequently moves on the carrier, the Customer will be eligible for refund pursuant to the terms above.

Submissions of a pre-clearance proposal to the SBG for clearance of a shipment does not create any obligation to provide transportation of the proposed shipment or any other shipments that may be tendered by the Customer.

Item 120 - Returned, Refused, or Rejected Shipments

This item does not apply Freight requiring protective service. When shipment covered by this publication has reached destination but is refused or rejected, not unloaded, and is returned to the original shipping point for reasons other than the SBG's error, the return movement will be subject to the rate and minimum weight in the reverse direction in effect on the date shipment is tendered for return.

Item 125 - Severability

If any provision of this publication is held invalid by a court or governmental entity of competent jurisdiction, such provision shall be severed from this publication and to the extent possible, this publication shall continue with regard to the remaining provisions.

Item 130 - Time Limit for Filing Loss or Damage Claims

Loss or damage discovered other than between 8:00 am and 5:00 pm, Monday-Friday shall be reported no later than 24 hours following unloading from the railcar by email to emails listed on the subscription page 2 of this tariff (Saturdays, Sundays, and Holidays are excluded). Claims for loss or damage to cargo, commodities and/ or freight must be filed and received by the SBG railroad within 9 months after the date of delivery of the shipment to destination. In the event that a claim is denied, suits for recovery must be filed within 2 years and 1 day after notice of claim denial was given in writing.

Item 135 - Minimum and Maximum Liability

Claims filed by the Shipper for **\$999.00** or less for damage or cargo loss will not be accepted or paid by SBG. In addition, the Shipper hereby waives any and all recovery, remedies and/or rights with respect to such claims. SBG will hold a maximum liability for loss or damage to freight caused by SBG at **\$35,000.00**. Claim reimbursement will be at the manufacturing cost, not at retail price.

Liability of shortage of goods shall be conditional upon evidence of unauthorized entry into the railcar while it is in the possession of the SBG.

Item 140 - Private Car Application for Railroad Marked Cars

SBG is aware that shippers and/or consignees may sometimes lease railcars from other railroads for shipments that may originate or terminate the SBG. Such railcars normally contain the reporting marks of the lessor railroad. In order to avoid the assessment of demurrage charges by the SBG, when such railcars are located on private or leased tracks, on the SBG, it is necessary that shippers apply to and receive the approval of the SBG for the designation of such cars as "private" cars for the purposes of demurrage or storage. The SBG reserves the right to assess demurrage and storage charges while cars designated as private are on railroad owned tracks.

- 1. Shipper and/or Consignee must submit a written request to the SBG not less than thirty (30) days prior to the date that the "private" car designation for railroad marked equipment should take effect to the email addresses listed on the subscription page 2 of this tariff. The request must include:
 - a. Name of Shipper and/or Consignee leasing the railcars;
 - b. Name or lessor railroad;
 - c. Listing of the reporting marks of the railcars being leased and railcar type(s);
 - d. Length of time requested for the private railcar designation;
 - e. Copy of applicable railcar lease (upon request of the SBG);
- 2. The SBG will provide a written reply to each request within thirty (30) days of receipt of the request. The SBG, in its sole discretion may accept or reject the request in whole or in part. The SBG may accept a smaller number of railcars than requested and/or for a shorter amount of time.

Item 145 - Private Car Mileage

The SBG is not a party to the RIC 6007 SERIES Tariff covering private car mileage, therefore does not pay private car mileage without signatory contracts that supersede this tariff.

Item 170 - Right to Sell Abandoned, Refused, or Unclaimed Property

Freight that is abandoned by the Consignor and Consignee, or Refused by the Consignor and the Consignee, or unclaimed within 15 days after notice is issued to the Consignor and Consignee may be sold by the SBG in accordance with applicable law. The proceeds of any sale will be applied to the payment of all transportation and other lawful charges and expenses incurred by the SBG and any balance will be paid to the owner of the property sold by the SBG.

Item 175 - Cargo Seals

The SBG does not furnish, apply, verify, or inspect seals. When seals are applied, all doors, hatches, valves and other openings on the railcar must be sealed. Consignor must include each seal number and the name of the employee applying the seal(s) in its Shipping Instructions. The SBG will not honor claims for loss, damage, or contamination of railcar contents based solely on the absence of one or more seals at the time of delivery at destination. Claims for loss or damage are honored only when there is clear and convincing evidence of actual loss, damage, or contamination other than the mere absence of one or more seals, or apparent compromise of a seal that was applied before movement. The SBG reserves the right to audit, at the SBG's expense, the Consignor's on-site seal records.