

The Maryland and Delaware Railroad Company

FREIGHT TARIFF MDDE 8000

(For Cancellation, see Item 5, this Tariff)

CONTAINING
GENERAL RULES AND REGULATIONS
GENERAL CHARGES
SERVICE CHARGES
SPECIAL SERVICE
OVERLOADED, DIMENSIONAL AND SPECIAL RAILCAR CHARGES
ADMINISTRATIVE CHARGES

APPLYING AT AND BETWEEN STATIONS ON
THE MARYLAND AND DELAWARE RAILROAD COMPANY

(AAR Accounting Rule 260 code number 454)

LOCAL FREIGHT TARIFF

This tariff is also applicable on intrastate traffic, except where expressly provided to the contrary in connection with particular items or rates.

ISSUED: February 12, 2018

EFFECTIVE: March 4, 2018

ISSUED BY

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MISCELLANEOUS

ITEM 5

CANCELLATION

FT MDDE 8000 cancels all prior MDDE freight tariffs in their entirety.

ITEM 10

EXPLANATION OF ABBREVIATIONS AND REFERENCE MARKS

FT – Freight Tariff

MDDE – The Maryland and Delaware Railroad Company

NS – Norfolk Southern Corporation

AAR – Association of American Railroads

[A] – Addition

[C] – Change

[I] – Increase

[NC] – Brought forward without change

[R] – Reduction

ITEM 15

DEFINITIONS

ACTUAL PLACEMENT – Actual placement is made when a railcar is placed in position for loading or unloading on an industry track, leased track, team track, transload track or other point previously designated by the consignor or consignee. Railcars placed on industry tracks, leased tracks, team tracks or transload tracks at the request of consignor or consignee will be considered actually placed.

ASSIGNMENT – A transfer of rights in real property to another that gives the recipient—the assignee—the rights that the owner or holder of the property—the assignor—had prior to the transfer.

ASSIGNOR – The party who has assigned a task, duty, responsibility or shipment.

ASSIGNEE – The party to whom a task, duty, responsibility or shipment has been assigned.

CLOSED GATE – A customer who orders in railcars specifically by railcar initial and number, or where track capacity is insufficient to hold all arriving railcars.

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

CONSIGNOR – The party in whose name railcars are ordered and/or the party who furnishes MDDE forwarding directions.

CONSTRUCTIVE PLACEMENT – When a railcar consigned or ordered to an industry track, leased track, team track or transload track cannot be actually placed on the track to which it was ordered

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because of a condition attributable to the consignor or consignee, such a railcar will be held at an available hold point and notification shall be sent or given to the appropriate consignor or consignee receiving the railcar that the railcar is held and that MDDE is unable to effect placement; however, if railcar is placed on an industry track, leased track, team track or transload track serving the consignor or consignee the railcar shall be considered constructively placed without notification.

CONTINUOUS MOVEMENT – A movement between MDDE's tracks and the industry track, leased track, team track or transload track, or other place where railcars are received or delivered without any delay or any suspension or break in time, or continuity of the movement, due to any circumstances or condition for which the industry is directly responsible.

The operations named below in (I) and (II), where performed by MDDE as necessary incidents to the placement and removal of railcars moving at published carload rates, shall not be deemed:

1. To break the "continuous movements";
2. To be in excess of the "ordinary operating convenience" of MDDE;
3. To be an "interruption, interference or any other condition caused by the consignor or consignee";
4. To be a "circumstance or condition for which the industry is directly responsible" as those terms are used in this Tariff.

I. The removal and replacement of railcars empty, partly loaded or fully loaded when incidental to the placement or removal of other railcars; and/or

II. Operations performed in providing a service for which a separate charge is authorized in this Tariff.

DEMURRAGE DAY – A twenty-four hour period commencing the first 0001 hours (on a 24 hour clock) after a placement that occurred after 0700 hours.

DISPOSITION – Information, including forwarding instructions or release, which allows MDDE to either tender or release the railcar from the consignor's or consignee's account.

FIRST PLACEMENT – When railcars are first placed for loading, unloading or storage upon industry tracks, team tracks, transload tracks or leased tracks.

FORWARDING DIRECTIONS – A bill of lading or other suitable order, given to MDDE and containing all of the necessary information to transport the shipment to its destination, which authorizes:

1. The immediate delivery of a railcar to a connection line for further movement; or
2. The immediate forwarding of a railcar to a consignee at another location at the same station or to a consignee at another destination.

HOLD POINT – An NS, MDDE, industry track, team track, transload track or leased track on which a railcar is held.

INDUSTRY – Customer of MDDE who is a consignee or consignor for railcars placed for loading or unloading on an industry track, lease track, team track or transload track connected to MDDE.

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INDUSTRY TRACK – A track:

1. Outside of MDDE's right-of-way and of which MDDE does not own either rails, ties, roadbed or right-of-way. The track may be used jointly by two or more parties when written notification has been furnished to MDDE by the owner of the track prior to such joint use;
2. Or portion thereof owned or operated by MDDE that is leased for the purpose of the storage of railcars through a written agreement. The joint use of a lease track by each of two (2) or more parties must have written consent from MDDE prior to such joint use.

INTRA-PLANT SWITCHING – A switching movement from one industry track, lease track, team track or transload track to another industry track, lease track, team track or transload track within the same plant or industry, or from one location to another location on the same industry track, lease track, team track or transload track within the same plant or industry.

INTRA-STATION SWITCHING – A switching movement (other than intra-plant) from one industry track, lease track, team track or transload track to another industry track, lease track, team track or transload track within the limits of one (1) rail station served by MDDE as defined in **Item 135** of this Tariff.

LEASED TRACK – Any trackage assigned to a user through written agreement.

LOADED RAILCAR – A railcar that is completely or partially loaded.

LOADING – The complete, or partial, loading, of a railcar within the confines of the same industry or on the same industry track, lease track, team track or transload track. Loading must be completed in conformity with AAR loading and clearance rules including the furnishing of forwarding directions and the advisement that the railcar is ready for forwarding after being held to finish loading.

LOCAL SWITCHING – A switching movement from one (1) rail station served by MDDE to a different rail station served by MDDE as defined in **Item 135** of this Tariff.

MDDE – The Maryland and Delaware Railroad Company.

NOTIFICATION – Message given to the parties entitled to receive notification that a railcar is available for loading, unloading, or is now otherwise affected by demurrage rules.

OPEN GATE – A customer for whom all railcars can be placed on arrival without regard to railcar initial and number or other placement instructions.

ORDINARY OPERATING CONVENIENCE – The time selected by MDDE when it is most advantageous to MDDE in relation to its coordinated and harmonious switching activities in a particular station. Ordinarily it contemplates only one (1) switch per day except when additional switches are made by MDDE in its own or the public interest as distinguished from the industry's interest. Movements to, from or within an industry track, lease track, team track or transload track at other times at the request of the industry or to meet the requirements of industrial operations are not at MDDE's ordinary operating convenience.

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PRIVATE RAILCAR – Any railcar not bearing railroad reporting marks and not controlled by a railroad.

PROTECTIVE SERVICE – Monitoring a railcar with an operational refrigeration or heating unit to ensure that the refrigeration or heating unit is properly functioning.

RAILCARS HELD – When railcars are stopped en route to industry track, lease track, team track or transload track because of any condition attributable to consignor or consignee of the railcar.

RAILROAD – MDDE.

RAILROAD CONTROLLED RAILCAR – Any railcar bearing railroad reporting marks assigned for use by MDDE as it sees fit.

RECONSIGNMENT – A change in the name of the consignor, consignee and/or change in delivery to an industry track, lease track, team track or transload track on MDDE.

RELOAD – Process that occurs when a shipment must be transferred from one railcar to another.

SPECIAL FREIGHT TRAIN OR SWITCHING SERVICE – Special Freight Train Service or Switching Service is the movement of a train in other than normal freight train or switching service.

SWITCHING – The movement of railcars from one track to another track or changing the order or relative position of railcars on a track.

TEAM TRACK – Any track open to the general public for loading or unloading of railcars who's unloading facilities are shared between two (2) or more shippers.

TIME – Local time.

TIME RETURN & DELAY REPORT – Report required under 49 CFR 228 that records the arrival, departure and duration of all stops made by a train.

TRANSLOAD – Process that occurs when a shipment must be transferred from one mode of transportation to another (i.e. from a truck to railcar).

TRANSLOAD TRACK – Any track that is used to transload product to or from railcars.

UNLOADING – The complete unloading and advisement received from consignee that the railcar is empty, suitable for reloading, and available to MDDE for pickup.

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GENERAL RULES AND REGULATIONS

ITEM 105

REFERENCE TO TARIFFS, ITEMS, NOTES RULES, ETC.

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

ITEM 110

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. If the first number only bears a reference mark, such reference mark also applies to the last number shown and to all numbers between the first and last numbers.

ITEM 115

SUPPLEMENTS AND REISSUES

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

ITEM 120

METHOD OF CANCELING ITEMS

As this tariff is supplemented, numbered items with letter suffixes cancel corresponding numbered items in the original tariff or in a prior supplement. Letter suffixes will be used in alphabetical sequence starting with A. Example: Item 445-A cancels Item 445 and Item 365-B cancels Item 365-A in a prior supplement which in turn canceled Item 365.

ITEM 125

STANDARD TRANSPORTATION COMMODITY CODE NUMBERS

Reference to commodities transported under the terms of this tariff shall be made by STCC number, as set forth in the Standard Transportation Commodity Code Tariff STCC 6001-series. When shipments contain explosives or other dangerous commodities, the seven digit 49-series STCC number must be shown on the shipping document by the consignor.

ITEM 130

STATION LISTS AND CONDITIONS

This tariff is governed by Official Railroad Station List, OPSL 6000-series, RailInc, Agent.

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ITEM 135

STATIONS COVERED BY TARIFF

Townsend, De, to Centreville, Md, "Centreville Line" as follows:

Townsend, DE
Massey, MD
Millington, MD
Sudlersville, MD
Roberts, MD
Price, MD
Carville, MD
Centreville, MD

Massey to Worton, Md, "Chestertown Line" as follows:

Massey, MD
Kennedyville, MD
Lynch, MD
Worton, MD

Seaford, De, to Cambridge, Md, "Seaford Line" as follows:

Seaford, DE
Oak Grove, DE
Fedoralsburg, MD
Williamsburg, MD
Hurlock, MD
East New Market, MD
Linkwood, MD
Cambridge, MD

Frankford, De, to Snow Hill, Md, "Snow Hill Line" as follows:

Frankford, DE
Selbyville, DE
Bishop, MD
Showell, MD
Berlin, MD
Ironshire, MD
Newark, MD
Snow Hill, MD

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ITEM 140 HOLIDAYS

Whenever a reference is made to "holidays" it shall mean only the days listed below:

New Year's Day
President's Day
Good Friday
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day after Thanksgiving
Christmas Eve
Christmas Day

ITEM 145 PREPAY REQUIREMENTS AND STATION CONDITIONS

When a station is abandoned as of a date specified in the above named Tariff, the rates from and to such station as published in this tariff are inapplicable on and after that date.

ITEM 150 ASSIGNMENT (HOLDING RAILCARS)

MDDE reserves the right to reject any railcars assigned for holding by another railroad unless expressly notified by that railroad and the customer, and has agreed with the assignment arrangements.

At such time as an assignee wishes to reduce an assignment (lessen the total) by one or more railcars, the assignee must notify MDDE in writing and specify the effective date of release of such railcar or railcars. The effective date of release, as specified by the assignee, may be one (1) or more days after the date of such written notification. MDDE will have the prerogative of selecting the railcar or railcars to be removed from the assignment.

ITEM 155 NOTIFICATION

Notification by MDDE and/or industry of arrival or release of railcars will be:

1. By ShipXpress *Converge* software; or
2. By email, but only in the absence of functioning ShipXpress *Converge* software; or
3. By delivery of railcars to designated tracks with industry.

Appropriate records will be maintained by MDDE and industry for at least one (1) calendar year.

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ITEM 160

FORWARDING DIRECTIONS

An order to move a railcar from an industry track, leased track team track or transload track to a MDDE-owned or operated track, whether furnished by the party loading or unloading the railcar or another party, or a bill of lading or an order consigning the railcar to the agent of MDDE, which has no beneficial interest in the lading, does not constitute “forwarding directions” under this Tariff.

When forwarding directions are furnished covering movement of a railcar, this information must include the consignee, the destination, the commodity description, whether prepaid or collect and full instructions relative to any intermediate points at which the railcar must stop other than the destination.

When consignor cannot furnish forwarding directions because of authorized personnel of MDDE not being on duty to accept the forwarding directions, the consignor will have until 0900 of the next business day on which MDDE has such personnel on duty to furnish forwarding directions, and the forwarding directions will be considered to have been furnished at the time during MDDE's off-duty hours that the consignor was ready, willing and able to furnish the forwarding directions (**Note 160A**).

Note 160A - When MDDE utilizes electronic or mechanical devices which accept communications, either written or oral, the recorded date and time forwarding directions are received from the consignor will govern the release of railcars.

ITEM 165

CREDIT TERMS

Invoices are due and payable thirty (30) days following the date of the invoice. In the event that invoice has not been paid in full by customer within (30) days after such payment is due and payable, a finance charge of two percent (2%) per month (twenty-four percent 24% per annum) shall be assessed on the outstanding balance owed including previous finance charges beginning on the date the original invoice payment was due. Payments shall first be applied to finance charges and then to the outstanding balance.

ITEM 170

DEMURRAGE CHARGES

Demurrage Regulations and Charges as provided in Tariff **MDDE FT 6001** will apply to consignees and consignors where applicable. Billing, where applicable, will be presented by MDDE within 15 days after the monthly period ends. All demurrage records will be maintained on a monthly calendar basis and kept on file for at least one (1) calendar year.

ITEM 175

CAPACITIES AND DIMENSIONS OF RAILCARS

For marked weight and cubic capacities and dimensions of railcars see the Official Railway Equipment Register or the Umler system managed by RailInc.

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ITEM 180 PERISHABLES

MDDE does not provide protective service. Perishable freight under protective service will be accepted from NS for delivery to consignees with the understanding that protective service is not provided by MDDE and MDDE accepts no liability for any loss or damage resulting from failure of such protective service.

GENERAL CHARGES

ITEM 200 CLOSING RAILCAR DOORS

If customer requires or requests MDDE personnel to close a door on a railcar when the railcar is not deemed to be damaged by a qualified railcar inspector, a \$250 fee will be charged to consignee of emptied railcar or consignor of loaded railcar for each railcar door requiring closing.

ITEM 205 DEFECTIVE OR BAD ORDERED RAILCARS

For switching empty defective or bad ordered railcars (as defined by 49 CFR Parts 215, 224, 231 and 232) from industry tracks, leased tracks, team tracks, transload tracks or MDDE tracks to a point of repair a charge of \$250 per railcar will be charged to the railcar owner.

ITEM 210 CLEANING RAILCARS

For switching railcars to a track for the purpose of removing debris and refuse, a charge of \$250 per railcar will occur to the party responsible for the debris and refuse in the railcar. This charge does not include cleaning of railcars or transportation of refuse or debris from cleaning track.

ITEM 220 LOCOMOTIVE RENTAL CHARGE

For rental of locomotive/s, including crew, upon definite prearrangement with MDDE as to time, place and service to be performed or prior request to MDDE for locomotive services not required in connection with performing services under items named elsewhere in this Tariff, such as stand-by (with or without supplying air for dumping), re-railing of railcars, or other equipment and other services not specifically covered herein, a charge of \$1,000 per hour will be assessed.

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ITEM 225

INDUSTRY DELAY CHARGE

When MDDE's locomotive/s and operating crew is held at the request of an industry or is delayed by an industry within the confines of the industry or immediately adjacent thereto, the charge for such standby or delay shall be \$1,000 for the first hour or fraction thereof. All charges, in excess of one (1) hour will be made on a quarter hour basis at \$250 per quarter hour or fraction thereof. Such charges shall be in addition to other published charges, if any, applicable to railcars delayed or handled.

SERVICE CHARGES

ITEM 300

FIRST PLACEMENT CONSTITUTES DELIVERY

When railcars are first placed for loading, unloading or storage upon industry tracks, team tracks, transload tracks or leased tracks, such placement shall constitute delivery of the shipment. Any subsequent movement by MDDE upon direction of consignor or consignee will be subject to additional charges as outlined in this Tariff.

ITEM 305

RECEIPT AND DELIVERY AT LOADING AND UNLOADING LOCATIONS

Railcars will be received and delivered at loading and unloading locations on industry tracks designated by the industry within one industrial plant site without any additional charge when such service can be ordinarily performed in continuous movement at MDDE's ordinary operating convenience.

ITEM 310

CHARGES FOR DELAY IN ACCEPTING SERVICE

When receipt or delivery of a railcar or railcars as provided in **Item 305** cannot be accomplished in continuous movement at MDDE's ordinary operating convenience because of interruption, interference or any other condition caused by the consignor or consignee, MDDE will arrange for alternative receipt or delivery if, after a reasonable period of delay, the obstruction or condition preventing completion of service has not been removed or eliminated. For the purposes of calculating reasonable period of delay, time shall commence to run from the minute MDDE determines that the consignor or consignee is unable to accept service. If alternative receipt or delivery is exercised in accordance with this Tariff, MDDE may, at its option, place the railcar or railcars at a hold point. Subsequent movement by MDDE of the railcar or railcars from the hold point to an industry track, lease track, team track or transload track will be subject to charges provided in **Item 315**, **Item 320** or **Item 325** of this Tariff.

ITEM 315

INTRA-PLANT SWITCHING CHARGE

MDDE will perform intra-plant switching at a charge of:

1. \$250 per railcar on all traffic other than Hazardous Materials; and
2. \$500 per railcar on Hazardous Materials.

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ITEM 320

INTRA-STATION SWITCHING CHARGE

MDDE will perform intra-station switching at a charge of:

1. \$250 per railcar on all traffic other than Hazardous Materials; and
2. \$500 per railcar on Hazardous Materials.

ITEM 325

LOCAL SWITCHING CHARGE

MDDE will perform local switching at a charge of:

1. \$250 per railcar on all traffic other than Hazardous Materials; and
2. \$500 per railcar on Hazardous Materials.

(Not to be used in combination with other prices, or in lieu of specifically published local prices.)

ITEM 330

RECONSIGNMENT OF RAILCARS

When an authorized representative of MDDE receives an order from a consignor, consignee, or railcar owner in time to permit instructions to be given to MDDE employees prior to a railcar being placed on an industry track, lease track, team track or transload track, no charge will be assessed for the reconsignment of the railcar to another industry track, lease track, team track or transload track. If, however, a railcar had been placed for loading or unloading on an industry track, lease track, team track or transload track per the instructions of the consignor, consignee or railcar owner, and is subsequently moved, without being loaded or unloaded, to another industry track, lease track, team track or transload track on MDDE for loading or unloading, the following charges will be assessed:

1. \$250 per railcar on all traffic other than Hazardous Materials; and
2. \$500 per railcar on Hazardous Materials.

ITEM 335

REMOVAL/REPLACEMENT OF RAILCARS AFTER FIRST PLACEMENT OR SERVICE

When the consignor or consignee requests the removal of a railcar from the industry track, lease track, team track or transload track on which first placement of the railcar has been made without fully unloading or loading the railcar (whichever was intended when first placement occurred), the following charges will be charged to the consignor or consignee requesting the removal of the railcar:

1. \$250 per railcar on all traffic other than Hazardous Materials; and
2. \$500 per railcar on Hazardous Materials.

ITEM 340

SWITCHING RAILCARS TO OR FROM A HOLD POINT

MDDE will assess a charge of \$400 per railcar, loaded or empty, for movement of a railcar to or from a MDDE hold point unless otherwise agreed upon in a railcar storage agreement between MDDE and Industry, Consignee or Consignor.

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SPECIAL SERVICE CHARGES

ITEM 400

CONDITIONS FOR SPECIAL FREIGHT TRAIN OR SWITCHING SERVICE

MDDE, at its discretion, will provide special freight train or switching service subject to the conditions contained herein. Requests for such services must be made in writing forty-eight (48) hours in advance of requested service time.

Cancellations of service requests less than twenty-four (24) hours prior to requested service time shall be subject to the minimum charge for “Special Freight Train or Switching Service” in **Item 405** of this Tariff. Service is subject to availability of locomotive and train crew.

Special freight train or switching service charges include use of locomotive and train crew and do not include any applicable railcar rental charges. Applicable railcar rental charges will be billed to customer by agreement made prior to initiation of special freight train or switching service in addition to special freight train or switching service charges.

MDDE will make reasonable effort to accommodate all requests. MDDE reserves the right to restrict, modify or deny any request for special freight train or switching service.

ITEM 405

SPECIAL FREIGHT TRAIN OR SWITCHING SERVICE

The charge for special freight train or switching service will be \$3,000 for the first three (3) hours, plus \$1,000 for each additional hour or fraction thereof over three (3) hours per occurrence, and will be in addition to all other charges associated with the movement. (See **Note 405A**) MDDE will maintain a record of the time spent performing the special freight train or switching service using the train’s Time Return & Delay Report, and will keep the report on file for at least two (2) years.

Note 405A - When special freight train or switching service is provided on a holiday (See **Item 140**), the minimum charge will be \$6,000 for the first three (3) hours, plus \$2,000 for each additional hour or fraction thereof over three (3) per occurrence, and will be in addition to all other charges associated with the movement.

ITEM 410

SPECIAL PASSENGER TRAIN

The charge for a special passenger train will be \$1,500 per calendar day when the train operates only within the limits of ten (10) track miles. If the train operates outside the limits of ten (10) track miles, an additional fee of \$1,000 per hour, or fraction thereof, will be charged for the time the train is operating outside the limits of ten (10) track miles. Special passenger train operations are limited to ten (10) hours in any twenty-four (24) hour period.

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ITEM 505

SPECIAL DIMENSIONAL SERVICE

Railcars requiring clearance desk approval to move on MDDE will only be handled in Special Dimensional Service unless otherwise agreed upon prior to shipment. Railcars requiring clearance desk approval exceed one or more of the following:

1. 286,000 pounds gross weight on rail; or
2. 10'6" wide; or
3. 15'10" above top of rail; or
4. Overhangs one or both ends of railcar.

The additional charge for handling by Special Dimensional Service will be \$1,000 per railcar. This charge will be in addition to any other charge applicable to the movement.

ADMINISTRATIVE CHARGES

ITEM 600

RAILCARS HELD AWAITING DISPOSITION

When loaded or empty railcars are consigned in care of MDDE's agent or ordered from industry track, lease track, team track or transload track, and either designated by consignor to "hold", or held account of insufficient billing instructions to move railcars to destination or to point of interchange with NS, a charge of \$250 per railcar will be assessed to consignor for such holding unless otherwise dictated by previous written agreement between MDDE and consignor.

ITEM 605

INTERCHANGE BILLING ERROR

When loaded or empty railcars are received at an interchange point by MDDE from NS without proper billing, such railcars will be returned to NS upon the request of NS and NS will be subject to a charge of \$250 per railcar for returning the loaded or empty railcar to NS.

ITEM 610

RAILCARS FURNISHED BUT NOT USED

When an empty railcar is actually placed or constructively placed for loading, but is not loaded and is released empty, a charge of \$250 per railcar will be made against the party ordering but not using the equipment, in addition to all other applicable charges (**Note 610A**).

Note 610A - This charge will not apply when railcars are refused or rejected account of not being in proper condition for loading.