



Lake State Railway

GENERAL FREIGHT TARIFF LSRC 2000A

APPLICABLE ON

CHARGES, RULES AND REGULATIONS GOVERNING SWITCHING,
SWITCH ABSORPTION AND ACCESSORIAL CHARGES AT LOCATIONS ON
THE LAKE STATE RAILWAY COMPANY.

THIS TARIFF IS GOVERNED, EXCEPT AS OTHERWISE PROVIDED, BY OPSL 6000-SERIES,
STCC 6001-SERIES, UFC 6000-SERIES, BOE 6000-SERIES, AND NSO 6100-SERIES.

THIS TARIFF IS APPLICABLE ON INTRASTATE TRAFFIC EXCEPT WHERE EXPRESSLY PROVIDED
TO THE CONTRARY IN CONNECTION WITH PARTICULAR ITEMS.

TABLE OF CONTENTS

<u>SUBJECT</u>	<u>ITEM</u>
ADMINISTRATIVE CHARGES FOR DIVERSIONS ON ANOTHER RAILROAD _____	110
APPLICATION OF INCREASES _____	10
CAPACITIES AND DIMENSIONS OF CAR(S) _____	60
CAR ORDER CANCELLATION FOR FOREIGN CARS _____	370
CAR ORDER FOR FOREIGN CARS _____	360
CAR(S) EMPTY RELEASED BY CUSTOMER WHEN NOT PHYSICALLY UNLOADED _____	310
CAR(S) RECEIVED IN ERROR _____	290
CHARGES ON CARS RECEIVED WITHOUT NECESSARY FORWARDING DATA _____	300
CLAIMS FOR LOSS OR DAMAGE _____	210
CONSECUTIVE NUMBERS _____	50
DEFINITIONS OF ABBREVIATIONS AND OTHER REFERENCE MARKS _____	390
DEMURRAGE CHARGES _____	90
DIVERSION OR RECONSIGNMENT _____	120
EMPTY CAR(S) FURNISHED BY CARRIER AND NOT USED _____	380
ERROR IN BILLING FREIGHT BY SHIPPER _____	130
EXPLOSIVES AND DANGEROUS ARTICLES _____	30
HANDLING OF EMPTY CAR FREIGHT _____	280
LINE-HAUL FREIGHT CHARGES _____	150
METHOD OF CANCELLING ITEMS _____	80
MILEAGE CHARGES ON PRIVATELY OWNED EQUIPMENT _____	70
MINOR ADJUSTMENT OR INSPECTION _____	350
MOVEMENT OF LOCOMOTIVES AND PASSENGER EQUIPMENT _____	190
PAYMENT OF FREIGHT TERMS _____	200
PROCESSING MANUAL BILLS OF LADING _____	100
RECIPROCAL SWITCH ABSORPTION _____	260
RECIPROCAL SWITCH CUSTOMERS ON LSRC _____	250
REFERENCE TO TARIFFS, ITEMS, NOTES, AND RULES _____	40
SPECIAL TRAIN SERVICE _____	320
SPECIAL CAR RESTRICTIONS _____	330
STATION LISTS AND CONDITIONS _____	20
SWITCHING _____	240
TERMINAL SERVICES _____	160
TRACK LEASE AND TEMPORARY STORAGE _____	340
TRAFFIC MISROUTED BY RAIL CARRIER _____	140
TURNING OF RAILCAR(S) _____	270
UNABLE TO PICK UP OR PLACE RAIL CARS _____	230
UNAUTHORIZED USE OF LSRC EQUIPMENT _____	220
UNSAFE OR IMPROPERLY LOADED CAR _____	180
WEIGHING CHARGES _____	170

(ITEM 10) APPLICATION OF INCREASES

Rates and charges in this tariff are subject to increase upon twenty (20) days notice.

(ITEM 20) STATION LISTS AND CONDITIONS

This tariff is governed by Tariff OPSL 6000-Series as follows:

- A. For additions or changes in Name, Locations or Abandonment of Stations.
- B. Prepay requirements
- C. Restrictions as to acceptance or delivery of freight.
- D. Changes in station facilities.
- E. When a station is abandoned, all provisions applicable thereto are cancelled, effective on the date of abandonment.

(ITEM 30) EXPLOSIVES AND DANGEROUS ARTICLES

For rules and regulations governing the transportation of explosives, and other dangerous articles, also specifications for shipping containers and restrictions governing the acceptance and transportation of explosives and other dangerous articles, see Bureau of Explosives Tariff BOE 6000.

(ITEM 40) REFERENCE TO TARIFFS, ITEMS, NOTES, AND RULES

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

(ITEM 50) CONSECUTIVE NUMBERS

Where consecutive numbers are represented in this tariff by the first and last numbers connected by the word "to" or a hyphen, they will be understood to include both of the numbers shown.

(ITEM 60) CAPACITIES AND DIMENSIONS OF CAR(S)

For marked capacities, lengths, dimensions and cubical capacities of car(s), see The Official Railway Equipment Register. Maximum gross weight on rail on LSRC NOT requiring a clearance authorization is 286,000 unless otherwise authorized.

(ITEM 70) MILEAGE CHARGES ON PRIVATELY OWNED EQUIPMENT

LSRC will NOT pay mileage charges on privately owned rail car(s) when moving to or from stations served by the LSRC.

(ITEM 80) 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 90) DEMURRAGE CHARGES

Unless otherwise specifically provided in a rate item governing the line-haul rate, the provisions of Tariff LSRC 6000 series will apply.

(ITEM 100) PROCESSING MANUAL BILLS OF LADING

LSRC accepts bills of lading which are submitted electronically and encourages its customers to make all such submissions electronically (if interested in learning more about this please contact LSRC via e-mail at customerservice@lsrc.com). Bills of lading that are not submitted to LSRC electronically will be processed manually by LSRC under the following conditions: manual bill of lading charges will be assessed when a party responsible for submitting a bill of lading or other shipping instructions does so by fax, e-mail or any other means that is not electronic data interchange (also known as EDI). A party submitting a non-EDI bill of lading will be subject to a \$100.00 per bill of lading charge. LSRC will not be responsible for any errors which may occur during the manual processing of bill of ladings.

(ITEM 110) ADMINISTRATIVE CHARGES FOR DIVERSIONS ON ANOTHER RAILROAD

There will be an administrative charge of \$215 per bill of lading on rail shipments originating at LSRC stations that are billed under a through rate and route from origin to destination thence diverted to a new destination on a rail carrier other than LSRC which is a party to the through rate and route. A copy of the diversion must be emailed to LSRC at customerservice@lsrc.com.

(ITEM 120) DIVERSION OR RECONSIGNMENT

Diversion or reconsignment means any one or more of the following when a car is located on or under control of the LSRC:

DIVERSION:

- A. A change in the destination
- B. A change in the route

RECONSIGNMENT:

- A. A change in the name of the consignee
- B. A change in the name of the consignor
- C. A change in the party to bill prepaid or collect charges
- D. A change from collect to prepaid or vice versa

Diversion or Reconsignment orders will not be accepted by LSRC for car(s) that are not under its control. LSRC reserves the right to decline any diversion or reconsignment request.

(ITEM 120) DIVERSION OR RECONSIGNMENT (CONTINUED)

DIVERSION/RECONSIGNMENT CHARGES:

When an order is placed with LSRC by a consignee, or owner that modifies any of the terms of shipment listed above in this item, the following charges will apply:

- A. Diversion/reconsignment charge will be \$250.00 per car for any diversion while car is in enroute and prior to arrival of shipment at destination or after arrival of shipment at a destination served by LSRC, subject to (ITEM 110)
- B. Diversion/reconsignment orders can be verbally given over the phone, but must be confirmed in writing by one of the following methods before diversion/reconsignment is finalized.

To submit a diversion/reconsignment request, please fax to LSRC Customer Service at 989.393.2149 or send an e-mail to customerservice@lsrc.com.

(ITEM 130) ERROR IN BILLING FREIGHT BY SHIPPER

If a railcar is tendered to carrier for shipment and after the line haul transportation commences it is discovered that, through error of the shipper the car is empty, freight charges plus any applicable switch fees per (ITEM 240) charged to LSRC, will be assessed from origin to the point at which car is discovered to be empty.

(ITEM 140) TRAFFIC MISROUTED BY A RAIL CARRIER

The customer must contact the LSRC and seek authorization to reroute the car to the correct destination. LSRC will have the right to choose what rail carrier and price authority used. Shipments shall be forwarded from the erroneous to the correct destination by the most direct route. If these guidelines are not followed, LSRC will only be responsible for the freight charges of the most direct route.

(ITEM 150) LINE-HAUL FREIGHT CHARGES FOR DIVERSIONS

The through rate (local, joint or combination) will be that rate which is applicable from origin to destination via the diversion station and on the date the shipment is originally billed.

LSRC assumes no responsibility that the lowest rate from origin of the shipment to the diverted destination can be protected via the diversion station.

(ITEM 160) TERMINAL SERVICES

LSRC will NOT be responsible for any charges accruing on car(s) delivered to connecting railroads with proper billing, other than the absorption of reciprocal or intermediate switching charges that are authorized by LSRC switching absorption provisions or covered by tariff provisions that LSRC is a participant to.

(ITEM 170) WEIGHING CHARGES

All weighing services are performed at Bay City, MI and Grayling, MI and are chargeable as follows:

- A. Weighing of forwarded freight shipments handled by the LSRC in linehaul service for purposes of determining the freight charge, there will be no charge for shipments originating or terminating at a station equipped with a LSRC owned scale.
- B. Weighing of forwarded freight shipments handled by the LSRC in linehaul service for purposes of determining the freight charge while NOT in one of the two LSRC scale stations, there will be a \$250.00 per car charge for this service. This charge is in addition to any applicable freight, switching and demurrage charges.
- C. Weighing of cars upon instructions of shipper or consignee when not for purposes of determining freight charges while in one of the two scale stations listed above, there will be a \$100.00 per car charge for this service. This charge is in addition to any applicable freight, switching and demurrage charges.
- D. Weighing of cars upon instructions of shipper or consignee when not for purposes of determining freight charges while NOT in one of the two scale stations listed above, there will be a \$500.00 per car charge for this service. This charge is in addition to any applicable freight, switching and demurrage charges.

LSRC reserves the right to decline any request to weigh car(s).

(ITEM 180) UNSAFE OR IMPROPERLY LOADED RAIL CARS

This charge is for the management and coordination of the existing and emergent problem, excluding other applicable charges. Examples of an unsafe or improperly loaded car where this charge would be applicable are as follows:

- A. A car that has been overloaded or is imbalanced or has a shifted load.
- B. A car spilling, leaking or dusting.
- C. A car containing non-hazardous commodities or residue identified moving on LSRC for which proper shipping instructions were not regulatory compliant.

An improperly loaded car is defined as a car in or on which lading has not been loaded in accordance with AAR standard loading practices, RER 6412-Series exceptions or individual railroad practices or exceptions.

OVERLOADED OR IMPROPERLY LOADED CAR(S) DISCOVERED AT ORIGIN OR ENROUTE

- A. Overloaded or improperly loaded car(s) as determined above, when discovered at origin will be returned to the shippers track or to the connecting line tendering such car(s) to LSRC. The shipper shall be assessed the intra-plant or intra-terminal switching charge plus the penalty charges for return of car(s). A switch charge of \$900.00 per car will be in addition to any other applicable freight, switching and demurrage charges.

(ITEM 180) UNSAFE OR IMPROPERLY LOADED RAIL CARS (CONTINUED)

- B. LSRC may elect to stop an overloaded or improperly loaded car enroute and hold it on a track where partial unloading or adjustment of the load may be accomplished. It will be the responsibility of the shipper to partially unload or adjust the car at their expense. LSRC will not furnish any personnel, equipment or machinery that may be necessary to partially unload or adjust the overloaded or improperly loaded car and the penalty charges names in paragraph "D" will also be assessed against the shipper. Where safe and practical to do so, LSRC will move an overloaded or improperly loaded car to a track where adjustment of the load can be accomplished. A switch charge of \$900.00 per car will be in addition to any other applicable freight, switching and demurrage charges.

OVERLOADS DISCOVERED AT DESTINATION

- C. When an overloaded car is delivered to destination or point of interchange and such car(s) are not detected while enroute (whether the overloaded condition is discovered prior to delivery or not), or if the outbound weights are used for the assessment of freight charges and the car(s) are subsequently determined to be overloaded, the penalty charges named in the following paragraph "D" will be assessed against the shipper responsible for overloading the car.

PER CAR PENALTY CHARGES ASSESSED TO THE SHIPPER

- D. \$950.00 per car for railcar(s) containing non-hazardous commodities or \$3,050.00 per car for railcar(s) with hazardous commodities or hazardous residue.

Individual overloaded or improperly loaded car(s) discovered at origin or enroute shall be placed on demurrage immediately following notification to the consignor or owner of the overloaded or improperly loaded condition and exempt to free time allowance.

(ITEM 190) MOVEMENT OF LOCOMOTIVES AND PASSENGER EQUIPMENT

Privately owned, leased or foreign line locomotives will be moved over the LSRC subject to a minimum charge of \$1,000.00 for the first 100 miles and \$4.50 per mile for each mile exceeding 100. LSRC will not absorb any switching charges applicable to shipments of locomotives.

All privately owned, leased or foreign line locomotives are subject to a joint inspection at interchange by both LSRC mechanical personnel and connecting carrier mechanical personnel. Any locomotives that fail inspection will be rejected at interchange.

All locomotives or passenger equipment must receive clearance by the LSRC prior to movement. In failure to do so, there will be a penalty charge of \$1,500 in addition to any applicable freight, switching and demurrage charges.

(ITEM 200) PAYMENT OF FREIGHT TERMS

All payments for services billed by this railroad are due and payable within fifteen (15) calendar days following receipt of freight bill unless otherwise stated in a private arrangement between customer and LSRC. Payments received after the expiration of the credit period shall be subject to a service charge of one and a half percent (1.5%) per month, (or fraction thereof) of the outstanding balance.

The above collection terms are under the provisions authorized in 49 CFR Part 1320 Transportation.

To qualify for credit on the Lake State Railway Company, a credit application, available upon request, will be required to be on file with the LSRC. Payment for all other shipments must be made at the time of shipment.

(ITEM 210) CLAIMS FOR LOSS OR DAMAGE

Any claim for loss or damage shall be filed with the destination line haul carrier.

(ITEM 220) UNAUTHORIZED USE OF LSRC EQUIPMENT

When equipment or a railroad asset is used without authorization, a \$1,500.00 per car charge will be assessed to the party who used, or provided, the asset without authorization. Additional charges may apply if unauthorized car(s) require cleaning. A few examples, but not limited to, that would incur this charge:

- A. Sending a LSRC car to another railroad without authorization
- B. Loading or reloading a car without authorization

(ITEM 230) UNABLE TO PICK UP OR PLACE RAIL CARS

When LSRC has been asked to perform rail service at your facility, such as a pick up or a set out and LSRC is unable to access a specific car(s) to perform the service, a per car charge of \$95.00 will apply, up to a maximum of \$750.00 per service. This charge will be assessed to the party requesting such service and in addition to any other charges that are applicable.

(ITEM 240) SWITCHING

A per-switch charge, as shown below, shall apply to the following switch movements:

- A. Intra-plant: the movement of car(s), loaded or empty, from one location within an industry to another location within the same industry. A charge of \$175.00 per car shall apply. Each move within the industry is considered a new move. LSRC 7676 FSC not applicable.
- B. Intra-terminal: the movement of a car(s) to a location within the same switching or yard limits as the industry or customer ordering the movement of such car(s) on the same railroad. A charge of \$330.00 per car shall apply in addition to any other freight charges. LSRC 7676 FSC not applicable.

(ITEM 240) SWITCHING (CONTINUED)

- C. Inter-terminal: the movement of a car(s) from one LSRC station to another LSRC station. A charge of \$330.00 per car shall apply and will be in addition to all freight charges and subject to LSRC 7676 FSC.
- D. Cherry picking: when a car(s) is requested by a specific car initial/number and require LSRC to perform additional switching to access the car(s). A charge of \$150 per car shall apply. LSRC 7676 FSC not applicable.
- E. Unit train switching: when cars have to be broken up to accommodate a consignor/consignee, a charge of \$850 per switch will be assessed for the additional movement. Unit trains consist of 60+ cars on the same waybill. LSRC 7676 FSC not applicable.

(ITEM 250) RECIPROCAL SWITCH CUSTOMERS ON LSRC

Reciprocal switch fee for the following locations, to or from HESR, will be assessed a \$330 per railcar charge.

Bay City MI:

- Omni Source
- S.C. Johnson
- Straits Wood Treating

Essexville:

- Consumers Power Company
- Saginaw Bay Fertilizer

Midland MI:

- Dow Chemical
- Dow Corning

Saginaw MI:

- Crop Production Services
- Nexteer
- Rifkin Scrap Iron & Metal

(ITEM 260) RECIPROCAL SWITCH ABSORBSION

LSRC shall absorb a maximum of \$330.00 per car for a reciprocal switch if applicable.

(ITEM 270) TURNING A RAILCAR

Where a railcar must be turned around, a \$500.00 per car charge will be assessed to the party requesting, or requiring, the service.

(ITEM 280) HANDLING OF EMPTY FREIGHT CARS

There will be a \$425.00 per car charge for any empty railcar moved without a corresponding revenue loaded move. This charge is in addition to any applicable freight, switching and demurrage charges and is subject to LSRC 7676 FSC.

(ITEM 290) CAR(S) RECEIVED IN ERROR

Car(s) empty or loaded, delivered to LSRC in error will be subject to a \$275.00 per car switching charge for returning car(s) to carrier responsible for delivery error or forwarding car(s) to proper carrier within the same switching district. Charge for this service will be assessed against the carrier responsible for the car(s) being delivered in error.

If car(s) are held by LSRC awaiting disposition from the carrier making the delivery error, an additional holding charge of \$50.00 per day will be assessed to the responsible carrier for each day, or fraction thereof, car is held beginning with the first full calendar day (00:01) following written notification that car is being held for disposition until disposition is furnished.

(ITEM 300) CHARGES ON CARS RECEIVED WITHOUT NECESSARY FORWARDING DATA

When a car, empty or loaded, is received from a connecting line without necessary data for forwarding and must be classified to a hold track, a \$275/car penalty charge will be assessed against that delivering carrier. In addition, the car(s) awaiting instructions will be under continuous demurrage charges or rules in accordance with tariff LSRC 6000.

(ITEM 310) CAR(S) EMPTY RELEASED BY CUSTOMER WHEN NOT PHYSICALLY UNLOADED

A \$330.00 per car fee will be assessed to any customer found to be empty releasing a railcar when said railcar is still physically loaded. The same charge will apply when a railcar is empty released, pulled from the industry, and is found to be still partially loaded and must be re-spotted to the industry for complete unloading.

(ITEM 320) SPECIAL TRAIN SERVICE

The term "Special Train" as used in this tariff means the movement of freight between, or at, stations on the LSRC on Saturday, Sunday, Holidays or at any time Monday through Friday other than normal service times.

LSRC holidays are defined for purposes of this tariff as: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving Day, Christmas Eve and Christmas Day.

All special train movement must be approved by LSRC operations. A fee of \$7,500.00 will be charged per special train movement. This charge is in addition to any applicable freight, switching and demurrage charges.

(ITEM 330) SPECIAL CAR RESTRICTIONS

Any car in excess of 10'8" wide or 15'9" high or 73' long for flatcars or 60' for all others and/or in excess of 286,000 lb gross weight must have written permission from LSRC prior to interchange and will be charged a \$330.00 per car charge.

Any cars received, as described above, without prior authorization will be subject to a \$2,500.00 per car charge. This charge is in addition to any applicable freight, switching and demurrage charges.

Any cars received, as described above, needing special train service will be subject to the above charges in addition to the charges outlined in (ITEM 320).

(ITEM 340) TRACK LEASE AND TEMPORARY STORAGE

- A. LSRC owned/controlled tracks maybe leased, subject to availability, pursuant to terms and conditions provided by the LSRC.
- B. Storage cars subject to demurrage and switching charges outlined in tariff LSRC 6000.
- C. Hazardous cars must have prior authorization.

(ITEM 350) MINOR ADJUSTMENT OR INSPECTION

Where LSRC provides a minor service that should have been taken care of by you or a party related to your shipment, a charge of \$285.00 per car applies. A few examples where this charge would apply include but are not limited to, closing doors, hatches, gates; secure tie down devices on empty car(s); applying seals, inspecting a car and removing dunnage. Loaded car(s) will not be moved unless all doors, hatches, gates and tie-down devices are secured.

(ITEM 360) CAR ORDER FOR FOREIGN CARS

Customers must place a foreign car order through LSRC's Customer Service and provide the following information:

- A. Specific number of car(s) needed
- B. Requested placement date
- C. Commodity to be loaded
- D. Destination to which car(s) will be billed

Car orders must be placed by contacting LSRC Customer Service via:

Phone - 989.393.9809

Email - customerservice@lsrc.com

(ITEM 370) CAR ORDER CANCELLATION FOR FOREIGN CARS

The customer, or ordering party, will be responsible for any and all charges assessed to the LSRC for the returning of ordered foreign cars that were unused by said customer or ordering party.

(ITEM 380) EMPTY CAR(S) FURNISHED BY LSRC AND NOT USED

Empty car(s) that are ordered or return empty for loading and the service of switching or placing has been performed and the car is NOT loaded and returned to LSRC empty, the switching charge for this service will be \$500.00 per car and must be collected from the industry ordering such car(s).

EXCEPTION: This charge will not apply on car(s) refused or rejected account defective.

(ITEM 380) DEFINITIONS OF ABBREVIATIONS AND REFERENCE MARKS

- AAR Association of American Railroads
- BOE Bureau of Explosives
- CFR Code of Federal Regulations
- LSRC Lake State Railway Company
- NSO National Service Order
- OPSL Official Railroad Station List
- RER Railway Equipment Register
- STB Surface Transportation Board
- UFC Uniform Freight Classification