

IOWA INTERSTATE RAILROAD, LTD.

FREIGHT TARIFF IAIS 9003
Amendment 1
(supersedes IAIS 9003)

MILEAGE BASED FUEL SURCHARGE TARIFF
APPLYING ON IOWA INTERSTATE RAILROAD, LTD. (IAIS)
LOCAL, JOINT AND PROPORTIONAL RATES.

SPECIAL NOTICE

The surcharge provisions of this tariff are issued and made effective solely for the purpose of offsetting increased fuel costs.

MILEAGE BASED FUEL SURCHARGE TARIFF

ISSUED: November 1, 2020

EFFECTIVE: January 1, 2021

ISSUED BY:

Vice President & Chief Commercial Officer
IAIS
5900 6th Street SW
Cedar Rapids, IA 52404

IAIS 9003 Amendment 1

SURCHARGE TO OFFSET FUEL COSTS

All tariffs, and all other pricing documents subject to this tariff shall be assessed a fuel surcharge based on rail mileage. Miscellaneous and accessorial charges will not be subject to this fuel surcharge.

A fuel surcharge will be assessed on all IAIS rate authorities referencing this tariff (see table below). Miscellaneous and accessorial charges shall not be subject to this fuel surcharge.

IAIS miles will be calculated using the mileages contained in ALK Technologies 'PC*Miller.'

The fuel surcharge shall be applied based on Bill of Lading date.

The foregoing surcharge will be billed against the payer of the freight charges.

FUEL SURCHARGE TABLE

When the U.S. Average Price of Retail On-Highway Diesel Fuel (HDF), as published by the U.S. Department of Energy and available from the Energy Information Administration at www.eia.doe.gov; exceeds an average of \$2.50 per gallon for the month 'Time Period', railroad retains the right to apply a Fuel Surcharge to the applicable freight charges in effect on the date the Fuel Surcharge is applied, hereinafter referred to as the "Base Freight Charge." If this option is exercised, the Fuel Surcharge will be applied according to the following table. Time Period is the second prior month.

Prior Time Period U.S. Average Price of On-Highway Diesel Fuel	Applicable Fuel Surcharge Per Rail Mile
\$2.50 to 2.549	\$.02
2.55 to 2.599	.04
2.60 to 2.649	.06
2.65 to 2.699	.08
2.70 to 2.749	.10
2.75 to 2.799	.12
2.80 to 2.849	.14
2.85 to 2.899	.16
2.90 to 2.949	.18
2.95 to 2.999	.20
3.00 to 3.049	.22
3.05 to 3.099	.24
3.10 to 3.149	.26
3.15 to 3.199	.28
3.20 to 3.249	.30
3.25 to 3.299	.32
3.30 to 3.349	.34
3.35 to 3.399	.36
3.40 to 3.449	.38

NOTE: For each five (5) cent per gallon increase thereafter, apply an additional two (2) cent per rail mile.

Beginning the month of January 2021, the effective date of the fuel surcharge will change as follows:

Effective one month from the first day of the then current month, the appropriate adjusted surcharge will be applied using the above table. The appropriate adjusted surcharge will be calculated, on the first working day of each succeeding calendar month, by averaging the price of HDF as calculated by the U.S. Department of Energy for the preceding calendar month. The appropriate fuel surcharge shall remain in effect until adjusted or removed.

Any fuel surcharge to be applied under this authority will be removed or reduced when the price of HDF remains below the price which triggers a specific surcharge amount for the prior time period. In no case will the freight charge(s) be reduced below the Base Freight Charge(s), nor will the application or removal be retroactive.

Example: Fuel Surcharge for January 2021 will be determined by averaging the price of HDF in November of 2020.