Central Manitoba Railway Inc.

Tariff Schedule

Effective January 1, 2015
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Section 1 – General

Item 105  CEMR Invoice Commitment

Central Manitoba Railway Inc. (CEMR), will invoice for all CEMR performed chargeable services under the authority of this tariff, no later the 30 days after the services rendered completion date. If, through no fault of our customers, CEMR fails to invoice within the 30 day period, our customer will not be held responsible for payment of these charges. If, for any reason not attributable to CEMR, a service cannot be invoiced within the 30 day period, payment must be made as invoiced.

The service rendered completion date for most services is the date of the service. For demurrage, storage and storage switching the services rendered completion date is generally the last day of the month.

Item 110  Scope of Tariff

This tariff covers rules, rates, and charges for Central Manitoba Railway Inc., operated by Cando Rail Services Ltd. All charges are payable to Central Manitoba Railway Inc., Unit 400 - 740 Rosser Ave. Brandon, MB, R7A 0K9.

Item 120  Application of Authorized Increases

Rates and charges under this tariff as published are subject to change upon a 30 day written notice of change.
Section 2 – Supplemental Services

Item 200  Haulage of Empty Railcars Not Used

When empty railcars are placed for loading and are subsequently released empty, the customer will be subject to a charge of $165 per car.

This tariff does not apply to railway supplied railcars that are unfit for loading.

Item 203  Haulage of Empty Railcars

This applies to cars placed by another railway that are subsequently released empty to CEMR; the customer will be subject to a charge of $165 per car.

Item 205  Overweight – Railcars

CEMR reserves the right to refuse any overloaded railcar at the point of interchange, or refuse movement of any railcar which exceeds the gross weight on rail as noted below.

For railcars accepted for movement, that are 2,000 lbs of less in excess of the published weight restriction the customer will be subject to a charge of $700 per car.

Railcars accepted for movement that are over 2,000 lbs in excess of the published weight restriction will be negotiated on a case by case basis.

Weight Restrictions:
Carman Subdivision 268,000 lbs gross
Pine Falls Subdivision 263,000 lbs gross

Item 210  CEMR Delayed by Customer or Railway

When a customer or railway, delays CEMR at their siding, plant or interchange, the customer or railway will be charged $385 per hour. Charges will be rounded to the nearest quarter hour.

Charges under this item commence after the terminal/interchange time agreed to between CEMR and the customer/railway has elapsed.
Item 215  Interchange Error Movements

Cars loaded or empty, received by CEMR in error or without forwarding instructions from the delivering railway, will be returned to the delivering railway or forwarded to the proper connecting railway within the same switching district at a charge of $525 per car. This charge will be assessed against the delivering railway.

Item 220  Intra-Plant Switching

After the initial placement of railcar at customers siding, when a railcar is moved at customers request from one track to another or from one spot to another spot on the same track within the customer’s facility or industry, a charge of $410 per car will be assessed to the customer.

Item 225  Not First Out Charge

If a customer releases a railcar to be pulled, and of this railcar results in the need to move additional car(s) that have already been placed a charge of $55 per car moved will be assessed to the customer.

Item 220 Supplemental Train Run

When a customer or railway requests CEMR to provide any ad hoc or additional; train service beyond the scheduled operation plan; Charges for this requested service will be $385 per hour. Payment under this item will be determined based upon total crew time rounded to the nearest quarter hour, from on-duty to off-duty time.

Item 235  Released – Not Available

Any railcar(s) released by a customer that that are not available to pull at the time of Scheduled Service will have the release(s) voided. Car(s) will be re-released at 12:00 noon on the next Scheduled Service date.

Item 240  Over Supplied

Railcar(s) that have to be returned to an interchange point due to oversupply caused by a railway over delivering against a customer order will be subject to a charge $165 per car assessed against the delivering railway.
**Item 250  Railway Supplied Rejected Car**

Railcar(s) that are rejected by the customer as being unsuitable for loading will be returned to the delivering railroad. The delivering railroad will inspect the rejected car(s) and charges will be assessed as follows.

**Car Suitable for Loading**
Customer will be assessed a $165 fee per car.

**Car Unsuitable for loading**
Delivering railroad will be assessed a charge equal to 50% of the applicable carload rate.

**Item 255  Rejected Equipment Procedures**

**CN Supplied Cars** – Any railcar deemed unsuitable for loading must be rejected. This is accomplished by using CN E Business tool “release Railcars” at [www.cn.ca/login](http://www.cn.ca/login), and customer must also advice the CN ECT by email to cnsknb@cn.ca.

CEMR must also be advised by email to carcontrol@candoltd.com or by Fax 204-235-1189.

**CP Supplied Cars** – Any railcar deemed unsuitable for loading must be rejected. This is accomplished by sending CPRS a fax to 1-800-420-5655, and following up with an email to fa00612@cpr.ca.

CEMR must also be advised by email to carcontrol@candoltd.com or by Fax 204-235-1189.

**Item 270  Turning a Railcar**

Customer requested turning of railcars to facilitate loading or unloading will be assessed a charge of $660 per car.

**Item 280  Administration Surcharge**

Tariff charges paid by CEMR to other railways as a direct result of Customer errors or omissions in their billing and/or switching instructions, will be payable by Customer, and will be subject to a 25% Administration Surcharge.
Section 3 - Demurrage

Item 300   CEMR Service Areas and Cut offs

For the purpose of this section, CEMR service areas will be defined as follows:

- **Oakbluff**: All customers located in CEMR Carman Sub at or east of Oakbluff
- **Carman**: All customers located on CEMR Carman Sub excluding Oakbluff
- **Norcran**: All customers located on CEMR Pine Falls Sub south of Mile 11
- **Pine Falls**: All customers located on CEMR Pine Falls Sub excluding Norcran

Car release cut-off times for the CEMR service areas will be as follows:

- **Oakbluff**: 12:00 day of scheduled service
- **Carman**: 16:00 day of scheduled service
- **Norcran**: 16:00 day of scheduled service
- **Pine Falls**: 09:00 day of scheduled service

Item 301   Demurrage Policy – Norcran

Demurrage is invoiced on a monthly basis, each car will be allowed 3 days. For the purpose of this section, a new day starts at 09:00. Demurrage liability starts with the earlier of Constructive Placement or Actual Placement, and ends with the Release of the railcar. Credits will not be issued for cars released early.

Item 302   Demurrage Policy – Carman, Pine Falls, and Oak Bluff

Demurrage is invoiced on a monthly basis, each car will be allowed 3 days. Demurrage liability starts with the earlier of Constructive Placement or Actual Placement, and ends with the Release of the railcar. Credits will not be issued for cars released early.

When time between the start of demurrage liability and the next scheduled CEMR service exceeds the 3 day period, no demurrage charges will be assessed provided that the railcar is released and available to be lifted on the first scheduled service date following the start of Demurrage liability.
Railcars released by the customer after the published cut off time for scheduled service will not be pulled, and will not be placed into released status until 12:00 noon on the next scheduled service date. Customers will be responsible for all demurrage charges until the car is placed into released status.

**Item 303  Demurrage Policy – CN Supplied Grain Empties**

Demurrage is involved on a monthly basis, each car will be allowed 1 day. Demurrage liability starts with the earlier of Constructive Placement or Actual Placement, and ends with the Release of the railcar. Credits will not be issued for cars released early.

When time between the start of Demurrage liability and the next scheduled CEMR service exceeds the 1 day period, no demurrage charges will be assessed provided that the railcar is released and available to be lifted on the first scheduled service date following the start of demurrage liability.

Railcars released by the customer after the published cut off time for scheduled service will not be pulled, and will not be placed into released status until 12:00 noon on the next scheduled service date. Customers will be responsible for all demurrage charges until the car is placed into released status.

**Item 310  Demurrage Rates**

Demurrage charges for all equipment subject to the provisions of section will be $85 per day.

**Item 320  Notifications to CEMR**

Electronic or mechanical devices are to be used to furnish notification of empty release or other carload disposition information to CEMR. The recorded date and time that the instructions are received will govern.

Fax: (204) 235-1189

Email: carcontrol@candoltd.com
Section 4 – Miscellaneous

Item 400  Staging of Railcars

A charge of $55 per day per car to be computed from the actual time car(s) placed or constructively placed on CEMR tracks. Rate charged is for the staging of loaded railcars and for the unplanned storage of empty railcars on CEMR property as a result of, but not limited to:

- Lack of room at customer’s siding
- Held to complete a shipment
- Held for any other unplanned purpose

Staging charges commence on all days including Saturdays, Sundays and Holidays. These are chargeable days with charges continuing until actual placement on orders of, or disposition of cars.

Item 405  Dangerous Commodity Rail Car Inspection

Dangerous Commodities Staged en route must be inspected after five days and then every 2 days following. Customer will be assessed a $45 per car per inspection in addition to applicable staging charges.

Item 410  Holidays

Whenever reference is made to “holidays,” it shall mean the following days:

- New Year’s Day
- Louis Riel day
- Good Friday
- Victoria Day
- Canada Day
- August Civic Holiday
- Labor Day
- Thanksgiving Day
- Christmas Day
- Boxing Day
CEMR reserves the right to deem whether or not to operate on Holidays. When a regular Scheduled Service Day falls on a holiday and CEMR reserves the right to not operate, the day following the holiday will be the Scheduled Service date as defined by these tariffs.

**Item 420  Glossary of Terms**

**Actual Placement**
When a car is placed in an accessible position for loading or unloading, or a point designated by the consignor or consignee.

**Consignee**
The party to whom a shipment is consigned or the customer entitles to receive the shipment.

**Constructive Placement**
When a railcar cannot be an Actual Placement due to a condition attributable to the consignee, such railcar will be held at a CEMR holding area. A notice shall be sent or given to the consignee that the railcar is being held until consignee is able to order and receive the railcar. The railcar would then become a Actual Placement once placement is done.

**Empty Release Information**
Advice by consignee given to authorized personnel of CEMR, that car is unloaded and available to CEMR. Information given must include car u=initial and number, identity of consignee, and identity of party furnishing information.

**Lease Track**
Any trackage assignment to a user through written agreement. Leased Tracks will be treated the same as Private Tracks.

**Loaded Release**
Is the complete or partial Loading of a car in conformity with Railway Loading and clearance rules, and furnishing of Forwarding Instructions including STCC Standard Transportation Commodity Code.

**Loaded Car**
A railcar that is completely or partially loaded.

**Private Car**
A car bearing other than railroad reporting marks and which is not a railroad controlled car
Public Delivery Track
Any track open to the general public for loading and unloading.

Supplemental Train Run
Additional train runs over and above the agreed service frequency to customer(s).

**Item 430  Payment Terms**

Interest applies to all overdue amounts. This will be added to the invoice amounts. All invoices are due and payable net 30 days of invoice. Interest in the amount of 2% per month will be charged on overdue accounts.