



SRY Rail Link

**Southern Railway of
British Columbia Limited**
2102 River Drive
New Westminster, BC
V3M 6S3

**SOUTHERN RAILWAY
OF
BRITISH COLUMBIA LIMITED
(SRY)**

GENERAL TARIFF

SRY 100

APPLYING ON
FURTHERANCE, IMPORT, AND DOMESTIC TRAFFIC
AT STATIONS ON
THE SRY

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NEW WESTMINSTER, BC

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Section 1: RULES AND REGULATIONS

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ITEM 1010 ABSORPTION OF SWITCHING CHARGES

Unless otherwise agreed upon in writing by SRY's Business Development department, SRY does not absorb switching charges to and from industries performed by a foreign line at either origin or destination.

ITEM 1040 APPLICATION, GENERAL

The provisions of this publication apply:

- a) to transportation in which SRY participates as a line haul carrier or a switch carrier when such transportation
 - i. interchanges to or from SRY, and
 - ii. moves under single line rates or single factor joint line through rates offered by SRY itself or in conjunction with a connecting railroad as an exempt rate or as a regulated common carrier rate; or
- b) to the SRY portion of through movements under AAR Accounting Rule 11 or other combination or proportional exempt or common carrier rates.

In the absence of a separate agreement specifically covering the transportation, the terms and conditions of this publication constitute a unilateral offering of such terms and conditions of a bilateral contract between SRY and its connection lines on the one hand and the user of the transportation service on the other upon acceptance by such user. Subject to the qualifications set forth in this Item below, tender of shipments to the originating rail carrier shall constitute acceptance of both the terms of service as set out in this publication and the rate governing the shipment.

ITEM 1050 APPLICATION OF REFERENCED PUBLICATIONS

Except where inconsistent with a provision of this document or other contractual terms specifically agreed, the rules, regulations, charges, and allowances of the following named publications shall, along with the terms of service specified herein, apply to all rail transportation provided by SRY and covered by the provisions of this publication.

- AAR 2 Hazardous Materials Shipping Descriptions (49-series STCC numbers)
- Bureau of Explosives Rules BOE 6000 Series
- Capacities and Dimensions of Cars WTL 6300 Series
- Heavy Duty Flat Car Charges RPS 6740 Series
- Mileage Allowance and Rules RPS 6007 Series
- National Service Order 6100 Series
- Official Railway Equipment Register RER 6412 Series

ITEM 1080 CARRIER LIABILITY – LOSS AND DAMAGE TO LADING

The following liability provisions will apply unless SRY and the shipper agree in writing to different liability provisions.

GENERAL

- A. On domestic moves that originate in the United States of America, the shipper may, at their option, select freight loss and damage liability provisions set forth in 49 U.S.C. Section 11706 (Carmack Amendment) as explained in this Item. If 49 U.S.C. Section 11706 (Carmack Amendment) is not selected, the liability provision of this item will govern.

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- B. The shipper agrees to indemnify and hold harmless the rail carriers from any loss, damage, personal injuries, or death resulting from the shipper's failure to comply with the provisions contained herein. Acceptance of a shipment by the rail carriers for transportation shall not be considered as a waiver of the shipper's liability.
- C. For shipments moving into and out of a foreign country on a single through bill of lading, see the liability provisions under Item 1135.
- D. On shipments intended for export from Canada or the United States of America, rail carriers will not be liable for charges such as brokerage fees, fines, penalties, foreign marine or foreign country freight charges, import duties, or other such charges on cargo that is lost, damaged, or delayed in domestic transportation.
- E. Any loss or damage that arises out of shipments that are delayed in transit are limited to the specific amount of actual cargo loss or damage occurring to the product.

LIABILITY RESTRICTIONS

- A. The rail carrier/party in possession will be liable as at common law except as provided herein.
- B. The rail carrier's liability will not exceed the actual amount of physical loss or damage sustained to the cargo plus any costs incurred through efforts to mitigate the loss or damage.
- C. Rail carriers will not be liable for special damages, consequential damages, indirect loss, or punitive damages arising from loss, damage, suspected contamination, or delay to cargo, nor will rail carriers be liable for any losses attributable to fluctuation in the market value of the shipments that do not break bulk or are not visibly checked at U.S.A./Canadian entry/embarkation points and are excluded from liability coverage. Claims may be subject to compromise or declination unless clear and convincing evidence exists that damage occurred during the U.S.A./Canadian rail transport.
- D. Unless amended by written agreement prior to shipment, the rail carrier's liability for the contents of any rail car will be limited to the actual value of the cargo or \$50,000.00, whichever is the lesser of the two amounts.
- E. Claims or lawsuits for less than \$1,000.00 shall not be filed and no claim shall be paid if the amount of the loss or damage is found to be under \$1,000.00 per shipment.

CLAIMS

In addition to the requirements of 49 C.F.R. 1005.2(b), all written claims must include the following documentation:

- A. A demand for payment of a specific amount, with a statement of the formula or basis on which the damages are calculated, plus documentation to support the calculation.
- B. Information identifying the rail shipment including equipment initials and numbers, shipper and receiver's names, notify party's name, shipping date, and commodity.
- C. Origin records or certification as to the condition and quantity of the cargo at the time tendered to the origin rail carrier. If shortage is involved, origin seal records must be furnished.
- D. Destination records as to the condition and quantity of the cargo at the time received from the destination rail carrier. If shortage is involved, destination seal records must be furnished.
- E. Verification of the amount claimed such as certified invoices or repair bills.
- F. Evidence as to the disposition of the damaged cargo.
- G. Evidence that shipment was loaded in compliance with the provisions herein.

SRY reserves the right to summarily deny any and all claims submitted that do not contain all or part of the aforementioned documentation.

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FREIGHT LOSS AND DAMAGES LAWSUITS

All lawsuits must be filed within six (6) months from the actual loss or damage or, in the event of non-delivery, from the expected date of delivery by rail carrier.

SEALS

It is the sole responsibility of the shipper to determine the type of protection necessary to protect the cargo, including but not limited to the use of seals and security devices. SRY does not apply or determine if seals or security devices are appropriate or adequate, except in the case of contamination (see paragraphs below). Nor does SRY, in all cases, inspect shipments for seal integrity.

Documentation of the application of seals or security devices at origin is the responsibility of the shipper and the seal number(s) must be included on the bill of lading or shipping instructions and in any claim application.

For SRY to consider a claim for contamination of cargo the shipment must be sealed by the actual shipper or its agent. The minimum seal will be a barrier type seal meeting American Society for Testing and Materials (ASTM) standards, a cable seal 1/8 inch in diameter, a high security bolt seal, or its equivalent. All seals utilized by the shipper will be sequentially numbered and recorded on the bill of lading or shipping instructions. The shipper will maintain for one year a record of the date and time of the application of seal, and the identity of the person applying the seal.

CLAIMS

SRY will not consider any claim from cargo contamination unless the above minimum standards are met.

ITEM 1090 CHANGE IN PROVISIONS

SRY reserves the right at any time to change the provisions of this tariff, provided, however, that any such change shall be effective only with regard to any transportation services provided for freight tendered after the effective date of the changes. SRY will make this tariff available on its website in its latest amended form. The shipper should review this tariff before tendering freight to SRY. Revisions to the publication will be made from time to time by reissuing the publication in its entirety.

ITEM 1100 CHANGES IN RAIL OPERATIONS

The terms of agreements making reference hereto in no way obligate SRY to continue ownership, maintenance (including weight standards), or operation of any rail lines. SRY will not be liable for any consequential, incidental, special, or punitive damages or increased transportation costs incurred as a result of SRY discontinuation of ownership, maintenance (including weight standards), or operations of any rail lines. If an agreement making reference hereto has a Minimum Volume Requirement and a party fails meet the requirement due to the lawful cessation of service or abandonment of rail lines during any period of the agreement, waiver of the Minimum Volume Requirement shall be that party's sole remedy.

ITEM 1135 COMMODITIES FROM OR TO A FOREIGN COUNTRY

Unless otherwise covered by an alternate agreement, the transportation, or any portion thereof, performed within a foreign country will be subject to all laws and rules pertaining to the railroad transportation in that country, including but not limited to environmental, tax, civil, commercial, loss and damage to cargo, administrative, and labour laws, rules, decrees, or ordinances. SRY shall not be liable

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for freight loss or damage that occurs while cargo is in the possession of an international or a domestic rail carrier in a foreign country.

Rates for shipments moving in bond for clearance by Canada Customs at an SRY rail facility will not include the unloading, segregating, or reloading of freight when required to accomplish Canada Customs clearance. Such unloading, segregating, and reloading of freight is the responsibility of the consignor and/or the consignee.

ITEM 1140 NOT ACCEPTED UNDER THIS PUBLICATION

Unless otherwise authorized, coins, currency, valuable papers of any kind, precious metals or stones (or articles manufactured therefrom), old, rare, or precious articles of extraordinary value, articles liable to damage, transportation equipment, or other freight will not be accepted for transportation and SRY shall have no liability for loss, damage, or theft of these items. In addition, articles described under Rule 3 of the Uniform Freight Classification will also not be accepted for transportation.

ITEM 1150 CONFIDENTIALITY

No party may disclose the terms of a non-public rate making reference hereto to any non-party without the prior written consent of the other parties except:

- a) as required by law;
- b) to a corporate parent, subsidiary, or affiliate; or
- c) to auditors retained by a party for the purpose of assessing the accuracy of freight charges, but only if the auditor agrees in a written legally binding instrument that it will abide by this Item. Each party agrees to indemnify the other from and against any damage suffered by a party as a result of any disclosure by its auditor in violation of this provision.

ITEM 1165 CONSIGNOR, CONSIGNEE, AND DESTINATION

Unless otherwise authorized by an agreement, the name of only one shipper, one consignee, and one destination shall appear on a shipping document.

ITEM 1170 CURRENCY

Unless otherwise indicated, all charges are assessed in Canadian funds.

ITEM 1180 RETURN OF DUNNAGE

Unless otherwise provided in specific contracts or rate authorities, dunnage will not automatically be returned under the charges of the inbound movement.

ITEM 1200 EQUIPMENT AND MILEAGE PAYOUT ON PRIVATELY OWNED CARS

If an agreed-upon mileage allowance is less than the allowance that would be payable under RPS 6007-Series, or an agreement provides for no mileage allowance, the party to the agreement warrants that its interest in the equipment used under the rates in the agreement making reference hereto is sufficient to permit it to waive full payment of mileage allowances. In the event that a party other than the party agreeing to reduce or eliminate the mileage allowance submits a claim to SRY for mileage allowance

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payments in excess of SRY's obligation under the agreement, the party to the improper loading agreement shall at SRY's option either;

1. release, defend, and indemnify SRY from said claim including attorney's fees and cost of litigation, or
2. reimburse SRY for excess mileage allowances paid by SRY within thirty (30) days of notice by SRY.

SRY shall not be liable for loss of or damage to the commodity transported due to defects in the private equipment or improper loading. Use of private equipment is limited to cars which have been authorized by SRY to operate over its lines. Nothing in any agreement making reference hereto shall be construed as requiring SRY to grant such authorization.

ITEM 1220 FORCE MAJEURE

In the event that any party is unable to meet its obligations under the agreement making reference hereto because of acts of God, war, insurrection, sabotage, terrorism, labour disputes, derailments, or any like causes, the obligations of the party so affected shall be relieved of those obligations under the agreement to the extent its performance is prevented by such force majeure. To be relieved of obligations under the agreement the party affected must notify the other parties of the date of occurrence of the event of force majeure and the cause of the event within seven (7) days of the occurrence.

ITEM 1230 FREIGHT REQUIRING HEAT OR REFRIGERATION

Line haul rates do not include the cost of Mechanical Protective Service against heat or cold unless otherwise provided in Exempt Rate Quotations or Contracts. SRY is under no obligation to provide Mechanical Protective Service against heat or cold and will assume no responsibility for loss and damage arising from the lack of such protection, unless a specific request is made by the consignor, consignee, or owner of perishables to provide such service and proper notation is placed on the shipping document.

Shipments requiring protection from heat or cold will be handled in accordance with rules and provisions (other than charges) for protective services as set forth in Perishable Protective PPT 619 Series publication of owners of the MPS equipment.

ITEM 1240 GOVERNING LAW

To the extent not governed by federal law, the laws of the Province of British Columbia without regard to conflict of law provision shall govern the construction and interpretation of this publication and all rights and obligations of the parties.

ITEM 1260 HAZARDOUS COMMODITIES

The shipper of any hazardous commodity shipped via SRY shall indemnify SRY and hold SRY harmless for any and all loss, liability, or cost whatsoever that SRY may incur or be held responsible for, to the extent that such liability is due to, or arising from, defects in or failure of the shipper's cars and equipment, the shipper's failure to conduct proper or appropriate pre-shipment inspection of the cars as described in 49 CFR Sec. 173.31(b), or misidentification of the commodity shipped during transportation.

The foregoing indemnification shall not apply to any loss or liability caused by or due to SRY failure to conduct pre-departure inspections as described in 49 CFR Sec. 174(a) or failure to follow AAR interchange rules, or any other liability resulting from SRY negligence.

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SRY will not permit hazardous or dangerous commodities to be loaded or unloaded at SRY railway tracks unless otherwise authorized. This includes all bulk shipments or shipments in containers which exceed 110-gallon capacity of hazardous materials, substances, or wastes as described in the Directory of Hazardous Materials Shipping Instructions.

On cars loaded with or containing residue of dangerous goods/hazardous materials that are found to be leaking and must be moved to an isolated track for securement, SRY reserves the right to charge applicable handling charges for switching and demurrage. Securement charges are extra and will be charged at the applicable costs plus 25%.

Use of private equipment to transport hazardous commodities is limited to private equipment which has been authorized by SRY to operate over the rail lines of SRY. Where AAR form OT-5 approval is applicable or required, SRY shall not be required to accept private equipment that does not have OT-5 approval from SRY.

SRY's acceptance of private equipment at interchange shall not relieve customers of their obligations with respect to private equipment under this tariff and shall not constitute a waiver by SRY of the customers' obligations hereunder.

In addition to the above charges, consignees or consignors will be liable for all federal, provincial, or municipal penalties or fines which may be assessed for the holding of private cars on railroad controlled tracks when a party to the bill of lading has impeded delivery of the car. Consignees or consignors will be responsible for any cost incurred by SRY for providing protection or surveillance of any commodity listed in this Section while held on railway property.

DEFINITIONS

DANGEROUS GOODS – those listed in the Schedule 1 of the Transportation of Dangerous Goods Regulations, as amended or replaced from time to time.

DANGEROUS GOODS LAWS – all applicable Canadian and United States federal, provincial, state, and local laws, rules, and regulations governing the handling, packaging, disposing, and transportation of dangerous goods in Canada and hazardous materials in the United States, including but not limited to the Transportation of Dangerous Goods Act, 1992, S.C. 1992, c. 34, Hazardous Material Transportation Act (49 U.S.C 1801 et. Seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et. Seq.) and the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et. Seq.) and regulations thereunder.

HAZARDOUS MATERIALS – The hazardous materials listed in the table set forth in Title 49 C.F.R. 172.101 of the Hazardous Materials Regulations, as amended or replaced from time to time. 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.

POISON INHALATION HAZARD (PIH)/TOXIC INHALATION HAZARD (TIH) – Any product considered poisonous or toxic by inhalation in the Canadian Transportation of Dangerous Goods Regulations, the United States Hazardous Materials Regulations, or the Association of American Railroads circular OT-55i (<http://boe.aar.com/boe-download.htm>). The terms PIH and TIH are used interchangeably.

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

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EQUIPMENT – All hazardous commodities subject to this tariff shall be transported in private equipment. It shall be the responsibility of the customer to pay for the costs of the private equipment, including, but not limited to, lease costs.

It shall be the responsibility of the customer to ensure that the private equipment is in serviceable condition for the safe transportation of hazardous commodities over rail lines, and is otherwise free of mechanical defects or failure that could result in leakage, release, spillage, dumping or other discharge of the hazardous commodities, or could otherwise become unsuitable for the safe transportation of the hazardous commodities over rail lines, and complies with:

- all applicable Canadian and United States federal, provincial, state and local laws, regulations, rules, permits, and licenses; and
- industry rules, regulations, and decisions applicable to private railcars including without limitation rules established by the Association of American Railroads (AAR), Railway Association of Canada (RAC), Transport Canada, the U.S. Department of Transportation, and the Federal Railroad Administration.

ITEM 1270 INTERMEDIATE APPLICATION OF RATES

Except as otherwise specifically provided in individual rate agreements, rates will not apply from or to points intermediate to the origins or destinations specified in such individual rate agreements.

ITEM 1290 MAXIMUM WEIGHT ON RAILS

SRY will not accept any rail equipment with a gross weight exceeding the maximum gross weight permissible under federal, provincial and/or municipal weight laws. A railcar's gross weight is the combined weight of the railcar and lading.

ITEM 1330 MULTI-CAR SHIPMENTS

In order to qualify for multi-car shipment rates, cars must be shipped at one time and must be tendered on one bill of lading on one day from one consignor at one location at origin to one consignee at one location at destination.

ITEM 1340 OBLIGATION AFTER TERMINATION

Termination of an agreement making reference hereto, for any reason, will not release any party from its obligations accrued prior to the termination.

ITEM 1350 PROCESSING TIME

SRY requires up to 24 hours from the time of interchange to inspect and position a car in the appropriate serving yard. As a result, cars may not be available to be actually placed until they have been processed. Cars routed incorrectly may require additional processing time.

ITEM 1390 RAIL OPERATIONS – SPECIALIZED HANDLING INSTRUCTIONS

Specialized rail handling such as “do not hump” instructions, speed restrictions, and equipment size are special rail services and not routine rail services. Unless agreed to in writing by both SRY and the shipper, any restrictions on rail handling placed by the shipper upon a particular car (including but not limited to “do not hump” signs, notations as to speed or other restrictions on a bill of lading, or EDI

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notations) shall have no effect and be void. Shippers desiring special handling must contact SRY to arrange special handling. SRY does not provide order/notify service. Bills of lading or shipping instructions tendered to SRY in the form of an order/notify bill of lading will be handled as straight bills of lading. Instructions to the effect of requiring SRY to not complete delivery of a shipment until either securing authorization for delivery from the shipper or some other party shall have no effect and be void regardless of whether such instructions are contained in a straight or an order/notify bill of lading and SRY shall have no liability for delivering a shipment to the consignee listed in the bill of lading in such circumstances.

ITEM 1395 RECORD KEEPING AND AUDITS

The shipper party will keep accurate records of shipments covered by the agreement making reference hereto, and designated railroad personnel or agents will have, at reasonable times, the right to inspect such records kept by a customer for the purpose of determining compliance with the terms of the agreement.

ITEM 1400 REFERENCES TO TARIFFS, NOTES, RULES, ETC.

Where reference is made to items, notes, rules, other tariffs, etc., references are continuous and include supplements.

ITEM 1420 RETURNED, REFUSED, OR REJECTED SHIPMENTS

This item does not apply on coal or perishable freight requiring protective service.

When a shipment covered by this publication has reached its destination but is refused or rejected, not unloaded, and is returned to the original shipping point for reasons other than rail carrier's error, the return movement will be subject to the rate in the reverse direction in effect on the original shipment date or at the rate normally applicable for such return movement if lower. Routing for the return movement will be applicable only via the reverse of the route over which the original shipment moved, except in the case of emergency routing orders.

ITEM 1430 STANDARD TRANSPORTATION COMMODITY CODE (STCC)

The two, three, and five-digit STCC numbers shown with commodity descriptions will also embrace all articles assigned additional digits listed thereunder, as described in Section 2 of Tariff STCC 6001-series. For example, STCC 25 also embraces articles covered by numbers with a greater number of digits beginning with STCC 25.

ITEM 1440 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 1460 STATION LIST AND CONDITIONS

Shipments subject to this publication shall be governed by OPSL 6000-Series (The Official List of Open and Prepay Station List).

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ITEM 1470 THIRD PARTY BENEFICIARIES

The services provided by SRY under this publication are intended for the benefit of the shipper except to the extent expressly stated otherwise in this publication and are not intended for the benefit of any third party. Any standards of service contained in this publication, or any transportation contract or offering is solely for the benefit of the shipper or contracting party to the transportation contract or offering.

Shipments moving pursuant to this publication represent the bargain struck between SRY and shipper or party arranging rail transportation and are contingent upon the rates, levels of liability and other terms and conditions agreed upon between SRY and the shipper or party arranging the rail transportation for the movement.

ITEM 1480 TRANSPORTATION CHARGES TO APPLY

The charges applicable to the transportation of freight and services from origin to destination will be agreed upon by SRY and the shipper prior to the issue of the bill of lading.

ITEM 1510 WAIVER

The failure of any party to enforce any provision of an agreement making reference hereto will not be construed as a waiver of the provision, nor does the failure preclude subsequent enforcement of the provision.

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Section 2: CREDIT, SECURITY DEPOSITS, AND CLAIMS

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Note: For purposes of this Section, “pre-paid” shipments shall mean shipments for which the originating rail carrier bears the billing and collection responsibilities and “collect” shipments shall mean shipments for which the delivering rail carrier bears the billing and collection responsibilities.

ITEM 2000 ESTABLISHING CREDIT

Shipments must be accompanied by full payment of charges unless the consignor on pre-paid shipments or the consignee on collect shipments has established credit to the satisfaction of the rail carrier responsible for collection of charges.

Acceptance of electronic or manual billing instructions by SRY does not constitute the extension of credit to the shipper or to the party responsible for payment of freight charges (payor).

In order to apply for and establish credit with SRY or to make arrangements for the electronic transfer and/or payment of charges, customers must complete a credit application which may be found in Appendix 1. Completed credit applications should be sent to the Manager Banking and Credit:

Attention: Manager Banking and Credit
2102 River Drive
New Westminster, BC V3M 6S3
Tel: 604-527-6318
Email: credit@sryraillink.com
Fax: 604-526-0914

SRY reserves the right to not approve credit or determine the level of credit for each application received. Credit approval may take up to fifteen work days. Customers should plan accordingly.

If SRY extends credit, it is granted as a convenience to the shipper or payor and may be revoked by SRY at any time. Failure to meet payment terms may result in a loss of credit privileges. SRY reserves the right to cancel credit of any customer at any time for failing to meet payment terms.

In the event of credit revocation affecting cars in transit, the shipper or payor must either pay all charges for the cars in transit or make provisions for payment satisfactory to SRY before the cars will be delivered.

Any changes in the shipper's or payor's ownership or financial condition that affects their financial standing must be reported to the Manager Banking and Credit as soon as reasonably possible.

ITEM 2010 PAYMENT TERMS

When credit has been approved or extended, all accounts invoiced by SRY are to be paid within 21 days from statement date unless otherwise contracted.

ITEM 2030 SECURITY DEPOSITS FOR PAYMENT OF DEMURRAGE AND OTHER CHARGES

Pre-payment in full or a security deposit to ensure payment of any charges may be required from customers who are not credit approved. Such payments must be paid in cash or by wire transfer, certified cheque, cashier's cheque, or money order before any car is delivered to such customer for loading or unloading.

Deposits held will be returned when the customer is approved for credit by SRY or when the customer has not shipped or received any railcars within a period of three consecutive months. SRY reserves the right to withhold service to any company that does not comply with the terms of this Item.

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ITEM 2050 MOVEMENT OF CAR PRIOR TO CREDIT APPROVAL

For shipments originating or terminating on SRY, shippers or payors who have not applied for and received credit approval by SRY prior to shipment must pay linehaul freight, fuel surcharge charges, and/or other applicable charges prior to acceptance of shipment at origin or placement at destination for transportation services with “pre-paid” or “collect” payment terms.

Where credit has not been extended to the shipper or payor, payment of transportation and accessorial charges must be made to SRY in cash or via wire transfer and in advance of either pulling or placing a loaded or empty car.

ITEM 2060 EXCEEDING CREDIT LIMIT

When shippers or payors see carload growth or any other reason where they may require a higher credit limit, contact should be made with SRY via a written request for a higher limit, the amount of the request, and supporting facts and documentation. Requests should be e-mailed to the Manager Banking and Credit.

ITEM 2070 DISPUTED FREIGHT INVOICES

If a shipper or payor disputes the amount of an invoice, the shipper or payor shall pay SRY the undisputed amount of the invoice within the stated payment terms. The shipper or payor shall also notify SRY of the disputed amount and the basis for the dispute within 30 days by emailing the Manager Banking and Credit. Payment of invoices, or any portion thereof, by the shipper or payor which later are determined to be incorrect will not prejudice shipper's or payor's right to seek a refund within the statutory period.

The existence of a 3rd party payor or freight bill party with “collect” payment terms on bills of lading does not relieve the shipper and consignee of their responsibility for payment of freight and other charges as established by this tariff and law unless otherwise expressly stated by a written agreement. The foregoing shall not affect the shipper's right to secure non-recourse pursuant to Section 7 of the bill of lading. With regard to “pre-paid” payment terms on bills of lading, the existence of a 3rd party payor or freight bill party does not relieve the shipper of their responsibility for the payment of freight and other charges as established by this tariff and law unless otherwise expressly stated by a written agreement.

OVERCHARGE, OVER COLLECTION, OR DUPLICATE PAYMENT CLAIMS

SRY will accept a whole or partial claim for overcharge, over collection, or duplicate payment only if the claim is in writing and contains sufficient information for SRY to conduct an investigation, including the name of the claimant, the amount of the claim, the original freight bill, freight bill payment information, and supporting documents, which show, among other things, that SRY collected all of the charges at issue and, in the case of overcharges, the rate, weight, commodity, description, and supporting authority (quotation, etc.) claimed to be applicable. The claim must be filed within 30 days of the date of delivery or tender of delivery by SRY or delivering rail carrier of the subject shipment.

Where movements over SRY form a segment of a through movement involving other rail carriers and time limitations for filing overcharge claims differ among the rail carriers involved in the through movement, the time limitation contained in the publication of the rail carrier with the shortest time limit will apply for overcharge claims against SRY.

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ITEM 2080 BANKRUPTCY

SRY reserves the right to request pre-payment in full or a deposit from customers who have filed for bankruptcy or creditor protection. SRY reserves the right to refund the deposit at their discretion based upon future payments/performance.

ITEM 2090 INTEREST AND COLLECTION COSTS

When payment terms have been violated, SRY reserves the right to invoice customers for all reasonable charges regarding collection services up to and not limited to interest, attorney fees, investigation fees, research fees, and the cost of litigation.

ITEM 2100 CLAIMS FOR RELIEF OF DEMURRAGE OR SUPPLEMENTAL SERVICE CHARGES

To be considered for relief, a claim must be presented to SRY, in writing, within thirty (30) days after the date on which the bill is rendered. Disputed items will not be considered justification to withhold payment of valid items appearing on the same invoice.

The claim must fully state the reason for non-payment, including relevant dates, railcar numbers, and circumstances. Claims for relief from charges must be submitted to the address appearing on the invoice.

If SRY fails to respond to a claim within thirty (30) days from the date that the claim was submitted, SRY will accept the dispute as submitted and credit the account for the value of the disputed amount.

REASONS FOR RELIEF OF DEMURRAGE CHARGES

A. Railway Error

If, through SRY error, demurrage charges are assessed, demurrage will be adjusted to the amount that would have accrued had such error not taken place. Bunching of cars not caused by SRY will not be considered as a railway error.

B. Labour Dispute Interference

If it is impossible to load, unload, receive, or make cars available to SRY because of labour dispute interference at the point where loading or unloading is to be accomplished, the demurrage rate charged will be fifty percent (50%) of the effective charge published in SRY 600. These provisions will only be applicable for the days the car is held during the period of labour dispute interference and providing:

1. The disruption is more than seven (7) days in duration during one calendar month.
2. SRY is notified of such labour dispute interference within 48 hours after such action begins.

The provisions of this item will NOT apply to:

1. Inbound cars when waybills are dated two (2) days (exclusive of Sundays or holidays) or more after the beginning of the labour dispute interference.
2. Cars for loading when ordered after the beginning and prior to the ending of labour dispute interference.

C. Weather Interference

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If the operations of the consignor or consignee are disrupted due to earthquakes, tornadoes, hurricanes, floods, or heavy snow, the resulting demurrage will be eliminated, provided the disruption exceeds two (2) days in duration. If train operations are not halted due to the same weather interference, the demurrage charges will still be applicable in these instances.

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Section 3: DEMURRAGE AND STORAGE CHARGES

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ITEM 3010 STATION LIST CONDITIONS

This tariff is governed by the “Official Railroad Station List Publication” OPSL 6000 Series, issued by Railinc, Business Services Division, for additions and abandonment of stations for prepay requirements, changes in names of stations, restrictions as to acceptance or delivery of freight, and changes in station facilities.

ITEM 3020 SUPPLEMENTS AND REISSUES

Where reference is made in this tariff, or supplements, to other publications for rates or other information, it includes supplements thereto or successive issues thereof. Where reference is made in this tariff to items it includes “reissues” of such items.

ITEM 3030 METHOD OF CANCELLING ITEMS

As this tariff is supplemented, numbered items with letter suffixes cancel correspondingly numbered items in the original tariff or in a prior supplement. Letter suffixes will be used in alphabetical sequence starting with A.

ITEM 3040 INTERPRETATION OF TERMS

Interpretation of terms contained herein will be governed by definitions contained in SRY 100 General Tariff, Section 6.

ITEM 3050 NON-CHARGEABLE DAYS

Sundays and holidays will be considered non-chargeable when the car has been tendered within the free time before the Sunday or holiday. If free time on the car has expired and demurrage charges are applicable, all subsequent Sundays and holidays will be chargeable.

For the purposes of this tariff, “holiday” means any one of the following legally proclaimed holidays by federal, provincial, or municipal authority:

- New Year’s Day – January 1
- Family Day – Second Monday of February
- Good Friday – Friday before Easter Sunday
- Victoria Day – Monday preceding May 25
- Canada Day – July 1
- BC Day – First Monday of August
- Labour Day – First Monday of September
- Thanksgiving Day – Second Monday of October
- Remembrance Day – November 11
- Christmas Day – December 25
- Boxing Day – December 26

ITEM 3100 APPLICATION

This section applies to all customers served by SRY and covers all railway owned or controlled cars and privately owned cars held for or by consignors, consignees, loaders, or unloaders, with the following exceptions:

- a) Loaded or empty private cars held on private tracks.

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- b) Cars of refused or unclaimed freight to be sold by SRY for the time held beyond legal requirements.
- c) Empty cars rejected as unsuitable for loading.
- d) Cars for loading or unloading of SRY company material while held on SRY tracks or private sidings connecting therewith.
- e) Empty railway equipment moving on its own wheels under transportation charges as freight.

ITEM 3110 SPECIALIZED EQUIPMENT

Specialized railcars include, but are not limited to, articulated well cars that carry intermodal containers, depressed flat cars, and cars that carry dimensional equipment such as transformers, machinery, and any other commodity that is considered high/wide or heavy.

ITEM 3135 SECURITY DEPOSIT

Pre-payment in full or a security deposit to ensure payment of any charges in this tariff may be required from customers who are not credit approved. For more detail, see SRY 100 General Tariff, Section 2.

ITEM 3150 CONGESTION MAY RESULT IN EMBARGO

If, in SRY's judgement, a rail customer's excessive retention of railcars results in operational congestion of the customer's and/or SRY's rail tracks, SRY may impose an embargo against the customer's receipt of further railcars until the congestion is eliminated. SRY also reserves the right to assess a congestion charge as outlined in SRY 100 General Tariff, Section 4, Item 4155.

ITEM 3300 NOTIFICATION TO CONSIGNOR OR CONSIGNEE

The following notification will be furnished as indicated.

- A. Cars for loading or unloading:
 - 1. Notice will be given to the party entitled to receive notification when a car has arrived at the serving yard and is placed constructively. If SRY has been given permission to spot cars as soon as they arrive ("on spec"), the delivery of a car on the consignee's track will constitute notice.
 - 2. Notice will be given when cars are placed on an interchange track (when two or more parties, each performing their own switching, take delivery of cars from the same interchange track(s)).
- B. Cars stopped in transit – Notice will be given to the consignor, consignee, or owner responsible for the car being stopped upon arrival of the car at the point of stoppage.
- C. Refused loaded car – When a loaded car is refused at destination, SRY will give notice of such refusal to the consignor or owner.

Notification will contain the following:

- a) Car initial and number.
- b) Commodity.
- c) Date and time.

ITEM 3400 NOTIFICATION TO SRY

When electronic or mechanical devices are used to furnish notification to SRY, the recorded date and time that instructions are received will govern.

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ITEM 3410 BILL OF LADING INFORMATION REQUIREMENTS

The shipper must provide SRY with a bill of lading (BOL) before SRY will pull the car from the customer's siding and place the car into HOLD status at its yard (see Item 2700). This BOL must contain the following information:

Railcar	Initial	Contents	Load/Empty Status
	Number		Commodity
Route	Origin		Customs Information
	Destination		Net or Estimated Weight
	Route		Unit of Measure
Rate	Pre-paid or Collect		Dangerous Commodity Documentation
	Freight Rate Reference Number		Order Reference
Parties	Shipper		Weight Terms
	Consignee		
	Payer of Freight		

1. Incomplete Billing on Outbound Railcars

When, at the shipper's request, a loaded car is removed from a customer's siding with incomplete billing or no BOL, SRY will move the car to its yard and place the car into hold status. The car will not be removed from hold status until the shipper provides SRY with a complete BOL. All applicable demurrage charges will apply as outlined in Item 3700 and will be assessed against the shipper as indicated on the original BOL.

2. Incomplete Billing on Inbound Railcars

When a loaded car is received at interchange with incomplete billing or no BOL, SRY will move the car to its yard and place the car into hold status. The car will not be removed from hold status until the shipper provides SRY with a complete BOL. All applicable demurrage charges will apply as outlined in Item 3700 and will be assessed against the shipper as indicated on the original BOL.

ITEM 3500 CARS HELD FOR LOADING

Loading is the complete or partial loading of a car in conformity with SRY, Railway Association of Canada (RAC), and Association of American Railroads (AAR) loading and clearance rules and the furnishing of forwarding instructions.

TENDER

The notification of constructive or actual placement of an empty car placed on orders of the consignor.

RELEASE

The date and time that SRY receives advice that a car is or will be loaded and forwarding instructions are or will be received.

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- a) Cars placed on the interchange tracks of a consignor doing its own switching must be returned to the interchange track by the consignor to be considered released.
- b) Cars found to be improperly loaded or overloaded at origin will not be considered released until the load has been adjusted properly.
- c) A car to be held for official grading or inspection at origin will not be considered released until the grading and inspection is complete.

COMPUTATION

Time will be computed from the first 00:01 hours after tender until release. Any applicable free time will apply first, after which the standard demurrage rate will apply per railcar per day. If a car is not placed and/or released before standard time expires, escalation will apply as outlined in SRY 600.

- a) If a car is placed prior to the date for which it was ordered from SRY, time will be computed from the first 00:01 hours on the date for which it was ordered until its release.
- b) When the same car is unloaded then reloaded, demurrage time for the unloading cycle will terminate and demurrage time for the reloading cycle will be computed from the first 00:01 hours after notification is received by SRY that the car is empty.
- c) When an empty car is placed for loading and movement via a specific route in conformity with Car Service Rules or Directives and the loaded car is offered for movement via some other route and refused by the railway necessitating unloading, demurrage shall be charged from the first 00:01 hours after placement until the car is unloaded.

ITEM 3600 CARS HELD FOR COMPLETE UNLOADING

Unloading is the complete unloading of a car and advice from the consignee to SRY that the car is empty and available to SRY.

TENDER

The notification of constructive or actual placement of a loaded car.

RELEASE

The date and time that SRY receives advice that a car is or will be empty.

- a) Cars placed on interchange tracks of a consignee doing its own switching must also be returned to the interchange track for release and notification to SRY provided.
- b) When the same car is unloaded and reloaded, demurrage time for the unloading cycle will terminate when SRY receives advice that the car is empty and demurrage time for the reloading cycle will be computed separately (see Item 3500).

COMPUTATION

Time will be computed from the first 00:01 hours after tender until release. Any applicable free time will apply first, after which the standard demurrage rate will apply per railcar per day. If a car is not placed and/or released before standard time expires, escalation will apply as outlined in SRY 600.

ITEM 3700 CARS HELD, DELAYED, OR PLACED IN STORAGE

Applicable on cars being placed in hold status or storage on SRY track when cars are delayed due to:

- a) Orders of the consignor, consignee, shipper, or receiver.

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- b) Waiting for proper disposition from the consignor, consignee, shipper, or receiver.
- c) Conditions attributable to the consignor, consignee, shipper, or receiver.

NOTIFICATION

When cars are delayed as outlined above, SRY will either verbally, or by electronic or mechanical device, notify the party responsible for disposition instructions. Cars will then be placed into hold status.

DISPOSITION

The information, including forwarding or release instructions, which allows SRY to either place or release the car from the consignor's or consignee's account.

RELEASE

The date and time that the disposition instructions can be executed by SRY, allowing the car to be forwarded.

COMPUTATION

Time will be computed from the first 00:01 hours after notification until release. No free time will be granted on cars being delayed or stored. Standard demurrage and escalation rates will otherwise apply as outlined in SRY 600.

ITEM 3800 SETTLEMENT OF CHARGES

Settlement of charges will be made on a monthly basis on all cars released during each calendar month. Release of a loaded car is completed only when SRY is provided with complete forwarding instructions.

Settlement will be made in Canadian funds unless otherwise agreed by both parties.

Demurrage charges will be assessed against the consignor at origin or consignee at destination who will be responsible for payment.

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Section 4: SUPPLEMENTAL SERVICES

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ITEM 4050 APPLICATION OF REFERENCED PUBLICATIONS

Except where inconsistent with a provision of this document or other contractual terms specifically agreed, the rules, regulations, charges, and allowances of the following named publications shall, along with the terms of service specified herein, apply to all rail transportation provided by SRY and covered by the provisions of this publication.

For cars interchanged or delivered in error, refer to SRY 100 General Tariff, Section 5.

For demurrage and detention rules and definitions, refer to SRY 100 General Tariff, Section 3.

ITEM 4100 CARS ORDERED BUT NOT USED

When a customer has placed with SRY, or another foreign road, an order for empty railcars, the railcars ordered are furnished, and subsequent notification is given to SRY that the railcars are no longer needed, in addition to any connecting line's supplemental charges, SRY will assess a charge against the person, firm, or corporation ordering the cars per SRY 600. Demurrage will also be charged for all detention, including Sundays and holidays from the date and time of actual or constructive placement until release, with no free time allowance.

ITEM 4110 CANCELLED REQUEST

If, after the cut-off time, a railcar which was requested for actual placement is cancelled, a charge will be assessed per SRY 600.

ITEM 4120 LATE REQUEST

When a request is made for placing cars after a customer's agreed upon cut-off time, a charge shall be assessed per SRY 600, providing the late request was accepted and completed by SRY Operations. SRY Operations reserves the right to decline a late request.

ITEM 4130 LATE BARGE CANCELLATION

When a customer cancels a scheduled rail barge at Annacis Rail Marine Terminal (ARMT) after 12:00pm the day prior and up to scheduled sailing time a charge will be assessed per SRY 600.

ITEM 4155 CUSTOMERS CAUSING CONGESTION

When, in SRY's judgment, an excessive quantity of constructively placed cars for a customer, consignee, receiver, and/or unloader congests SRY's yard and network facilities and causes material operating problems, SRY's Customer Service department will notify the consignee, receiver, and/or unloader at the location to which cars are destined that any such carloads which are beyond the capacity of the consignee, receiver, and/or unloader and which cannot be so placed for any reason, will be moved without notice by SRY to the nearest storage location or holding track on SRY where storage space is available. Such cars will be held at this storage location or holding track until final delivery instructions are received by SRY from the consignee, receiver, and/or unloader.

In addition to any applicable demurrage and/or storage charges, a charge will be assessed against the consignee, receiver, and/or unloader per SRY 600 for the initial movement of these cars from SRY's serving yard at destination to a storage location or holding track and the return movement of the cars to the consignee, receiver, and/or unloader's facility.

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ITEM 4160 CUSTOMS INSPECTIONS

Railcar(s) inspections requested by Canada Customs which require SRY to hold car(s) until proper release order has been given to SRY will be subject to a charge per SRY 600. Demurrage will also be charged for all detention, including Sundays and holidays from the date and time of actual or constructive placement until release, with no free time allowance.

ITEM 4185 DIVERSIONS

Diversion provisions only apply to cars that are in SRY's possession. SRY reserves the right to accept or deny a diversion request for any reason. SRY reserves the right to refuse the diversion request if charges accruing against the consignment are not guaranteed to the satisfaction of SRY.

DEFINITIONS

DIVERSION – any request received by SRY that requires any change in the original shipping document involving:

- a) A change in the name of freight bill party, consignor, or consignee,
- b) A change in destination,
- c) A change in the route, or
- d) A request to stop a car for the purpose of delivery or re-forwarding.

DESTINATION – that which is provided in the bill of lading, or if such destination is served by a terminal yard, the terminal yard will be considered the destination.

CHARGES

A charge will be assessed on any diversion or reconsignment of cars on a per car or per bill of lading basis as follows:

Before Actual Placement:

- A. **Same Destination, Different Consignee:** If a car has not been placed at the customer's siding and a diversion or reconsignment request is submitted for a change of consignee within the same destination no charge will be assessed.
- B. **Same Destination, Different Freight Bill Party:** If a car has not been placed at the customer's siding and a diversion or reconsignment request is submitted for a change of freight bill party within the same destination a charge will be assessed per SRY 600.
- C. **Same Serving Yard:** If a car is in a terminal yard and a diversion or reconsignment request is submitted for a change of destination that does not require transfer to a different terminal yard a charge will be assessed per SRY 600.
- D. **Different Serving Yard:** For all other diversion or reconsignment requests submitted a charge will be assessed per SRY 600.

After Placement

- A. If a car arrives at the billed destination, and has been placed at the customer's siding and the customer wishes to move the railcar to another consignee or location either on SRY or another railway, a new bill of lading must be submitted and a rate must be established by SRY's Business Development department to cover the new move.
- B. **Exception for Grain Customers**
 - 1. If a car arrives at the billed destination and has been placed at the customer's siding and the customer wishes to move the railcar to another consignee within the same station a charge will be assessed per SRY 600.

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2. If a car arrives at the billed destination and has been placed at the customer's siding and the customer wishes to move the railcar to another station a charge will be assessed per SRY 600.

All diversions must be submitted in writing by fax or email. When a diversion request is accepted and SRY must hold the car awaiting diversion instructions, demurrage and other ancillary charges will be assessed to the party requesting the diversion. Diversion charges will apply in addition to all other applicable freight rates. SRY will not be responsible for failure to affect a diversion.

ITEM 4280 LOADING AND UNLOADING CARLOAD FREIGHT

SRY is not obliged to load or unload any carload freight, nor is SRY obliged to arrange for or in any way provide assistance in the loading or unloading of carload freight.

- A. If SRY agrees to perform this service, the charge shall be the actual cost of labour and material, including the use of specialized equipment such as cranes or derricks, plus a percentage of those costs to cover processing per SRY 600 (subject to a minimum charge).
- B. If SRY agrees to arrange for this service to be performed by another party, the charge will be that of the party performing the service, plus a percentage of those costs to cover processing per SRY 600 (subject to a minimum charge). The customer requesting the loading or unloading service will be fully responsible for all such charges.

ITEM 4360 OVERLOADED CAR

An overload car is defined as a railcar 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 (defined as the stenciled "load limit" on the car) 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:

1. Total weight on rail (TWR) as shown in the UMLER file, or
2. The track weight limitations at any point along the route of movement.

An overloaded railcar will include a railcar that is found to be improperly loaded if it has a concentration of lading resulting in the maximum weight on rail of any truck or the total weight on rail of any car or the track limitations at any point en route being exceeded.

If a car is found to be overloaded or improperly loaded, it will not be permitted to go forward. The shipper will be notified and required to adjust the load or to transfer the excess weight from the car. The shipper will be assessed a minimum charge per SRY 600. In addition, shipments will be subject to demurrage and/or detention charges.

If a railcar is found to be overloaded, improperly loaded, or exceeds the tolerance permitted, the car must be referred to SRY's Engineering, Mechanical, and Operations departments for authorization of movement. The load may need to be reduced or adjusted at the shipper's expense.

- a) SRY reserves the right to clear the overloaded car and allow it to move to destination without reducing and/or adjusting the load, however, the applicable tariff charges will apply.
- b) SRY will notify the shipper of the overload car in question. Notification will indicate the car number, contents, location, actual gross weight, and acceptable gross weight.
- c) The shipper must provide SRY with complete written instructions for the removal of the excess freight within 48 hours of this notification including weekends and holidays. The removal and/or disposal of the overloaded portion of contents of the car is entirely the responsibility of the shipper.
- d) In the event the shipper fails to provide SRY with written instructions for the removal of the excess freight within 48 hours of notification, SRY reserves the right to arrange for the removal

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and disposal of the overloaded portion of the contents at full cost to the shipper. The shipper will be assessed a minimum charge per SRY 600. Overloaded or improperly loaded shipments are subject to switching, demurrage and/or detention charges as outlined in the applicable tariffs.

- e) If SRY personnel perform any work adjusting, transferring or removing the freight from the car, the shipper will be responsible for the actual cost of such work plus an additional 25% for processing as described in Item 4280.

The shipper will indemnify SRY from liability for any loss of life, personal injury, or damage to property as a result of the overloading or improper loading of railway equipment.

ITEM 4400 INCOMPLETE & INCORRECT BILLING

RELEASE REQUIREMENTS AND DOCUMENTATION

When, at a customer's request, loaded or empty cars are to be removed from an industry siding or SRY facility without complete bill of lading instructions, or when loaded or empty cars are received at interchange without complete bill of lading instructions, SRY will move the car to the first available staging area. If, at any time after the car is in SRY possession, the lack of complete or incorrect bill of lading instructions provided are insufficient to continue the movement, the shipper will be assessed a charge per SRY 600 and all applicable demurrage, storage, or detention charges will apply until the shipper provides SRY with complete bill of lading instructions.

BILL OF LADING INFORMATION REQUIREMENTS

Railcar	Initial	Contents	Load/Empty Status
	Number		Commodity
Route	Origin		Customs Information
	Destination		Net or Estimated Weight
	Route		Unit of Measure
Rate	Pre-paid or Collect		Dangerous Commodity Documentation
	Freight Rate Reference Number		Order Reference
Parties	Shipper		Weight Terms
	Consignee		
	Payer of Freight		

ITEM 4405 RESPONSIBILITY FOR CHARGES

Unless otherwise agreed upon in writing that another party will assume responsibility, the loader of a railcar is assessed any demurrage or supplemental service charges at origin and the unloader of a railcar is assessed any demurrage or supplemental service charges at destination.

ITEM 4415 RESPOTS

RESPOT WITHIN CUSTOMER FACILITY

When, at a customer's request, SRY must move a railcar already on spot from one track to another, to a different point on the same track within a customer's facility or industry (intra-plant switching), or to access

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another railcar and then spot to the same track location a charge will be assessed to the party requesting or requiring the service per SRY 600.

RESPOT FROM YARD

When a customer releases a loaded or empty railcar, it is pulled to one of SRY's staging yards, and it is subsequently determined that the car must be returned to the customers siding because one of the following conditions, a charge will be assessed per SRY 600.

- Debris left in or on the car
- Railcar doors left open
- Improper loading
- Railcar released in error
- Any other condition that requires the car to be returned to the customer's siding

ITEM 4425 SPECIAL SWITCH, GENERAL

When, at a customer's request, SRY is required to provide service to that customer's siding outside of SRY's regular service plan and providing that SRY is able to provide the requested service, subject to the availability of resources and capacity, a charge will be assessed per SRY 600.

ITEM 4426 SPECIAL SWITCH, ARMT

When, at a customer's request, SRY is required to provide service to ARMT outside the regular service schedule and providing that SRY is able to provide the requested service, subject to the availability of resources and capacity, a charge for the additional service will be assessed per SRY 600.

ITEM 4430 REQUEST FOR SERVICE ON NON-SERVICE DAY

When a customer requires service on a day other than specified in their operating plan and providing that SRY is able to provide the requested service, a charge may apply per SRY 600.

ITEM 4465 STOP OFF FOR COMPLETION OF LOADING OR UNLOADING

A charge for each stop-off will apply per SRY 600. The charge will apply whether the car(s) is set off the train or freight is permitted to be taken from or put into the car while standing on the train.

Where shipments are forwarded in two cars (overflow or follow lot shipments and both cars are stopped in transit), the charge for stop-off service will be applied to each of the cars in the shipment. Where two cars are used in one shipment and one car is stopped in transit the charge for stop-off service will be applied to the car which is stopped at the intermediate point.

Charges for demurrage, diversions, or any other ancillary services that accrue as a result of the stop-off will be in addition to the stop-off charges named herein.

ITEM 4500 TURNING OF CARS

If a railcar is received from a connecting railroad and the customer is not able to unload or load it because it is facing the wrong direction, SRY will assess a charge per SRY 600 to turn (we) the car.

ITEM 4600 USE OF SRY FURNISHED EQUIPMENT

When, at the request of the consignor, SRY furnishes an empty railcar for loading of a line-haul movement and such movement is routed from the origin station via a rail carrier other than SRY, a charge will be assessed to the person, firm, or corporation ordering the car per SRY 600. This charge will be in

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addition to any other charges, which may be due from the customer. The charge will not be assessed when the consignor has received prior permission from SRY.

ITEM 4610 SRY EQUIPMENT RETURNED UNSUITABLE FOR LOADING

Unless otherwise provided by an applicable pricing publication, the unloader must remove all lading and non-railway owned dunnage, blocking, bracing, strapping, or material not part of the inbound shipment. SRY-supplied cars returned in a dirty or unsuitable condition for immediate reloading will be subject to a charge per SRY 600 applicable against the previous unloader. All cars released to SRY must be cleaned and suitable for immediate reloading. All doors, gates, and hatches must be closed and secured. This is in addition to all other applicable transportation and ancillary charges.

ITEM 4630 UNABLE TO ACCESS SIDING

When, on a regularly scheduled service day, SRY is not able to either pull or spot a railcar (or railcars) at a customer's siding due to the customer's gate being closed or locked, the blue flag being left up, the track being obstructed in some way, or for any reason attributable to the customer, SRY will assess a charge per SRY 600.

If the occurrence happens when trying to provide service outside of SRY's regular service plan, the special switch charge will still be assessed per Item 4425.

ITEM 4750 BILLING EMPTIES TO OTHER THAN THE REVERSE ROUTE DESTINATION

When instructions are provided to bill empty railcars to a destination other than the reverse route destination, a charge will apply per SRY 600.

ITEM 4810 CARS HELD

When a customer requests that a railcar be held that requires marshalling off a train, a charge will be assessed per SRY 600 in addition to any applicable demurrage charges.

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Section 5: SWITCHING RULES AND REGULATIONS

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ITEM 5100 INTERCHANGE ERRORS (CANADIAN NATIONAL RAILWAY)

Replaces SRY Tariff 500

INTERCHANGE ERROR

Cars loaded or empty, received by SRY from CN in error or without forwarding instructions from the delivering carrier, will be returned to the delivering carrier or forwarded to the proper connecting carrier within the same switching district at a per car charge of \$435.00 CAD. This charge will be assessed against the delivering carrier.

On railcars loaded or empty that are delivered by an incorrect interchange station to SRY and are destined to customers on SRY and the connecting railroad refuses to accept the railcars back for handling to the correct interchange, the following will apply. SRY reserves the right to charge an out of line haul of \$435.00 CAD per rail car to the erring carrier. This amount will be in addition to SRY's normal revenue charge.

DELAY IN SUPPLYING INSTRUCTIONS

After 2 hours following the notification that cars are being held awaiting disposition instructions, SRY will assess an additional \$50.00 for each 24-hour period that the car is being held awaiting instructions. These provisions will not apply when forwarding instructions are to be furnished by the shipper or consignee and the cars are subject to demurrage charges.

ADDITIONAL CHARGES

Cars delivered to SRY by CN for subsequent movement in SRY revenue service in connection with a reciprocal switch, or when SRY is delivering carrier must be accompanied by supporting shipper information. If cars are delivered without the supporting shipper information SRY will, 2 hours following a request for this information from the delivering carrier, assess an initial charge of \$100.00 per car plus an additional charge of \$50.00 for each 24-hour period until receipt of information.

ITEM 5200 INTERCHANGE ERRORS (CANADIAN PACIFIC RAILWAY)

Replaces SRY Tariff 505

INTERCHANGE ERROR

Cars loaded or empty, received by SRY from CP in error or without forwarding instructions from the delivering carrier, will be returned to the delivering carrier or forwarded to the proper connecting carrier within the same switching district at a per car charge of \$435.00 CAD. This charge will be assessed against the delivering carrier.

ITEM 5300 INTERCHANGE ERRORS (BURLINGTON NORTHERN SANTA FE RAILROAD)

Replaces SRY Tariff 510

INTERCHANGE ERROR

Cars loaded or empty, received by SRY from BNSF in error or without forwarding instructions from the delivering carrier, will be returned to the delivering carrier or forwarded to the proper connecting carrier

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within the same switching district at a per car charge of \$210.00 USD. This charge will be assessed against the delivering carrier.

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Section 6: GLOSSARY OF TERMS

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ITEM 6000

GLOSSARY OF TERMS

AAR – The American Association of Railroads.

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.

ARMT – Annacis Rail Marine Terminal, the rail barge ramp and associated facility located at 470 Derwent Place, Delta, BC, V3M 5Y9.

BAD ORDER – Rail equipment (railcars) in need of repair and not fit for use by the customer.

CARRIER(S) – SRY and/or any connecting railways.

COMMODITY – The freight being transported.

CONFIDENTIAL RATE QUOTE – The document which sets forth the specific terms of the carrier's agreement to provide transportation services to the customer.

CONTRACT – The contract between SRY and the customer, the terms of which are set forth in a Confidential Rate Quote and SRY 100 General Tariff.

CUSTOMER – The shipper, receiver, consignor, consignee, or third party identified.

CUT-OFF TIME – The date and time prior to the scheduled service date and time before which requests for placement and/or release must be submitted to SRY's Customer Service department.

CONSIGNEE – The party to whom a shipment is consigned or the party entitled to receive the shipment.

CONSIGNOR – The party in whose name a car is ordered or the party who furnishes forwarding instructions.

CONSTRUCTIVE PLACEMENT – When a car arrives at the appropriate serving yard, it will be automatically constructively placed and will be held awaiting disposition instructions.

DEMURRAGE – Charges for private cars dwelling on railway track and charges for railway-supplied cars dwelling on both railway and private track. Charges are applied on a per-car, per-day basis.

DEMURRAGE DAY – A twenty-four (24) hour period, or part thereof, commencing 00:01 hours after tender.

DISPOSITION – Notification information, including forwarding instructions or empty release information, which allows SRY to either tender or release the car from the consignor's or consignee's account.

DUNNAGE – Temporary blocking, flooring, lining, corrugated fiberboard or plywood separators, dividers, standards, strips, stakes, or similar bracing or supports.

EMPTY CARS ORDERED AND NOT USED – Empty cars ordered, constructively, or actually placed for loading and subsequently released without being used in transportation service.

EMPTY RELEASE INFORMATION – Notification given to SRY's Customer Service department that a car is unloaded and available to SRY or is to be held for customer reloading. Notification must include the identity of the consignee, the party furnishing the data, and the car initial and number.

ESCALATION DEMURRAGE - The rate per day that will be applied after standard demurrage has expired. The escalation rate replaces the standard rate and is not in addition to the standard rate.

EXPORT TRAFFIC – Traffic consigned to a port facility or an SRY facility for furtherance to points other than in Canada and continental United States.

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FORWARDING INSTRUCTIONS – Shipping instructions, including a complete bill of lading, provided to SRY by email, fax, or EDI, containing all the information necessary to transport the shipment to the final destination.

FREE TIME – The number of days at the start of the demurrage cycle when no daily demurrage rate will apply.

HAZARDOUS MATERIAL(S) – Hazardous, toxic, and/or radioactive waste(s) or substance(s) as defined by any applicable federal, provincial, or municipal law or regulation. For more detail, see SRY General Tariff Section 1, Item 1260.

LOADING – The complete or partial loading of a car in conformity with SRY, RAC, and AAR loading and clearance rules and the furnishing of forwarding instructions.

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

NOTIFICATION – Notice furnished via electronic transmission, email, facsimile, or verbal communication to the party entitled to receive notification.

PARTIAL UNLOADING – The partial unloading of a car and the furnishing of forwarding instructions.

PRIVATE CAR – A car bearing other than railway reporting marks and which is not railway controlled.

PRIVATE TRACK – Any railway track which is not owned or leased by SRY or partner railways or any railway track assigned for individual exclusive use.

RAC – The Railway Association of Canada

RAILWAY-CONTROLLED CAR – A car bearing railway reporting marks that is either leased or controlled by a railway.

REFUSED LOADED CAR – A loaded car that is refused at destination without being unloaded.

REJECTED CAR – An empty or loaded car determined by the customer as being unfit for loading or unloading.

RELEASE – The notification received from the consignor or consignee that loading or unloading of a car has been or will be completed.

RELOADING – When a car is held for loading after being released empty.

RESPOT – To pull a car out of a customer's siding and place it back into the siding.

SERVING YARD – A classification yard where the local train serving the customer originates.

SPOT – Actual placement of a railcar on a customer's siding.

SRY - Southern Railway of British Columbia Limited, located at 2102 River Drive, New Westminster, BC.

SRY-CONTROLLED CAR – A car owned by SRY or provided to SRY directly by car companies (lessors) or others for use by SRY in serving any of its customers.

STANDARD DEMURRAGE – The rate per day that will apply after any applicable free time has expired.

STCC – The Standard Transportation Commodity Code as identified in the STCC 6001 Series.

STRAIGHT TIME BASIS – Demurrage for a given railcar is calculated by the total number of demurrage days less any applicable free days, multiplied by the applicable daily rate.

SRY 100

STOPPED IN TRANSIT – Cars held en route because of any condition attributable to the consignor, consignee, or owner of the goods.

STOP OFF – The stopping of a shipment at stations to complete loading and/or partial unloading.

TENDER – The notification of actual or constructive placement of an empty car placed on orders of the consignor or of a loaded car for unloading by the consignee.

TIME – Local time (Pacific Standard Time) is applicable, expressed on the basis of the 24-hour clock.
Example: 12:01 a.m. is expressed as 00:01 hours.

UNLOADING – The complete unloading of a car and advice received from the consignee that the car is empty and available to SRY.

SRY 100

Section 7: APPENDICES



In the event SRY approves the undersigned for credit, the customer undertakes and agrees to conform to the credit terms outlined herein and the conditions regarding the payment of transportation and all other related charges.

CREDIT TERMS

- ☐ All accounts invoiced by SRY are to be paid within 21 days from statement date unless otherwise contracted.
- ☐ All carload traffic (loaded or empty) while on SRY is subject to the rules, regulations, charges, and requirements as published in SRY 100, General Tariff.
- ☐ All accounts invoiced by SRY can accrue interest at the rate of 19.56% per annum (1.5% per month).
- ☐ Failure to settle accounts as required will be considered sufficient cause for immediate cancellation of credit.
- ☐ Payment of freight or miscellaneous charges must not, under any circumstances, be reduced or withheld because of claims against the carrier. Each is to be settled on its own merit and offsetting any other claims against accounts should be considered sufficient cause for cancellation of credit.

LINE OF CREDIT DESIRED \$ _____

COMPANY NAME & HEADQUARTERS ADDRESS

LEGAL NAME OF COMPANY REQUESTING CREDIT	PHONE #: FAX #:
TRADE NAME (if any)	WEB SITE (if any)
COMPLETE MAILING ADDRESS	DUNS # OF APPLICANT

BILLING ADDRESS (if different from above)

	PHONE #: FAX #:
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Payable Information

CONTACT NAME	TITLE	E-MAIL ADDRESS: PHONE #: FAX #:
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FULL NAMES & ADDRESSES OF OWNERS & PARTNERS (Directors & Officers if a Corporation)

NAME	ADDRESS
NAME	ADDRESS
NAME	ADDRESS
NAME	ADDRESS

Other Company Information

TYPE OR NATURE OF BUSINESS	
DATE BUSINESS STARTED	NUMBER OF EMPLOYEES

Form of Business (Check Appropriate Box)

☐ Proprietorship ☐ Partnership ☐ Corporation ☐ Other

PARENT OR RELATED COMPANY INFORMATION (if additional space required, please attach separate sheet)

NAME	AFFILIATION
ADDRESS	

NAME	AFFILIATION
ADDRESS	

Tax Exemption (Check Appropriate Box)

☐ CARRIER
 ☐ GOVERNMENT
 ☐ NOT APPLICABLE
☐ OTHER (Please explain) _____

Premises (Check Appropriate Box)
 ☐ OWNED
 ☐ RENTED

BANK REFERENCE INFORMATION: Please provide information on all banking relationships. If additional space is required, please attach a separate sheet.

PRIMARY BANKING INSTITUTION:

BANK NAME & COMPLETE ADDRESS	PHONE #: FAX #:
BANK CONTACT & TITLE	ACCOUNT NO.

TRADE REFERENCES (3 Are Required) (Please Attach a Separate Sheet If More Space Is Required)

TRADE REFERENCE NAME	ADDRESS	PHONE # and FAX #

Financial Statements for the past TWO years MUST be provided with application for credit to be considered. Further, should credit be granted, the customer agrees to provide such credit and financial information as SRY may reasonably request from time to time to update SRY's credit files.

THIS IS NOT A PERSONAL GUARANTEE:

I hereby represent that I am authorized to submit the application on behalf of the customer named above, and that the information provided for the purpose of obtaining credit is warranted to be true. I hereby authorize SRY to investigate the references listed pertaining to my credit and financial responsibility. It is agreed and understood that all necessary collection, legal and interest costs may be charged to my company in the event of default or failure to pay for services rendered. I further represent that the customer applying for the credit has the financial ability and willingness to pay for all invoices within established terms.

SIGNATURE OF AUTHORIZED SIGNING OFFICER
(Must be an Officer of the Business/Company)

DATE

SIGNATURE NAME (PLEASE TYPE OR PRINT)

TITLE

EXECUTE & RETURN TO:

Manager Banking and Credit
 Attention: Joanne Kreiter
 2102 River Drive
 New Westminster, BC V3M 6S3
 Tel: 604-527-6318
 Email: jkreiter@sryraillink.com
 Fax: 604-526-0914