

Issued: June 30, 2020

Effective: July 1, 2020

# **IOWA INTERSTATE RAILROAD LTD.**



## **INTERMODAL RULES MEMORANDUM Amendment 5**

**(Intermodal Rules Memorandum Amendment 5 contains all changes)**

**Governing Publication of Rules & Charges  
Applying on COFC Shipments**

### **Notice:**

**This Directory's services and terms may be changed without notice. Shippers are advised that the services and terms in effect in this Memorandum on the date of shipment govern, and therefore are advised to obtain the version of this Memorandum in effect on the date of Shipment.**

**Issued by:  
Vice President and Chief Commercial Officer  
Iowa Interstate Railroad, Ltd.  
5900 6<sup>th</sup> Street SW  
Cedar Rapids, IA 52404**

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**◆ITEM 5: INTRODUCTION**

By order of the Surface Transportation Board, Transportation of Containers on Flat Cars (COFC) in interstate or foreign commerce, and certain truck transportation in connection therewith, are exempt from application of the Revised Interstate Commerce Act. As a result, such transportation is not subject to any rate, charge, practice, rule regulation, classification, tariff, etc., except as specifically provided herein.

This document constitutes an offer by the Iowa Interstate Railroad Ltd. to provide such exempt transportation. This offer is subject to withdrawal or change as provided herein. Except as otherwise agreed in writing, tender of an intermodal shipment involving rail service will constitute Shipper's acceptance of an agreement to be bound by this Rules Memorandum.

**◆ITEM 10: GENERAL APPLICATIONS**

The provisions of this circular are contractually adopted on COFC shipments originated by the Iowa Interstate Railroad Ltd., terminated by the Iowa Interstate Railroad Ltd., or when Iowa Interstate Railroad Ltd. performs intermediate line haul service.

The current price list or rate circular names the only points between which COFC service is offered pursuant to this circular. Rates named in the price list apply only between the points there named. There is no "intermediate" application.

Iowa Interstate Railroad Ltd. may elect to provide through transportation to and/or from points beyond its line of railroad, but such election will be solely at Iowa Interstate Railroad Ltd.'s discretion and will be only to the extent provided in the current rate Circular (price list).

Unless otherwise specified in the rate Circular, transportation of containers beyond points in the rate Circular must be arranged by shipper with such beyond carrier and Iowa Interstate Railroad Ltd. is not a party to any portion of such beyond arrangements.

Specific provisions or exceptions take precedence over general rules.

Transportation services provided by other carriers in conjunction with Iowa Interstate Railroad Ltd. are subject to the separate provisions and charges of those carriers providing such services. By using any of the rates published herein, the user agrees to abide by those terms and provisions.

Prices are quoted in US dollars only.

◆ **ITEM 15: DEFINITIONS OF TERMS**

◆	Addition/Update
▲	Increase
▼	Decrease

**AAR:** Association of American Railroads

**Bogie or Chassis:** A wheeled under-frame for attachment to a Container, with a device for coupling to a self-powered tractor for movement over the highway.

**Cargo:** The freight within or contents in a container.

**CFR:** Code of Federal Regulations

**Closed Container:** A closed container means a container which totally encloses its contents by permanent structures. Containers enclosed partly with tarpaulins, plastic sheeting, or similar materials will not be considered closed containers. For example, containers with curtain sides or tarpaulin roofs are not closed containers.

**COFC:** A Container mounted flush on an Intermodal flat car or double stack car.

**Consignee:** The receiver of a shipment.

**Container:** A reusable shipping conveyance without bogies or chassis especially designed to facilitate the carriage of goods by one or more modes of transport and fitted with devices permitting its ready transfer from one mode of transport to another, and which is constructed so as to enable the attachment of removable bogies or chassis for further transportation.

**Cross-town:** A truck or rail movement of a container between one terminal and another.

**Destination:** The precise location at which property is delivered by carrier to consignee.

**Detention:** Period of time a container remains at a customer's facility for loading and unloading.

**Double Stack Car:** A railroad car on which two Containers can be mounted one above the other.

**Drayage:** The truck portion of an intermodal movement.

**Drop (or Dropped):** Leaving a container at or near the Shipper or Consignee's premises at a designated location.

**EDI (Electronic Data Interchange):** The process of sending and retrieving information electronically.

**Embargo:** To temporarily control, resist or prohibit the acceptance and handling of certain commodity or shipments from a specific shipper or restriction on certain types of intermodal units. An embargo may be caused by acts of God such as tornadoes, floods, inclement weather, congestion, or result from an activity that is beyond the control of IAIS.

**Flip:** The placement of a container from the ground to a chassis or from a chassis to the ground.

**Gate:** A point at an intermodal terminal where an intermodal unit is electronically or manually checked into or out of the intermodal terminal. All reservations and paperwork are checked at the gatehouse.

**Gross Weight:** Total weight of container including cargo.

**Ground:** The removal of a container from a rail car and placement onto the ground.

**Holidays:** New Year's Day (January 1<sup>st</sup>), Memorial Day (last Monday in May), Independence Day (July 4<sup>th</sup>), Labor Day (First Monday in September), Thanksgiving Day (fourth Thursday in November), Christmas Eve (December 24<sup>th</sup>), Christmas Day (December 25<sup>th</sup>) and New Year's Eve (December 31<sup>st</sup>).

**In-bond:** When lading clears U.S. Customs at the ultimate destination instead of at the border or port of entry.

**In-gate:** The process of checking an intermodal unit into the intermodal terminal. The in-gate process includes inspection of the intermodal unit, reservation confirmation, the input of data in IAIS' computer system and filling out of the J-1 report.

**Interchange:** The transfer of possession of and responsibility for a container to or from another party.

**J-1 Report:** A report prepared during the in-gate and out-gate at the intermodal terminal. The J-1 details any visible damage to the intermodal unit, intermodal unit identification information, shipping information, drayman involved and time of in-gate/out-gate.

**Intermodal Services:** COFC transportation of a container between terminals, and/or motor carriage between a Shipper's premises and a terminal, between terminals and between a destination terminal and the consignee's premises.

**Lift:** The placement of a container on to or off a rail car.

**Notification or Notice**

- A.** Advising the consignor, consignee, or designated agent by telephonic, electronic data interchange, facsimile transmission or email, Monday through Saturday, except holidays, or in lieu thereof as agreed to in writing, that the container is waiting for shipping instructions or for the notify party to obtain the container.
- B.** Advice to the carrier's local agent by consignor, consignee, or designated agent by telephonic, electronic data interchange, facsimile transmission or email, Monday through Saturday, except holidays, or in lieu thereof as agreed to in writing, that the container is ready for forwarding or is unloaded.
- C.** Removal of container by consignor, consignee, or designated agent as the case may be, from railroad ramp location prior to telephonic, electronic data interchange, facsimile transmission or email.
- D.** Iowa Interstate Railroad Ltd. is not responsible if the notify party does not receive the fax or the facsimile fails.

**Notify Party:** The person or entity designated in the shipping documents to receive notification that a shipment is available to be picked up from a terminal.

**Out-gate:** The process of checking an intermodal unit out of an intermodal terminal. The out-gate process includes inspection by the trucker of the intermodal unit, and input of data into the IAIS' computer system and the preparation of the J-1 by the clerk.

**Origin:** The precise location at which property is delivered by consignor or their agent to Iowa Interstate Railroad Ltd. for transportation.

**Package:** Each individual shipping unit protecting the cargo within a container.

**Plan:** A type of Intermodal service, generally described in item 20.

**Reconsignment:** Delivery of a container to a point where it was not intended to go at the time of original shipment.

**Rez-1:** An independent company that handles all reservations and billing function for private equipment customers with a centralized system to manage assets through the Internet.

**Rule 11:** A railroad accounting term which refers to a shipment of a commodity that is transported "prepaid" over the lines of the origin rail carrier to an interchange point of another rail carrier for "collect" movement beyond the interchange point. Rule 11 must clearly be indicated on the original bill of lading along with the pricing authorities for each rail carrier's price applicable to each respective segment of the movement.

**Salvage:** The sale of damaged cargo in mitigation of damages.

**Shipment:** A quantity of freight tendered on one shipping order at one point of origin for one destination.

**SPQ:** Special Pricing Quote. A special price or different or additional contractual terms generated with respect to a shipment made at the request of a qualifying shipper.

**Stay-with:** A type of truck service where the driver remains with the shipper's or consignee's facility while the container is loaded or unloaded.

**Stop-off:** A drayage that includes at least two points where cargo is picked up or delivered to more than one dock or location by the same vehicle.

**STCC (Standard Transportation Commodity Code):** The STCC system is a 7 digit coding structure designed to classify all commodities or articles, which move or may move in freight transportation. The bill of lading or any other shipping instructions must clearly identify the commodity and its associated STCC number. Hazardous STCC must be listed first if also associated with additional STCC of FAK.

**Storage:** Period of time a container remains at Iowa Interstate Railroad Ltd. Facility waiting for notify party to obtain the container.

**Tariff BOE 6000:** AAR, Bureau of Explosives, Tariff No. BOE-6000 Series and associated regulations and materials.

**Terminal/Ramp:** A facility for the interchange and handling of containers.

**Trailer:** A cargo vehicle equipped with a permanent undercarriage or wheel assembly, or a container mounted on a bogie or chassis, with a device for coupling to a self-powered tractor for movement.

**UIIA:** Uniform Intermodal Interchange and Facilities Access Agreement  
[www.uiia.org](http://www.uiia.org)

**UFC:** This is an abbreviation for the Uniform Freight Classification 6000-series publication, which classifies commodities by category, general rail industry shipping rules and samples of various types of bills of lading.

**Underlying Carrier:** A railroad or contract motor carrier engaged by IAIS to provide a transportation service.

**Vehicle:** A trailer or container with or without bogie or chassis attached.



**ITEM 20: PLAN NUMBERS/SERVICE CODES**

Plan numbers/service codes describe certain types of intermodal services and freight charges making references to this Rules Memorandum, unless otherwise specified, are described as follows:

<u>PLAN CODE</u>	<u>SERVICE</u>	<u>DESCRIPTION</u>
22	Railroad provides pick up at origin. Ramp service only at destination.	Freight loaded in or on railroad controlled equipment.
25	Ramp to ramp	Freight loaded in or on railroad controlled equipment.
27	Ramp service only at origin. Railroad provides delivery service/cross-town at destination.	Freight loaded in or on railroad controlled equipment.
42	Pick-up service at origin. Ramp service at destination.	Freight load/empty in or on steamship line equipment. Domestic container movements.
45	Ramp to ramp	Freight load/empty in or on steamship line equipment. Domestic container movements.
47	Ramp service at origin. Delivery service at destination.	Freight load/empty in or on steamship line equipment. Domestic container movements.
62	Pick-up service at origin. Ramp service at destination.	Freight load/empty in or on shipper supplied equipment.
65	Ramp to ramp	Freight load/empty in or on shipper supplied equipment.
67	Ramp service at origin. Delivery service at destination.	Freight load/empty in or on shipper supplied equipment.
82	Pick-up service at origin. Ramp service at destination.	International shipments with prior or subsequent waterborne movement. Stack operator or steamship line supplied equipment.
85	Ramp to ramp	International shipments with prior or subsequent waterborne movement. Stack operator or steamship line supplied equipment.
87	Ramp service at origin. Delivery service at destination.	International shipments with prior or subsequent waterborne movement. Stack operator or steamship line supplied equipment.

## **ITEM 25: GENERAL INDEMNIFICATIONS**

The shipper will be liable to Iowa Interstate Railroad Ltd. or any third party for property damage, personal injury or death proximately caused by or resulting from failure to comply with any requirement set forth in this Rules Memorandum. The shipper will defend and indemnify Iowa Interstate Railroad Ltd. and its affiliates, including underlying rail carriers and their parent companies and their respective officers, employees, directors, and agents harmless from and against any and all loss, damage, expense and claims for bodily injury, including death, to persons and damage to property caused by shipper, its agents, or employees as a result of failure to comply with any requirement set forth in this Rules Memorandum. The shipper will indemnify Iowa Interstate Railroad Ltd. for the cost of defending claims filed against Iowa Interstate Railroad Ltd. for such damage, including, but not limited to, reasonable attorney's fees, that arise out of shipper's failure to comply with any requirement set forth in this Rules Memorandum. Acceptance by Iowa Interstate Railroad Ltd. of a shipper from its obligations, including the obligation to defend and indemnify Iowa Interstate Railroad Ltd. The shipper of any container will be responsible for necessary environment cleanup and will cooperate with Iowa Interstate Railroad Ltd. to mitigate any loss and damage on an equitable basis.

Neither party shall be liable to the other for special, consequential or incidental damages arising from the interchange, or use of Iowa Interstate Railroad Ltd.'s services under this Rules Memorandum.

## **ITEM 30: AVAILABILITY OF THE RULES MEMORANDUM AND PRICE LIST (RATE CIRCULAR)**

This tariff as well as all IAIS tariffs is available on our website at <https://iaisrr.com/tariff-rates/> . Copies are also available upon request by phone 319-298-5419 or email at [rates@iaisrr.com](mailto:rates@iaisrr.com). This notice is provided to you pursuant to 49 C.F.R. § 1333 et. seq.

## **ITEM 35: GOVERNING PUBLICATIONS**

The rules and regulations of the following publications, and their amendments as issued, are hereby adopted for application on shipments in /COFC service, except as to application of charges for line haul transportation service:

- Loss and Damage claims Tariff STB No. 6001 series
  
- Official Railway Equipment Register STB-RER 6410 series
  
- Open and Prepay Station List STB OPSL 6000 series
  
- Standard Transportation Commodity Code STT 6001 series
  
- Uniform Freight Classification UFC 6000

- AAR Freight Claim Rules
- Bureau of Explosive Tariff No. BOE 6000 series
- Intermodal Loading Guide (published by the Association of American Railroads)
- Fuel Surcharge tariff IAIS 9001

In the event that provisions of any above named publications are inconsistent with the express terms of this Rules Memorandum, the terms of this Rules Memorandum shall govern.

**◆ITEM 40: SHIPPING INFORMATION / BILLING INSTRUCTIONS / Unit must be identified as a container to meet the IAIS EDI requirements. Any identified as a railcar can be rejected at any time!**

The following must be provided on all shipments tendered to Iowa Interstate Railroad Ltd. and contained in the bill of lading prior to or upon arrival at the receiving gate: (see ITEM 300)

- Equipment initial and number
- Shipment weight
- Rail shipper name
- Rail consignee name
- Notify party name and phone/fax number or email
- Equipment length
- Price authority
- COFC
- Seal number
- Origin ramp
- Destination ramp
- Route
- Hazardous material description if applicable
- Commodity and STCC number (7 digits)
- Actual shipper
- Actual origin city, state
- Actual destination
- Intermodal plan number
- Bill to party
- Prepaid or collect
- Rule 11 (yes or no)

The following should also be furnished when applicable:

- Bill of lading number
- Foreign contract numbers
- In bond, if applicable
- Special instructions
- Steamship line
- Vessel name
- Port
- Sailing date
- Ocean bill of lading number
- Booking number
- Value of shipment if over \$100,000

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**▲ITEM 42: ELECTRONIC BILLS OF LADING**

Iowa Interstate will require all Bills of Lading be submitted electronically through either EDI (Electronic Data Input) or EBOL (Electronic Bill of Lading). A fee will be charged for faxed or emailed submissions per our Rate Circular guide included in this publication. Please contact Director of Customer Service at 319-298-5426 for instructions with setting up electronic transmissions.

**FAILURE TO PROVIDE THE FOREGOING INFORMATION WILL CONSTITUTE A “NO BILL” SITUATION. (See ITEM 55)**

**All billing must be submitted via electronic data interchange (EDI).**

**SPQs will not be issued without EDI rail billing capabilities.**

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**◆ ITEM 45: BILL OF LADING**

**IOWA INTERSTATE RAILROAD  
INTERMODAL SHIPPING/ BILL OF LADING**

**All units moving without proper Rate Authority will move under Circular Rates**

Container:	Date:
Consignee: Address	Origin Ramp:
	Destination Ramp:
Shipper: Address:	Rate Authority:
	Plan Code:
	Connecting Line R.A.:

Please circle one

Freight Bill Party Address:	Rule 11: YES NO
	Freight Charges: PREPAID  COLLECT
Notify Party: Notify #	FAX TELEPHONE EMAIL
Weight:	Method: COFC
Seal Number:	Sizes: 20 40 45 48 53
Commodity:	Cross-town included: YES NO
STCC:	In-bond: YES NO
Bill of Lading Number:	*Hazardous Materials*: YES NO

**SPECIAL INSTRUCTIONS FOR DOOR TO RAMP OR RAMP TO DOOR MOVES:**

Pick-up at:	Pick-up or booking number:
Contact person:	Phone #

Billing instructions sent by:	
Telephone #	

**IF APPLICABLE PLEASE LIST THE FOLLOWING:**

In-bond number:	SS/Line:
Vessel Name:	Sailing Date:
Value of Shipment if Over \$100,000	Port:
	OBL:

\*If commodity is hazardous, shipper hereby certifies that the procedures in Iowa Interstate Railroad Ltd.'s Rules Memorandum have been followed. \*

**◆ITEM 50: TRANSPORTATION OBLIGATIONS**

If the type of service requested would require Iowa Interstate Railroad Ltd. to pick up or deliver empty or loaded containers at consignor's or consignee's place of business, the dock, platform, or loading or unloading facility of consignor and/or consignee, as the case may be, must be directly accessible to motor vehicle.

Iowa Interstate Railroad Ltd. will transport the shipment in accordance with the type of service specified by intermodal service code on the shipping order, with reasonable dispatch but not on any particular train or schedule.

If a shipment consists of more than one container, consignor may tender each such container separately within the time specified in the price list, so long as each is accompanied by a separate shipping order which also identifies the balance of the shipment, Iowa Interstate Railroad Ltd. may move each unit separately as tendered.

Containers will not be accepted by Iowa Interstate Railroad Ltd. without proper shipping instructions received. If a consignor frequently tenders containers at random, as loaded, Iowa Interstate Railroad Ltd. in its discretion may accept written standing request from an officer or proprietor of consignor, pursuant to this Rules Memorandum, as such containers are made available to Iowa Interstate Railroad Ltd.

Since Iowa Interstate Railroad Ltd. is required to report to the Surface Transportation Board the quantities of each commodity carried in otherwise exempt COFC service, the shipping order must identify commodities by STCC code, commodity description and weight thereof.

Any notation made upon shipping documents which is in any way inconsistent with the terms of this offer, or purports to enlarge, modify, or change it, shall be construed as a notation made for the private benefit and information of consignor or consignee, shall not be a part of any contract arising from this offer.

**◆ITEM 55: NO BILL/SHIPMENTS RECEIVED WITHOUT PROPER SHIPPING INSTRUCTIONS**

Containers received without proper shipping information (As provided in ITEM 40), will be considered "NO BILLS", and will be refused at the gate and or rejected later if missed at initial inspection.

## **ITEM 60: MISDESCRIPTIONS OF SHIPMENT**

Mis-description of shipping information shall result in a penalty charge per container to the party who tenders shipments in addition to any applicable rate differential. Mis-description of restricted commodities shall also result in penalties prescribed in ITEM 65 and ITEM 70, in addition to any applicable rate differential. Iowa Interstate Railroad Ltd. reserves the right to inspect shipments to insure conformity to billing information.

The current penalty charge rate can be found on our Rate Circular guide.

## **◆ITEM 65: ARTICLES/COMMODITIES PROHIBITED OR RESTRICTED UNDER FAK PRICES**

**Prohibited Articles/Commodities:** The following prohibited articles will not be accepted, and IAIS will not accept responsibility for these prohibited articles shipped in intermodal units. Any article named herein, shipped in violation of this item may be forfeited and will be assessed a surcharge of \$10,000 per intermodal unit. This surcharge will be in addition to the applicable FAK (Freight All Kinds) rate and any other applicable to the prohibited article shipped.

- Any article, product, commodity, or substance considered to be illegal contraband by any state or federal government entity, forbidden to be owned, possessed or forbidden to be transported by any government entity.
- Blacks (carbon, gas or oil blacks), lam blacks or vegetable blacks, dry NEC, not activated, no dyes or dyestuffs when loaded in railroad-controlled equipment.
- Coal or coke when loaded in railroad-controlled equipment.
- Forage Products (hay, straw, and corn stalks) loaded in containers loose or loaded in containers baled with moisture levels equal to or greater than fourteen (14) percent.
- Hazardous materials or asbestos, Class 6 or any subsidiary Class 6, radioactive material, hazardous waste or liquids, as described in the current edition of DOT - 49, parts 106-180 Hazardous Materials Regulations and the Hazardous Materials section of this memorandum when shipped in railroad-controlled equipment.
- Hides, furs, pelts or skins, green or green salted, when shipped in railroad-controlled equipment.
- Municipal garbage waste, solid, digested and ground, fertilizer material when shipped in railroad-controlled equipment.
- Municipal garbage waste, solid, digested and ground, other than sewage waste or fertilizer when shipped in railroad-controlled equipment.
- Sodium compounds when shipped in railroad-controlled equipment.
- Batteries, used, (electric) spent, with or without chemicals having value for reclamation of materials.

**Restricted Articles/Commodities:** The article of cargo described below will not be accepted for shipment under FAK prices, but will only be accepted pursuant to an SPQ. Any articles named herein shipped in violation of this item will be assessed a surcharge of \$6,000 per intermodal unit. In addition, if mis-described, shipper releases IAIS and its underlying carriers and contractors from, and will indemnify them against, any liability for loss of or damage to cargo and any other claim or loss, cost, damage or expense arising from or relating to the mis-description and an additional charge per item will be assessed against shipper.

- Aircraft, aircraft parts, airplanes, airplane components, helicopters, helicopter parts, or components, or any other instrumentality used for flying.
- Ammunition, small arms, described as Class C Explosives in Tariff BOE 6000 or as described in item 5980 of UFC.
- Animals, game, fowl, or poultry, live, refrigerated, frozen, fresh meat and packing house products and dressed poultry as described in items 67780 through 68010 of UFC 6000-series.
- Animals, fish, or fowl, trophies, stuffed or mounted, or research cadavers.
- Any commodity shipped in bladder bag packaging. (see note G)
- Articles likely to damage freight equipment or other cargo as described in Rule 4 of UFC.
- Articles of extraordinary value as described in Rule 3 of UFC.
- Asbestos products as described in item 6400 of UFC.
- Asbestos insulation as described in items 53170, 53210, and 53350 of UFC.
- Asbestos, crude as described in item 6450 of UFC.
- Asbestos, scrap as described in item 6600 of UFC.
- Biphenyls, polychlorinated (PCB)
- Bulk commodities (see note A) except when moving in shipper containers (see note G).
- Carbon black. (see note B)
- Ceramic pottery, glassware, crystal, and china other than those shipped at a released value of 35 cents per pound.
- Cigars, cigarettes, snuff and manufactured tobacco products as covered in item 26880 of UFC. Shipper is solely responsible for ensuring that any cigarettes or tobacco products tendered for shipment in an intermodal unit are protected with a waterproof barrier that is not less than five millimeters thick. Note: failure by shipper to secure and completely enclose any cigarette or tobacco products shipment, as required herein, will relieve IAIS from any loss or damage to shipment caused by moisture.
- Coal or coke unless shipped in privately owned or controlled intermodal units with the cargo properly packaged, secured, blocked and braced for rail transportation.
- Coins, currency, valuable or negotiable documents of any kind.
- Commodities requiring protection for heat or cold.
- Explosives as described in Classes A and B in Tariff BOE 6000-series.



- Extraordinary value, generally items where the size of the items bears little relationship to the value of the cargo or an item whose value cannot be accurately accessed by its designation, such as: bank bills, coin or currency, deeds, drafts, notes or valuable papers of any kind; carcasses; jewelry, other than costume or novelty; postage stamps; United States mail of any class; precious metals or articles manufactured there from; precious stones, revenue stamps; antiques; collectibles; or other related or unrelated old, rare or precious articles of extraordinary value, and all individual items worth more than \$10,000 each or where an intermodal unit shipment of the commodity is worth more than \$250,000.
- Fish, shellfish, crustaceans, fresh or frozen.
- Forage products of all kinds that are not also prohibited commodities.
- Fresh fruits or vegetables, of any kind.
- Green, green salted, pickled or dry hides, pelts or skins (not dressed or tanned only) (see note B).
- Hazardous wastes including waste.
- Hides, furs, pelts or skins, green or green salted, unless shipped in privately owned or controlled intermodal units with cargo properly packaged, secured, blocked and restrained for rail transportation. All shipments must be properly lined with a durable liner to prevent any leakage. The waybill shipper will be responsible for all associated cleanup costs of facilities and any equipment remediation that may occur for any hide, pelt or fur shipment documented to be leaking on IAIS property or any of its underlying carriers.
- House or building sections, modular, and factory manufactured, with or without heating, air conditioner and plumbing equipment, electrical wiring and fixtures, refrigerators, stoves or cabinets installed.
- Household goods, furnishings, or furniture. (see note D)
- Ice, ice cream, and/or frozen novelties.
- Iron oxide slurry residue for extraction of iron.
- Lime sludge or waste.
- Livestock.
- Loaded temperature-controlled containers billed as FAK (Freight ALL Kinds), or any temperature-controlled shipments.
- Marine vessels of any kind including ships, boats, canoes, launches, yachts or sailboats.
- Medical equipment, medical supplies or medical hardware including x-ray, CT scanning and MRI devices.
- Medicines, drugs, pharmaceuticals, prescription and non-prescription medication.
- Metal or metal products including, but not limited to, those shipped in coils, rolls, reels, rods, sheets, plates or spools when the gross weight of the product and packaging exceeds 3,500 (1591 kg) lbs. per package. (see notes, D, H, I, J)
- Military communication outfits, telegraph, telephone or teletype, including necessary radio equipment.
- Military tracking, radar, communications equipment, electronics or surveillance equipment.

- Missiles, rockets, guided: guidance systems or electronic guidance control apparatus; or mobile missile guidance control systems, missile or launching apparatus and related equipment.
- Any items moving in conjunction with a military field exercise.
- Motor vehicles, freight or passenger, or combination of freight and passenger.
- Outfits, radio repair or public address or television.
- Over dimensional shipments. (see note E)
- Personal effects.
- Pipe, loose, when moving in reefer equipment.
- Plants, living or fresh cut including Christmas trees, floral or nursery stock.
- Poisons, DOT classified, when moving in reefer equipment.
- Potatoes.
- Precious metals or stones or articles manufactured there from.
- Radioactive materials as described in items 80761 to 80768 of UFC.
- Railway wheels, new or used, when moving on other than flatbed containers.
- Raw wooden logs when shipped in railroad-controlled equipment.
- Rubber shavings or turnings.
- Scrap, except when palletized or in barrels.
- Trainers, air flight, or flight training aids or devices, electronic; or such articles combined with or shipped with communication equipment or outfits, electronic in boxes, crates or mounted on automobiles or trailer vehicles, as described in item 35325 of UFC.
- Used business equipment, office furnishing or furniture.
- Used machinery, equipment, auto parts; assembled or in components.
- Used tires.
- Waste, municipal garbage as described in item 96137 of UFC. (see note C)
- Watermelons.

**Notes:**

- A. For the purposes of this Item, the term “bulk commodities” includes any cargo shipped loose or in mass which must be shoveled, scooped or forked for handling and which is not in packages, nor units of such size as to readily and expediently permit handling piece by piece.
- B. This restriction does not apply to shipments moving in shipper containers.
- C. IAIS prohibits the loading of municipal garbage waste in any equipment it utilizes. Any party loading municipal garbage waste in IAIS supplied equipment will be subject to a \$5,000 assessment per occurrence and will be responsible for disposition of the waste and cleaning of the equipment, and for all other associated costs.
- D. An indemnification and waiver will be required from shipper for each instance (metal products see H),
- E. Over Dimensional loads must be pre-approved, and move via SPQ only.
- F. Hazardous materials need special handling, please see next item.
- G. Bladder bag packaging is not acceptable for shipping any commodity (hazardous or non-hazardous) on the IAIS.

- H. Concentrated metal product of 3,500 lbs. total or less does not require an indemnification agreement.
- I. Concentrated metal products in excess of 3,500 lbs. each are to move in containers only.
- J. Concentrated metal products in excess of 12,500 lbs. (5681.8 kg) will not be accepted.

IAIS reserves the right to refuse commodities in addition to those listed in this item at its sole discretion.

**◆ ▲ ITEM 70: HAZARDOUS MATERIALS**

1. In the event the load contains hazardous material, the consignor must certify on the shipping document that the consignor has complied with all appropriate federal or governmental regulations governing the transportation of such hazardous commodities, including, but not limited to, regulations concerning loading, blocking and bracing, placarding, commodity mix, and commodity containers. Failure to comply with such regulations shall make consignor liable for all loss or damage sustained by Iowa Interstate Railroad Ltd., its employees or by third parties resulting in whole or in part from such failure to comply; and consignor shall further indemnify and hold harmless Iowa Interstate Railroad Ltd. from the cost of any spill, response, mitigation, cleanup and ultimate disposal expense resulting from such failure to comply.

The shipper is solely responsible for and will indemnify Iowa Interstate Railroad Ltd. against all property loss, damage, injury, death or any other liability, including fines, Iowa Interstate Railroad Ltd. cost, attorney fees and all expenses, resulting from any spill, response, mitigation, cleanup or disposal due to shipper's non-compliance with the obligations outlined in the Rules Memorandum. The shippers responsibilities outlined in this Rules Memorandum apply regardless of any negligent act or omission by Iowa Interstate Railroad Ltd. that contributes to such loss, damage or cost. The shipper is solely responsible for paying any detention, storage or additional transportation charges relating to handling and removal of hazardous shipments from Iowa Interstate Railroad Ltd.'s facilities.

2. When hazardous materials are transported, consignees at the time of unloading must remove all placards, lading, dunnage, blocking, bracing, strapping and any and all material that was part of the inbound shipment, including all residue thereof, and must otherwise treat the containers that have carried the hazardous material so that when the containers are released by the consignee they are completely unloaded and not accompanied by any residue of the lading previously carried.

Where consignee fails to unload a container completely and so that it is free of contamination from any residue of the lading previously carried, shipper and consignee shall hold harmless and indemnify Iowa Interstate Railroad Ltd. against all third party claims for damage and/or contamination to subsequently-loaded lading

and for all other damage including personal injury, resulting from consignee's failure to unload and decontaminate the container. In such instance, the shipper and consignee shall, at Iowa Interstate Railroad Ltd.'s request, assume the defense of any and all lawsuits, administrative actions, or other proceedings or claims brought against carrier because of the failure to unload completely or decontaminate the container.

3. In the event that Iowa Interstate Railroad Ltd. discovers that a consignee has failed to unload completely a container that has moved COFC service and has been released by the consignee, Iowa Interstate Railroad Ltd. at its sole option may return the equipment to the consignee for completion of unloading, or carrier may remove and dispose of any material remaining in the container in accordance with the requirements of the applicable statutes and regulations. Iowa Interstate Railroad Ltd. shall be entitled to reimbursement by the consignee for the costs for transporting the refuse to the point at which it will be removed from the container, these cost to include necessary costs to decontaminate the container and reasonable administrative costs incurred by Iowa Interstate Railroad Ltd. and assignable to the unloading and disposition of the material left in the container. Consignee shall be responsible to remove all Hazardous Material Placarding per DOT regulations. If Iowa Interstate Railroad Ltd. is required to remove placarding, consignee shall be responsible for any additional detention charges until placards are removed plus actual cost of removing placard plus a 20% handling fee or \$100.00, whichever is greater.
4. Shipper must get permission from an authorized IAIS representative prior to shipping hazardous materials on IAIS property. If granted permission, a hazardous materials surcharge will be added to the normal freight invoice in the amount of \$150 per load.

#### **ITEM 75: SHIPMENTS REQUIRING PERMITS**

Where federal, state, or municipal regulations or laws require the securing or providing of special permits, bonds or escorts, arrangements must be made by consignor or consignee and all additional cost involved in securing or providing such permits, bonds or escorts and, in complying therewith, must be paid by the consignor or consignee.

#### **ITEM 80: SHIPMENTS REQUIRING US CUSTOMS CLEARANCE**

Shipments moving in-bond for US Customs Clearance at an Iowa Interstate Railroad Ltd. rail facility will not include the transportation, unloading, segregating or reloading of freight is the required to accomplish US Customs Clearance. Such transportation, unloading, segregating and reloading of freight is the responsibility of consignor and/or consignee.

◆ **ITEM 90: DRIVER LOADING / UNLOADING FREE TIME AND CHARGES**

This item has been eliminated.

**ITEM 95: EQUIPMENT DETENTION CHARGES**

Following expiration of free time, container detention charges shall be assessed by Iowa Interstate Railroad Ltd. as provided in the current Rate Circular. Such charges shall continue to accrue while containers remain in actual or constructive possession of consignor or consignee for any reason whatsoever. Provided, that in the event a container supplied by Iowa Interstate Railroad Ltd. becomes lost or stolen, the person who received it from the Iowa Interstate Railroad Ltd. shall report such incident to Iowa Interstate Railroad Ltd. in writing and detention charges shall cease from the date of receipt of request for casualty value. Consignor agrees to pay Iowa Interstate Railroad Ltd. the casualty value, within fifteen (15) days of receipt of invoice, or detention charges shall be reinstated retroactive to the report date and shall continue until casualty value has been paid or container returned to Iowa Interstate Railroad Ltd. Should the container be found after such settlement, Iowa Interstate Railroad Ltd. will refund settlement amount less the cost to repair said container, if any, without interest, and detention charges shall be reinstated from date of original report to date container returned to Iowa Interstate Railroad Ltd. Notification is not required to inform shipper of detention charges. Following expiration of free time, all days including Saturday, Sunday and Holidays become chargeable detention days.

**ITEM 100: CHARGES FOR EQUIPMENT NON-UTILIZATION**

If an order for equipment is canceled by the shipper after the equipment has begun to move to consignor, or if the equipment is not utilized for line-haul transportation via Iowa Interstate Railroad Ltd., a charge will be made as provided in the current Rate Circular. Such charge will be in addition to any drayage cost, detention and/or storage charges, which may become due under the provisions of this contract.

The cancellation charge will be waived by Iowa Interstate Railroad Ltd. if it determines that consignor was unable to load equipment because it was unsuitable. Consignor must give notice to Iowa Interstate Railroad Ltd. as soon as any condition preventing loading becomes known to consignor.

◆ **ITEM 105: DIVERSION OR RECONSIGNMENT**

Diversion or re-consignment will constitute any of the following actions:

- A. A change in the name or address of consignor or consignee or both.
- B. A change in the place of delivery within the original billed destination ramp delivery area.
- C. A change from the original billed destination intermodal facility to any point beyond to which intermodal service and rates are available.

- D. Adding stops to partly unload within original billed destination ramp delivery area.

A request for diversion or re-consignment must be confirmed in writing and sent to the Iowa Interstate Railroad Ltd. A charge will be assessed as stated in the current Rate Circular. Iowa Interstate Railroad Ltd. will make a diligent effort to execute a proper request for diversion or re-consignment, but will not be responsible if such service is not affected. Only one such service per shipment will be permitted. For changes under paragraph C, above, billing change must be received prior to departure from original ramp facility.

If the diversion or re-consignment requires delivery to a point not within the boundaries of the original billed destination delivery area, Iowa Interstate Railroad Ltd. will assess shipper for the difference in the delivery price for the new destination (if greater) in addition to the charge(s) described above.

If a container needs to return to the point of origin, the IAIS must be informed in writing. The return request must be confirmed before new billing is sent. Before new billing is sent the IAIS must be aware of new billing so the out-gate process can be completed; new billing would then be accepted. No billing will be accepted, nor storage waived if the IAIS has not confirmed it will move back out on the IAIS.

#### **ITEM 110: CHANGES TO SHIPPING INSTRUCTIONS**

Changes and cancellations to shipping instructions and/or notify party information made via EDI can be made for no additional charge. All changes made to any Intermodal unit's destination will be handled as a diversion.

#### **CANCELLATIONS**

Cancellations to billing submitted by shipper may be canceled any time prior to the customer tendering the shipment. Shipment tender occurs when the Intermodal unit is ingated at an IAIS terminal or release of train.

#### **CORRECTIONS**

Corrections to billing submitted by shipper may be made any time prior to grounding of the Intermodal unit at a destination on IAIS, or prior to interchange to connecting railroads. Billing corrections are subject to the following provisions:

##### Correction of Shipment Movement Information

A. Corrections to billing documents will not allow changing the shipment route; junction, rail destination or information that could alter the movement of the shipment once the Intermodal unit has been tendered for movement.

B. Once an Intermodal unit has been tendered for shipment, the Intermodal unit will move according to the billing information provided at time of tender.

C. If the shipper desires to alter the movement of a tendered shipment via a rail carrier other than IAIS, the shipper is responsible for out-gating the shipment upon arrival at the original tendered destination. The customer will be responsible for applicable freight rates, surcharges and accessorial charges, without free time.

D. If the shipper decides to remove equipment prior to outbound line-haul movement a \$200.00 charge will be assessed. The shipper will also be subject to applicable accessorial charges without free time.

Correction of Notify Party Information:

A. The shipper is responsible for providing IAIS the correct notify party information to tender.

B. Changes to notify party information (care of party, notify party, notify party phone or fax numbers, consignee and consignor) will not be allowed after the Intermodal unit has arrived and been ground at destination.

C. IAIS will not waive applicable freight, surcharge or accessorial charges if the notify party number is incorrect.

D. If the notify party wants to dispute the notification, the notify party must contact the shipper of record, and the shipper of record must authorize any related accessorial charges to IAIS prior to Intermodal unit being out-gated at the Intermodal terminal. If the shipper of record does not authorize payment, the original notify party on the waybill will be responsible for all related accessorial charges.

**ITEM 115: OVERSIZE LADING**

When lading exceeds length, or width of equipment, or overall height of equipment and lading exceeds 13' 6", special advanced arrangements must be made. Iowa Interstate Railroad Ltd. shall be under no obligation to move oversize shipments, and acceptance of such shipments shall be at its sole discretion.

**ITEM 120: EQUIPMENT ACCEPTANCE AND INSPECTION**

1. When Iowa Interstate Railroad Ltd. provides containers, consignor has the responsibility for inspecting those tendered, and rejecting any which is not in suitable condition to protect and preserve the lading during transportation.
2. Iowa Interstate Railroad Ltd. shall not be liable for loss or damage to lading caused by defects in containers, which could have been discovered by reasonable inspection by shipper prior to loading.
3. Iowa Interstate Railroad Ltd. retains the right, but has no obligation, to inspect and/or weigh shipment at time it is offered or any other time it is in Iowa

Interstate Railroad Ltd.'s possession to insure that it complies with safety requirements and billing description. Failure of Iowa Interstate Railroad Ltd. to inspect a shipment shall not make it responsible for any loss or damage, which might have been discovered by such an inspection.

#### **ITEM 125: COMPLIANCE WITH HIGHWAY LAWS**

On any shipments requiring over-the-road service, gross weight of container and lading must conform to and not exceed all federal, state, and local regulations, and consignor and consignee, jointly and severally, shall retain responsibility for such compliance. If any shipment is discovered not to conform to these regulations upon arrival at Iowa Interstate Railroad Ltd.'s facility, the shipment will be rejected at the gate. If discovery is made while the shipment is enroute, the container will be removed from conveyance and the shipper will be responsible at its expense to adjust the load.

#### **ITEM 130: UNIFORM INTERMODAL INTERCHANGE AGREEMENT**

IAIS is currently members of the UIIA. Therefore, all motor carriers engaged by shipper to pick up or drop off loaded or empty containers at one of IAIS terminals must have current Uniform Intermodal Interchange Agreement and match IAIS requirements.

#### **ITEM 135: SAFETY LOADING REQUIREMENTS**

In no instance may the maximum gross weight of a container exceed 65,000 pounds. Maximum gross weight is the gross cargo weight plus the total container weight. If an overweight shipment is discovered after arrival at an Iowa Interstate Railroad Ltd. facility, the shipper will be notified to retrieve the container at its sole expense. When the plan shipment requires the consignor to load the container, responsibility for adequate loading, blocking and bracing of the shipments lies entirely with consignor.

Weight distribution: Containers are designed for uniform load distribution. Lading weight in containers must be evenly distributed both crosswise and lengthwise. It must be equally distributed between the rear tires and the king pin. Lading is required to be secured in such a manner to prevent it from shifting either crosswise or lengthwise during transport where it would affect safe weight distribution or position in container.

In loading heavy or concentrated weight commodities, no more than 25,000 pounds may be uniformly distributed over any 10 linear feet within the container. On lading with small supporting bases, no more than 3,500 pounds may be concentrated on a floor area of less than 25 square inches (minimum dimension 3.1"x "8") with such areas no closer than 35" to one another.

Container doors are not designed or constructed to restrain longitudinal movement of lading under normal railroad operating conditions. Lading must be loaded and restrained adequately to prevent it from exerting excessive pressures against doors, walls or ends of



containers that might cause their failure. Shipper must provide seals and/or locks to secure the door adequately to protect the lading.

IAIS will not be responsible for any damages caused by failure of the shipper to properly block, brace, or load the lading. The shipper is liable for damages, fines, personal injury, or death resulting directly or indirectly from failure to properly block, brace, or load the lading. In addition, if a car is set out of a train enroute because of improper blocking, bracing, or loading, the shipper shall be responsible for any costs incurred by IAIS plus a 10% handling fee. If a shipment causes a derailment or other damages, due to improper blocking, bracing, or loading, all expenses plus a 10% handling fee shall be the responsibility of the shipper.

#### **ITEM 140: WEIGHING OR REWEIGHING**

1. Iowa Interstate Railroad Ltd. reserves the right to weigh any shipment for the purpose of checking weight for revenue billing and to determine whether same conforms to state, federal and municipal laws as to maximum weight.
2. When consignor improperly loads shipment or when weight of shipment is not properly shown on the shipping document, consignor will be responsible for payment of any fines, weigh charges and transfer charges that result from shipment being in violation of any state, federal or municipal weight laws. In addition, consignor will be assessed a penalty charge as provided in the current Rate Circular.
3. When a container is weighed or reweighed either empty or loaded, at the request of either the consignor or consignee, the charge for each such weighing or reweighing will be that as is found in the current Rate Circular. This service will be performed only at origin or destination ramps where scales are available. Any cost incurred for dray to perform this service will also be charged to the requesting party.

#### **ITEM 145: REPACKAGING SHIPMENTS**

If a shipment requires adjustment, recouping or repackaging in transit, the consignor is required to pay the cost, unless caused by the sole negligence of Iowa Interstate Railroad Ltd.

If Iowa Interstate Railroad determines an intermodal unit is unsafe for movement, IAIS will notify the shipper immediately and obtain authorization to break the seal. It is the sole discretion, of IAIS, to determine whether or not to transload the unit. The shipper will be responsible for all applicable charges.

#### **ITEM 150: STORAGE CHARGES**

- Containers held at origin per shipper's request shall be assessed storage charges at the rate started in the current Rate Circular with no free time allowed.

- At destination, containers awaiting consignee to arrange for delivery shall be assessed storage charges at the rate started in the current Rate Circular from time of notification until picked up with the following free time allowed:
  - Day of notification plus two calendar days;
  - Sunday and Holidays that the facility is not open, as published in the current Rate Circular, shall not be calculated in the free time.
- If IAIS is to arrange for pick up or delivery of shipment, IAIS will schedule an appointment with shipper/consignee. If through no fault of IAIS, the pickup and/or delivery attempt fails, a charge of \$200.00 per attempt will be assessed to the shipper along with any additional drayage charge and any applicable storage charges. Storage charges will commence the first 12:01 AM after attempt and shall continue until delivery.
- If the shipment is considered to be **In-bond** and is awaiting custom clearance the following free time will be allowed:
  - Day of notification plus two calendar days; Regardless of Sunday or Holidays
- See current Rate Circular for daily storage rates.
- See current Storage chart for clarification.
- If a container is in storage, IAIS terminals will not allow the container to be out gated unless a guarantee for charges is received.
- IAIS is a participant of Pay Cargo. Please contact [receivables@iaisrr.com](mailto:receivables@iaisrr.com).

◆ **ITEM 155: SHIPPER FURNISHED EQUIPMENT**

Shipper furnished containers must be of suitable design and construction for safe intermodal service on railcars, streets and highways. This includes, but is not limited to AAR specifications M-930, M-931 and M-942 specifications. Shipper furnished containers must meet state and federal governmental safety and licensing regulations.

Shipper must reimburse Iowa Interstate Railroad Ltd. for all mechanical/tire repairs required, regardless of ownership, made by the Iowa Interstate Railroad Ltd. in accordance with AAR Rules. Iowa Interstate Railroad Ltd. is not required, nor obligated, to obtain advanced approval of shipper to perform repair required per AAR Rules. Containers must otherwise comply with all applicable rules for safe lifting containers to or from flatcars and protection of equipment. No claim for cosmetic damage will be accepted for any container. Cosmetic damage is defined as damage that may obstruct the appearance of a container but does not impair the structural integrity of it. No claim will be accepted for the interior of the container unless such damage is associated with exterior damage which impairs the structural integrity, provided such damage occurred during movement via Iowa Interstate Railroad Ltd. arranged services and was caused by Iowa Interstate Railroad Ltd. or its contractors or carriers. Damages to a container which does not meet the AAR M-930, M-931, and M-942 specifications will not be accepted. In the event responsibility for damage is accepted, payment will only be made for reasonable repairs to such container in accordance with the AAR's COFC interchange rules.

### **ITEM 160: CHASSIS, CONTAINERS (WITHOUT WHEELS)**

Containers loaded flush on flatcar will be transported between points having container on flatcar (COFC) capability, subject to the following:

- Shipper must provide for a chassis (or other equipment) suitable for over-the-road movement of container from or to terminals at shipper's expense.
- As stated in the current Rate Circular, shipper shall be subject to a charge for a flip if there is:
  1. A flip from one chassis to another upon customer's request at origin or destination;
  2. Or a chassis is not available at the time of train unloading at destination.
- Chassis will be accepted one calendar day in advance of scheduled train arrival.
- Chassis will be stored at no charge for day of receipt and the following calendar day.

### **ITEM 165: TREATMENT OF CHASSIS**

Unless otherwise agreed in writing, IAIS will not furnish chassis (or other equipment) to enable the pickup or delivery of containers at IAIS terminals. For the purposes of this section, all chassis are provided for by parties other than IAIS.

### **ITEM 170: DUNNAGE**

1. Any temporary blocking, flooring or lining, racks, standards, strips, stakes or similar bracing, dunnage or supports (hereinafter referred to as dunnage) not constituting a shipping carrier, container or package, or a part of a container when required to protect and make shipments secure for transportation must be furnished by the shipper at the shipper's expense.
2. An allowance will be made for actual weight of the dunnage as described in the paragraph above, but not to exceed 500 pounds per container. Any weight of dunnage in excess of 500 pounds per container will be assessed on the basis of actual weight thereof at the rate applicable to the articles being transported.
3. The term "Dunnage" does not include excelsior, hay, sawdust, shavings, shredded paper, straw, packing cushions or pads, or similar packing material.

### **ITEM 175: UNLOADING SHIPMENTS**

Consignee shall completely unload lading without damaging the container, and such unloading shall include removal of all materials used to block or brace load, and all debris, and all special equipment must be returned to its proper place in container. If consignee fails to comply with the foregoing, a separate charge will be made by Iowa Interstate Railroad Ltd. for performing such extra unloading service. Iowa Interstate Railroad Ltd. will be entitled to reimbursement by the consignee for the costs of transporting the debris to the point at which it will be removed from the container and for all costs incurred by Iowa Interstate Railroad Ltd. in connection with the removal and disposal of debris from the container. These costs may include detention, any necessary

costs to decontaminate the container and reasonable administrative costs incurred by Iowa Interstate Railroad Ltd. and assignable to the unloading and disposition of the material left in the container. Equipment returned to IAIS requiring sweep out or removal of dunnage will have a charge of actual cost or the current rate listed in the Rate Circular, whichever is greater accessed to the shipper.

**◆ITEM 180: CONTAINER SPECIFICATIONS**

Since containers may be transported in COFC and may also be moved over streets and highways, the following standards and provisions and practices with respect thereto must be complied with as to equipment furnished by consignor.

1. Containers must be of suitable design and construction for safe COFC service and must meet all federal and state safety regulations in jurisdictions in which the container may be used.
2. Container body length must be no less than 19 feet and no more than 53 feet, (with the king pin setting of 36 inches or less).
3. Container body width must be no more than 8 feet 6 inches outside measurement.
4. Container height must not be more than 13 feet 6 inches with a maximum lifting height of 9 feet 6 inches.
5. Tread width must be no more than 8 feet 6 inches, measured from outside wall of tire to outside wall of tire.
6. All containers must meet licensing requirements.
7. Containers identifying marks and numbers must be clearly shown on all sides of each container.
8. Containers equipped with mechanical refrigeration units must meet the following additional requirements:
  - A. Units must not extend more than 24 inches beyond the front wall of the container.
  - B. Containers longer than 40 feet 9 inches outside measurement, must be equipped with a 36-inch king pin setting.
  - C. Fuel and temperature gauges and thermostatic controls must be visible and readable when container is on flatcar.
  - D. Containers must be equipped with fuel tanks having capacity of at least 90 gallons, which must be at least ¾ full at time of tender to Iowa Interstate Railroad Ltd.
  - E. The mechanical protective service unit must use diesel fuel and must not be equipped with portable heating units.

**◆ITEM 185: RECEIPT FOR CONTAINERS**

When a container is in-gated and out-gated from Iowa Interstate Railroad Ltd. premises by consignor or consignee, such party shall sign an Iowa Interstate Railroad Ltd. container receipt and inspection form. The signature on this form shall make such person liable for loss, theft, damage and repairs to the container, any lading contained therein, and to the property or person of anyone which is not caused by the sole negligence of Iowa Interstate Railroad Ltd.

## **ITEM 190: RETURNED SHIPMENTS**

Shipments in the possession of Iowa Interstate Railroad Ltd. at the point of origin, but which have not yet departed Iowa Interstate Railroad Ltd. terminal, may, upon surrender of original shipping order and receipt properly endorsed with such request of consignor, be returned to the place where shipment was originally tendered to the Iowa Interstate Railroad Ltd. for a charge as provided in the current Rate Circular and any storage would apply .

## **◆ITEM 195: MECHANICAL PROTECTIVE SERVICE**

1. Iowa Interstate Railroad Ltd. may at its sole option inspect but will not be responsible for inspecting or monitoring any devices such as thermostats, temperature gauges or recorders, fuel gauges or any other device to control the temperature or operation of a temperature-controlled container. Iowa Interstate Railroad Ltd. will not be liable for failure to make inspections or for failure to detect incorrect set thermostats, fuel supply or other control devices on the container. The shipper assumes all liability for damage and spoilage caused by an incorrect thermostat setting, mechanical malfunction or lack of fuel. If Iowa Interstate Railroad Ltd. does provide fuel, the shipper will be responsible for the cost of the fuel. If emergency services are necessary, the shipper will be responsible for the cost of these services.
2. Except as provided in individual rate items, Iowa Interstate Railroad Ltd. will not furnish or provide refrigeration or other protective services. However, the temperature gauges of containers equipped with thermostatically controlled mechanical protective service units with controls and fuel tank intake affixed to the outside of the containers will be read to determine whether the interior temperature of the containers are at optimum temperature requested by shipper. If the temperature readings or other gauges or indicators indicate that maintenance, servicing or repairs are necessary to correct abnormal or suspected conditions, only such maintenance, servicing or repairs will be made or attempted as can be accomplished while shipment is on the train.
3. Shipper-furnished containers must have an appropriate notice stenciled adjacent to the mechanical protective service unit of fuel tanks intake in letters of not less than one (1) inch specifying the type of fuel used in the mechanical protective service unit and capacity of fuel tank. Type of coolant solution used in the mechanical protective service unit and degree of protection required must be shown on tag or other appropriate notice affixed securely to unit.
4. At the time loaded containers are tendered for shipment the mechanical protective service units must be in satisfactory operating condition, with thermostats set at desired temperature and operating properly with a good battery, full supply of fuel, lubricating oil and radiator coolant. On reasonable request, an Iowa Interstate Railroad Ltd. representative will be permitted to inspect containers maintenance records to assist in determining the condition of containers and mechanical units.

5. Containers, when delivered to IAIS, must be acceptable to IAIS as to design and condition and suitable for rail movement. Any equipment considered by IAIS to be unacceptable may be rejected by IAIS. Containers equipped with mechanical protective service units using fuel other than diesel fuel, propane, or equipped with portable heating units will not be accepted. While propane fueled units will be accepted, under no arrangement will IAIS provide maintenance service or guarantee their operation. Fuel and temperature gauges and thermostat controls must be mounted at a location readable from ground level when container/reefers are on flatcar. Containers must be equipped with fuel tanks with the capacity of 110 gallons or more. The Railroad will not be responsible for defects in containers or mechanical units.
6. Shipper must enter the following statement on the bill of lading or shipping order and the agent must place such statement on the waybill: "Non-frozen commodity (or frozen commodity, state which), pre-cooled load (or non-pre-cooled load, state which) and optimum temperature inside container is to be degrees. Mechanical protective service units shall be required to be fully operable from origin station to destination station. Iowa Interstate Railroad Ltd. may provide reasonable maintenance to mechanical protective service units including minor repairs, fuel oil, lubricating oil, and all other supplies as can be accomplished while shipment is in an Iowa Interstate Railroad Ltd. train. The expense of operating the mechanical protective service units, including maintenance, servicing and repairs will be borne by the shipper.
7. Shipper must identify on the bill of lading or shipping order; the standard transportation commodity code number (STCC), the actual commodity or commodities that are being shipped.

#### **ITEM 200: DELIVERY, REDELIVERY OR FAILURE TO MAKE DELIVERY**

If the transportation obligation of the Iowa Interstate Railroad Ltd. under the type of service specified by intermodal service code requested by consignor includes de-ramping of container at destination ramp, Iowa Interstate Railroad Ltd. shall notify consignee/designated agent that the container is available to consignee.

If the type of service specified by intermodal service code requested by consignor or designated agent requires Iowa Interstate Railroad Ltd. to make delivery of container to consignee at other than the destination ramp, Iowa Interstate Railroad Ltd. will attempt to make delivery during normal business hours of consignee. Consignee or designated agent must promptly designate the specific delivery point at its facility and such delivery point must at that time be readily accessible to truck.

If delivery cannot be accomplished at that time through no fault of Iowa Interstate Railroad Ltd., an additional charge, plus any dray cost, per container as set forth in the current Rate Circular shall be made for each subsequent tender of and/or for delivery of

the shipment. The container shall be considered to have been constructively placed at the time of the first tender of delivery.

Where Iowa Interstate Railroad Ltd. is unable to locate consignee, or where consignee is unable to or declines to accept delivery, or if the shipment is not delivered because of instructions of consignor, or consignee, telegraphic notice thereof shall be given to consignor, or to consignee if consignee was unable or declined to accept delivery, and Iowa Interstate Railroad Ltd. will at its option hold the shipment in storage at its facility or in private or public warehouse, and upon such placement of the shipment, Iowa Interstate Railroad Ltd. liability thereof shall cease. Detention charges shall accrue as provided herein during time shipment is in actual possession of Iowa Interstate Railroad Ltd. Storage off Iowa Interstate Railroad Ltd. property is at the sole expense of consignor and consignee.

Nothing shall require Iowa Interstate Railroad Ltd. to perform pick up or delivery services at any location from or to which it is impractical to operate vehicles because of:

- A. The conditions of roads, streets, driveways, alleys or approaches thereto.
- B. Inadequate loading or unloading facilities.
- C. Any Riot.
- D. Any strike, picketing or labor disturbance accompanied by violence or the imminent threat thereof.
- E. An Act of God.

Carriers will use their best efforts to transport shipments in intermodal service within scheduled times, subject to modification, but neither carriers nor Iowa Interstate Railroad Ltd. is prepared to guarantee delivery by any particular date or time. Iowa Interstate Railroad Ltd. is prepared to guarantee transit time for service within its operation network by separate agreement. Prior arrangements must be made by and at the expense of shipper where shipment's weight, container dimension requirements, or dangerous characteristics require procurement of special permits, bonds or escorts. By tendering a shipment for transportation hereunder, shipper warrants that it has obtained or provided for all required permits, bonds or escorts and agrees to hold carriers harmless for any liability resulting from non-compliance with any such requirements.

Carrier's containers will only be interchanged to motor carriers maintaining interchange agreements with Iowa Interstate Railroad Ltd.

#### **ITEM 205: PAYMENT OF CHARGES**

Unless consignor has established credit to the satisfaction of Iowa Interstate Railroad Ltd., tender of a shipment shall be prepaid and must be accompanied by full payment.

Collect shipments will be delivered only after payment of charges in full, unless consignee has established credit to satisfaction of Iowa Interstate Railroad Ltd.

All payments must be made in U.S. funds.

All charges must be paid within fifteen (15) calendar days after date of billing, exclusive of Holidays. Thereafter, a service fee of 1.5% will be due per month on the past due invoices.

#### **ITEM 210: SUIT TO COLLECT CHARGES**

In the event that suit must be filed to collect any charges arising under this Rules Memorandum, the amount sued upon shall include interest from the date of shipment at the maximum rate of interest allowed by law in the jurisdiction in which suit is filed in addition to other cost of collection, court cost and attorney's fees.

#### **ITEM 215: LIABILITY OF CONSIGNOR AND CONSIGNEE**

The liability of consignor, consignee and beneficial owner of shipment for charges arising out of this Rules Memorandum, through tender of shipment by consignor and through acceptance of delivery by consignee, is joint and several.

#### **ITEM 220: IOWA INTERSTATE RAILROAD LTD.'S LIABILITY FOR LOSS AND DAMAGE**

1. IAIS's responsibility for loss and damage shall not commence until the loaded container is delivered to IAIS at the origin terminal and accepted by IAIS for movement.
2. IAIS's responsibility for loss and damage shall cease when the loaded container is delivered to the consignee or consignee's agent at IAIS's destination terminal.
3. In no event shall IAIS be liable for special or consequential indirect or punitive damages or for any amount in excess of actual damage to the commodity transported.
4. In no event shall IAIS's liability for loss and damage be more than \$100,000 per container.
5. IAIS shall not be responsible for loss and/or damages to lading and/or containers where the loss is caused by shipper's or shipper's agent's acts, omissions or negligence or failure of the shipper to comply with the AAR Intermodal Loading Guide, an act of God, public enemy action, laws, riots or strikes.
6. Claims or suits shall be subject to a \$250 deductible amount and claims or suits for less than \$250 shall not be filed and no claim will be paid if the amount found is less than \$250.
7. Claims must be filed no later than six (6) months from bill of lading date.
8. Shipper shall be responsible for complying with all rules, regulations and recommendations contained in the UFC and the AAR publications relating to the packaging, loading, and blocking and bracing of commodities shipped. IAIS will not be responsible for damage to the lading unless there is physical evidence of railroad negligence, which is shown to be the proximate and sole cause of the damage. Shifting of a load alone shall not be considered as evidence of negligence.
9. Shipper shall be responsible for providing all container doors with seals; IAIS shall not be liable for shortage of lading unless there is physical evidence of unauthorized entry into the container while it was in the possession of IAIS. Retention of **actual**



- seals, along with seal, loading, and unloading records are required to support shortage claims. IAIS shall not be responsible for the shortages from open-top or flatbed containers, with or without coverings, unless IAIS's inspection indicates vandalism, theft, and/or carrier negligence while container and lading was in possession of IAIS.
10. In the event of loss or damage it is at the sole discretion of the railroad to trans-load/salvage freight unless other arrangements are made at the request of the shipper or consignee who would then incur the expense.

Consignee or their duly appointed agent is responsible for notifying IAIS upon noting damage or shortage at destination. Notification to drayman will not be accepted as notification to IAIS. IAIS will be given reasonable time to inspect the container while still under load. Damage of a visible or obvious nature, to include broken seals or other evidence of unauthorized entry, should be noted prior to removal from IAIS property. Failure to note such damage or lack of seals prior to removal from IAIS premises shall create a presumption that the lading was delivered to destination in good condition and the burden will be on the claimant to show otherwise. IAIS will not accept responsibility for loss or damage to containers that have been removed from IAIS property with a valid out-gate inspection indicating seals were intact and a lack of visible damage. Failure of Iowa Interstate Railroad Ltd. to make an inspection of the container and load shall not be considered waiver of any defenses to claims or suits, or an admission of liability by IAIS, and shall not relieve the claimant of any of its obligations under this item. When an act or omission of the carrier(s) is not the sole cause, but contributes to the loss or damage, carrier(s) shall be liable for only the portion of the total loss or damage caused by its negligence.

#### **ITEM 225: LIABILITY FOR LOSS OR DAMAGE OF CONTAINER**

In the event a container supplied by the Iowa Interstate Railroad Ltd. is damaged beyond repair or lost while in the possession of consignor, such person shall pay Iowa Interstate Railroad Ltd. the depreciated value per section M of AAR Interchange rules or the casualty value of the unit whichever is greater. Consignor or consignee shall replace or repair or bear the expense of replacing and/or repairing all parts or damage to the container, including attachments and other equipment, occurring while in its possession with exception to normal wear and tear. In addition, all repairs and replacement parts shall meet AAR standards, or they must be of comparable quality and are subject to Iowa Interstate Railroad Ltd.'s sole final approval and inspection.

Consignor or consignee shall not be liable for special consequential damages arising from the loss or damage, or the loss of use of the container sustained by Iowa Interstate Railroad Ltd.

#### **ITEM 230: CONSIGNOR LIABILITY FOR DAMAGE OR INJURY FROM CONTAINER OR LOADING DEFECTS**

Consignor shall be liable to Iowa Interstate Railroad Ltd. or to any party for damages, personal injuries, or death resulting from failure to comply with equipment specifications and standards in this Rules Memorandum, from a defect in a container supplied by consignor, or from a failure of the consignor to load and brace the acceptance of a container by the Iowa Interstate Railroad Ltd. for transportation shall not be a waiver of consignor's liability.

Consignor shall indemnify and hold harmless Iowa Interstate Railroad Ltd. from any loss and damage described above and for the cost of defending claims filed against Iowa Interstate Railroad Ltd. for such damage including, but not limited to, court costs and attorney's fees necessary to defend against such claims or suits.

### **ITEM 235: GOVERNING LAW**

Unless otherwise provided, any suit arising under this Rules Memorandum shall be filed in the State of Iowa. Except as otherwise provided, any suit against Iowa Interstate Railroad Ltd. or other carriers under this Rules Memorandum must be commenced no later than one (1) year after the date of delivery or, in cases where delivery is not made, within one (1) year from bill of lading date.

Unless otherwise provided, any transaction arising under this Rules Memorandum shall be interpreted in accordance with the laws of the State of Iowa.

A civil action for loss or damage to lading may be brought against the originating rail carrier on a movement in the judicial district in which the point of origin is located. Suit for loss or damage to lading may be brought against the delivering carrier in the judicial district in which the point of destination is located. Suit for loss or damage to lading may be brought against a carrier on whose line the actual loss or damage occurred in the judicial district where the actual loss or damage occurred.

### **◆ITEM 240: INTERLINE RATES**

This item has been eliminated.

### **ITEM 245: RELEASED VALUE RATES**

If rate Quotes state "Released value rates," transportation at such rates is subject to all the terms of this Rules Memorandum except that such rates are based upon a maximum value of the lading per hundred pounds in the amount stipulated in the rate Rules Memorandum. Release value rates will be applicable only if Shipping Order is endorsed by consignor, before its receipt by Iowa Interstate Railroad Ltd.; "RELEASED VALUE SHIPMENT: RELEASED VALUE \$ cwt," and released value amount must be inserted by consignor. Recovery for delay, loss, or damage to lading will be governed by the rules

herein but in no event will payment by the Iowa Interstate Railroad Ltd. exceed released value amount.

**ITEM 250: APPLICATION OF INCREASES IN RATES AND CHARGES**

1. Except as provided in paragraph 2, fractions resulting from percentage increases will be dropped if less than a half-cent and increased to the next whole cent if a half-cent or more.
2. When rates or charges are expressed in whole dollars or in dollars and cents per shipment, fractions of dollars resulting from the application of percentage increases will be dropped if less than fifty cents and increased to the next whole dollar if fifty cents or more.

**▲RATE CIRCULAR**

In reference to Item Numbers in Rules Memorandum

	<u>CHARGE</u>	<u>ITEM #</u>
Delivery Attempts (plan 20,22,27)	\$200.00/attempt	150
Driver Assist	A charge negotiated prior to movement.	
Driver standby (plan 20, 22, 27)	\$100.00/15 minute	90
Extra Flip fee	\$50.00	160
Handling Fee	10%	135
Mis-description of shipments under FAK containing:		
Prohibited	\$10,000.00 per container	65
Restricted	\$6,000.00 per container	65
Hazardous Commodities	\$6,000.00 per container	70
Non-utilization/Misuse	\$300.00	100
Past due Invoices (service fee)	1.5% of invoice	205
Redelivery Charges	\$200.00 + dray	200
Returned Shipments	\$100.00	190
Storage Charges	Days 1-5 \$100.00/day	150
	Days 6 until out-gate \$200.00/day	150
Sweep-out or Dunnage Removal	\$100.00	170, 175
Weighing or reweighing	\$100.00 + Dray	140
▲Paper Bill of Lading	\$150.00	42
◆Diversion or Reconsignment	\$200	105

<b>IOWA INTERSTATE RAILROAD</b>														
<b>Intermodal Storage Chart / Chargeable</b>														
<b>Storage:</b>														
\$100 per day for days 1-5 till 1700 day 5														
\$200 per day starting on day 5 @1701 (5:01 PM) till out-gate														
<b>Free Time:</b>														
Day of Notification plus 2 days														
<i>All in-bond shipments day of notification plus 2 days</i>														
Notifications after 1700 count as the next day notify														
Free time expires at 1700 local time on last free day														
Friday notify will have LFD of Monday @ 1700														
Saturday notify will have the LFD of Tuesday @ 1700														
Sunday notifications are exempt and will go to Monday notify														
Holidays are exempt; notifications will go to next working day of the Intermodal Ramp														
Sundays and Holidays are not counted before free time expires														
Sundays and Holidays are chargeable after free time expires														
<b>Notifications occurring prior to 5:00 PM (1700) on:</b>	Mon	Tue	Wed	Thur	Fri	Sat	Sun	Mon	Tue	Wed	Thur	Fri	Sat	Sun
Monday	N	F	F	\$100	\$100	\$100	\$100	\$100	\$200	\$200	\$200	\$200	\$200	\$200
Tuesday		N	F	F	\$100	\$100	\$100	\$100	\$200	\$200	\$200	\$200	\$200	\$200
Wednesday			N	F	F	\$100	\$100	\$100	\$100	\$100	\$200	\$200	\$200	\$200
Thursday				N	F	F	\$100	\$100	\$100	\$100	\$100	\$200	\$200	\$200
Friday					N	F	NC	F	\$100	\$100	\$100	\$100	\$100	\$200
Saturday						N	NC	F	F	\$100	\$100	\$100	\$100	\$100
Sunday							NC	N	F	F	\$100	\$100	\$100	\$100
			N = Notification			F = Free time			NC = Non-chargeable day					
Revised: June 24, 2020														
Effective: July 1, 2020														