

MODESTO AND EMPIRE TRACTION COMPANY

***MET***  
**RAILROAD**

**Freight Tariff M&ET 9500-B**

**DEMURRAGE RULES AND CHARGES  
APPLYING AT LOCATIONS ON THE  
MODESTO AND EMPIRE TRACTION COMPANY**

Cancels Freight Tariff M&ET 9500-A  
and All Supplements Thereto

---

ISSUED BY:  
MODESTO AND EMPIRE TRACTION COMPANY  
P.O. BOX 3106  
MODESTO, CA 95353

ISSUED: June 11, 2024

EFFECTIVE: July 1, 2024

**TABLE OF CONTENTS**

**GENERAL RULES AND REGULATIONS**

ABBREVIATIONS AND REFERENCE MARKS..... 5  
 SUPPLEMENTS AND REISSUES..... 10  
 METHOD OF CANCELING ITEMS..... 15

**SECTION 1 - CAR DEMURRAGE RULES AND CHARGES**

GENERAL APPLICATION ..... 100  
 GLOSSARY OF TERMS..... 105  
 CARS SUBJECT TO DEMURRAGE RULES AND CHARGES ..... 110  
 U.S. HOLIDAYS OBSERVED BY M&ET..... 115  
 DEMURRAGE – GENERAL FREE TIME RULES AND PROVISIONS ..... 120  
 DEMURRAGE – CHARGES..... 125  
 DEMURRAGE – COMPUTATION OF CHARGES ..... 130  
 DEMURRAGE – NON-APPLICATION OF PROVISIONS..... 135  
 DEMURRAGE – ALLOWANCE PERMISSIBLE FOR RELIEF OF CHARGES ..... 140  
 DEMURRAGE – NOTIFICATION/RULES AND PROVISIONS..... 145  
 DEMURRAGE – CARS HELD FOR LOADING..... 150  
 DEMURRAGE – CARS HELD FOR UNLOADING ..... 155  
 DEMURRAGE – CARS HELD – OTHER THAN LOADING/UNLOADING..... 160  
 DEMURRAGE – PAYMENT AND CREDIT TERMS ..... 165  
 DEMURRAGE – SECURITY DEPOSITS FOR CHARGES ..... 170

**SECTION 2 - SPECIAL PROVISIONS**

CONSTRUCTIVE PLACEMENT – LIABILITY FOR RAILCARS..... 200  
 CONSTRUCTIVE PLACEMENT – RESTRICTIONS ON HAZARDOUS MATERIALS..... 205  
 EXPLANATION OF ABBREVIATIONS AND REFERENCE MARKS..... 1000

METHOD OF ADDING, CHANGING OR DELETING ITEMS IN THIS TARIFF

Changes to this tariff will be made by issuing supplements. These supplements will show the action taken on each item, namely:

- A** Increase
- C** Change resulting in neither an increase nor a decrease
- R** Decrease

There will be only one supplement to this tariff in effect at any time. Any item contained in a prior supplement will be brought forward to subsequent supplements.

**ITEM****GENERAL RULES AND REGULATIONS  
APPLICATION****5****Abbreviations and Reference Marks**

For explanation of abbreviations and reference marks not explained in individual items of this tariff, as amended, see Item 1000.

**10****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".

When reference is made in this tariff to items, it includes "reissues" of such items.

**15****Method of Canceling Items**

As this tariff is supplemented, numbered items with letter suffixes cancel correspondingly numbered items in the original tariff, or in a prior supplement. Letter suffixes will be used in alphabetical sequence starting with A. Example: Item 100-A cancels Item 100 and Item 300-B cancels Item 300-A in a prior supplement which, in turn, cancelled Item 300.

Issued: June 11, 2024, 2024

Effective: July 1, 2024

Issued by: Modesto and Empire Traction Company

**SECTION 1 – CAR DEMURRAGE RULES AND CHARGES**

<b>ITEM</b>	<b>APPLICATION</b>
<b>100</b>	<p><b>General Application</b></p> <p>The demurrage rules and charges published in this tariff apply at all points on the Modesto and Empire Traction Company (“M&amp;ET” or “railroad”), except where otherwise provided.</p> <p>The demurrage rule and charges published in this tariff apply and will be assessed against the consignor or third-party handler at origin and the consignee or third-party handler at destination. The party assessed the charges shall be responsible for the payment of such charges.</p>
<b>105</b>	<p><b>Glossary of Terms</b></p> <p>For the purpose of applying provisions of this tariff, the following terms are defined and will govern:</p> <p><b>ACTUAL PLACEMENT</b> – When a car is placed in an accessible position for loading or unloading at a point designated by the consignor, consignee or third-party handler.</p> <p><b>APPROPRIATE</b> - To commence the loading or use of a car not ordered by the party or placed by M&amp;ET for loading or use by the party, whether or not the car is used in transportation service.</p> <p><b>CARE-OF-PARTY</b> – The party to whom car placement is to be made pursuant to the bill of lading or other arrangement, if cars are to be placed with a party other than the consignor at origin or consignee at destination.</p> <p><b>CARS HELD FOR LOADING</b> – Cars held for complete or partial loading in conformity with applicable loading and clearance rules, and prior to M&amp;ET receipt of forwarding instructions from the consignor or third-party handler.</p> <p><b>CARS HELD FOR UNLOADING</b> – Cars held for complete or partial unloading, and prior to M&amp;ET receipt of advice from the consignee or third-party handler that the car is empty and available for railroad pick-up or is ready to forward to final destination.</p> <p><b>CONSIGNEE</b> – The party designated on the bill of lading as the entity entitled to receive delivery of car from carrier.</p> <p><b>CONSIGNOR</b> – The party designated on the bill of lading as the entity shipping the car to consignee.</p>

Issued: June 11, 2024, 2024

Effective: July 1, 2024

Issued by: Modesto and Empire Traction Company

**CONSTRUCTIVE PLACEMENT** – When a car consigned or ordered to a private track, an industrial interchange track, or an other than public delivery track cannot be actually placed because of a condition not attributable to M&ET, and is instead held by M&ET on railroad premises at destination or, if it cannot reasonably be accommodated there, a hold point. All time-based charges begin accruing on a constructively-placed car upon notification of constructive placement by M&ET to the appropriate party and which includes notification to Shipper through Shipper Connect of a railcar's arrival to M&ET.

**CREDIT (DEMURRAGE)** – An incentive unit of value for each car held for loading or unloading when: (1) an empty car held for loading is released prior to the expiration of the first twenty four (24) hours of free time; or (2) a loaded car held for unloading is released prior to the expiration of the first forty eight (48) hours of free time.

**DEBIT (DEMURRAGE)** – A unit of liability against a car held by or for unloading for each day or fraction of a day beyond free time.

**DEMURRAGE** – A charge as provided in this tariff for detaining cars for loading or unloading beyond free time.

**DISPOSITION** – Instructions furnished or given to M&ET which provide for the release or tender of the car from consignor's, consignee's or third-party handler's account.

**ELECTRONIC OR MECHANICAL DEVICE** – The following communication devices, in order of preference: (1) RMI RailConnect web portal; (2) electronic mail; (3) telephone; and (4) facsimile transmission.

**EMPTY RELEASE INFORMATION** – Advice by consignee or third-party handler given to authorized M&ET personnel that a car is unloaded and available to railroad. Information given must include the identity of the customer, individual furnishing data, and car initial and number.

**FORWARDING INSTRUCTIONS** – Shipping instructions given to M&ET at the time of release containing all of the necessary information to properly transport the shipment to destination.

**FREE TIME (DEMURRAGE)** – A period of time following actual placement or constructive placement during which demurrage is not chargeable.

**HOLD POINT** – A location on railroad premises at which a car is held short of billed destination because of a condition not attributable to the railroad.

**LAWFUL CHARGE** – The rate or charge as may be published in tariffs or other instruments whatsoever.

**LEASED TRACKS** – Any railroad trackage assigned to the use of customer or customers through a written signed agreement. Leased tracks shall be considered as private track for purposes of applying the provisions of this tariff.

**LOADER** – Party physically loading a car at origin.

**ORDER-IN CUSTOMER** – A consignor, consignee or third-party handler which, by prior arrangement, has notified M&ET that cars shall not be actually placed for loading or unloading until M&ET has received an order for placement from said party, subject to rules and provisions of this tariff.

**OTHER THAN PUBLIC DELIVERY TRACK** – Any railroad track or portion of a track assigned for individual use or for joint use, including private track and leased tracks.

**PARTIAL UNLOADING** – Partial unloading of a car and the furnishing of forwarding instructions for further movement.

**PRIVATE CAR** - A car not owned or leased by a railroad.

**PRIVATE TRACK** – Any track or tracks which are not owned by railroad.

**PUBLIC DELIVERY TRACK** – Any track open to the general public for loading or unloading.

**RAILROAD CONTROLLED CAR** – A car owned or leased by a railroad.

**RAILROAD PREMISES** – All tracks which M&ET provides for its own uses and purposes or for general public use, and all other tracks located inside of its right-of-way or yards and terminals, except tracks located on or within the confines of property owned or leased by a customer or leased tracks.

**REFUSED CARLOAD FREIGHT** – When original loaded car is refused at destination without being unloaded.

**RELOADING** – When car is held for loading after being released as an empty.

**RESHIPMENT** – The subsequent movement of previously delivered shipment under additional rate authority, by which the entire original lading, without being unloaded, is forwarded in the same car to another destination, or another place of delivery at the same destination, which requires movement beyond the confines of the industry or the public delivery yard where the car has been originally delivered.

**SPOT-ON ARRIVAL CUSTOMERS** – Any consignor, consignee or third-party handler which is not an order-in customer. For spot-on arrival customers, M&ET will place cars for loading or unloading immediately upon their availability for placement, without notification.

STOPPED IN TRANSIT – When car is held enroute because of any condition attributable to the consignor, consignee or owner.

TENDER – The actual or constructive placement of an empty or loaded car.

THIRD-PARTY HANDLER - A loader, unloader, or care-of-party, warehouseman, transloader, intermediary or any other third party at origin or destination that receives a car from M&ET for loading or unloading, regardless of whether that party appears on the bill of lading or has an ownership interest in the freight.

TIME – Time to be observed is that time-zone in effect in the location where the car is held and shall be calculated on a twenty –four (24) hour clock

UNIT TRAIN-A train of 50 railcars or more, all of the same type, interchanged to or from M&ET as a single train unit, and carrying the same bulk commodity. Where loading/unloading/ receiving trackage is sufficient, a Unit Train typically will operate intact to its M&ET-served origin or destination point.

UNLOADER – Party physically unloading car at destination.

**110 Cars Subject to Demurrage Rules and Charges**

Except as otherwise provided, demurrage as provided herein will be assessed against railroad controlled cars, and against private cars when held on railroad premises.

**115 U.S. Holidays Observed by M&ET**

U.S. Holidays shall mean only the days listed below:

- New Year’s Day - January 1 (see Note)
- Independence Day - July 4 (see Note)
- Thanksgiving Day - Fourth Thursday of November
- Christmas Day - December 25 (see Note)

Note – When this date occurs on a Sunday, the following Monday will be observed as the holiday.

**120 Demurrage – General Free Time Rules and Provisions**

Free time as designated will be allowed for each car (Note):

- A. Forty Eight (48) Hours
  - 1. Cars held for unloading as defined in Items 105 and 150.

**B. Twenty Four (24) Hours**

1. Cars held for loading as defined in Items 105 and 155.
2. Cars held for purposes other than loading or unloading as defined in Item 160.

Note – Free time will be computed from the first 12:01 AM following actual or constructive placement. For the purpose of computing free time, Sundays and U.S. holidays will be excluded.

**125**

(A)

**Demurrage – Charges**

After expiration of free time, or without free time allowance when none is provided, one debit per car per day, or fraction of a day, will accrue until car is released. Debits will accrue on all Sundays and U.S. holidays subsequent to the expiration of free time. After offset of any available credits, as provided in Item 130, the following charges shall be made for each excess debit:

- A. \$55.00 per debit for each of the first five excess debits accrued on a car.
- B. \$105.00 per debit for each of the sixth through fifteenth excess debits accrued on a car.
- C. \$265.00 per debit for every excess debit after the fifteenth excess debit accrued on a car.

**Unit Train – Demurrage Charges.**

After expiration of free time, or without free time allowance when none is provided, one debit per car per day, or fraction of a day, will accrue on every car in a Unit Train until every car in the Unit Train received as such from a carrier interchanging with M&ET is released. Debits will accrue on all Sundays and U.S. holidays subsequent to the expiration of free time. After offset of any available credits, as provided in Item 130, the following charges shall be made for each excess debit:

- A. \$250.00 per debit for each excess debit accrued on any car as part of a Unit Train.

**130****Demurrage – Computation of Charges**

- A. All demurrage charges will be billed on a monthly basis.
- B. Credit(s) will be applied to offset debit(s) accruing during the same month. Credits earned on cars held for loading shall not be used to offset debits accruing on cars for unloading, nor shall credits earned on cars held for unloading be used to offset debits accruing on cars held for loading.

Issued: June 11, 2024, 2024

Effective: July 1, 2024

Issued by: Modesto and Empire Traction Company



- C. Credits earned and debits accrued can only be applied to one consignee, one consignor or one third-party handler at one station during one month. A maximum of one (1) credit may be earned on any one (1) car when applied to cars held for loading or unloading.
- D. The applicable debits will accrue on all Sundays and holidays subsequent to the expiration of free time.
- E. At the end of each calendar month, the total number of credits will be deducted from the total number of debits. If the credits equal or exceed the debits, no charge will be assessed. If the debits exceed the credits, charges as prescribed in Item 125 will be assessed for the excess debits. In making such assessment, credits will be applied against the most expensive debits. No payment will be made by M&ET for excess credits. Credits earned during a given month cannot be applied to another month.

**135 Demurrage – Non-Application of Provisions**

The following cars are not subject to Demurrage:

- A. Cars for loading or unloading of M&ET company material held on M&ET tracks or private tracks connecting therewith.
- B. Railroad controlled cars, leased for storage of commodities while held on lessee’s track and not used in transportation service.
- C. Loaded private cars held on private tracks, subject to the provisions in Items 155 and 160.
- D. Empty private cars held on private tracks.
- E. Empty cars ordered and rejected as unsuitable for loading within 24 hours following actual placement.

**140 Demurrage – Allowance Permissible For Relief of Charges**

In order to be allowed relief as indicated below, M&ET must receive a claim in writing within thirty (30) calendar days after the bill is issued. The claim must fully state the conditions and car number and initials of cars involved in the disputed billing.

**RAILROAD ERROR**

- A. If, through railroad error, incorrect demurrage charges are assessed, demurrage charges will be adjusted to the amount that would have accrued but for such error.
- B. Bunching and run around of cars will not be considered as railroad error, and will not be adjusted as such.
- C. With respect to loaded cars under constructive placement awaiting removal of empty cars from a siding, the following formula will be used by M&ET in

determining the extent of, and providing relief from, demurrage charges attributable to missed switches caused by M&ET:

No allowance will be made unless all cars in the siding are unloaded before the next switch is made. If a switch is missed when the siding is full of empty cars, one day extra free time is to be allowed on each loaded car under constructive placement at the time the switch was missed. If a switch is missed when only a part of the cars on the siding are empty, one day extra free time will be allowed on a proportion of the loaded cars under constructive placement. This proportion corresponds to the proportion of empty cars to the total number of cars on the siding when the switch is missed. When switches are regularly made twice a day, half of the above allowance will be made for a missed switch, and so on.

#### STRIKE INTERFERENCE

When it is impossible to load or unload cars, or receive cars from or tender cars to M&ET, because of strike interference at the point where the loading or unloading is to be accomplished, demurrage excess debit days will be charged at the rate of \$50.00 per day (without subsequent escalation) during the period of strike interference, provided:

- A. The disruption exceeds ten (10) consecutive days.
- B. A claim, in writing, is presented to M&ET within thirty (30) days, exclusive of Sundays and holidays, after the date on which the strike interference ceases, or the date on which demurrage bill is rendered, whichever is latest, stating the date and time strike interference began and ended.
- C. The provisions of this Item will not apply to:
  1. Inbound cars when waybills are dated four (4) or more days after the beginning of strike interference.
  2. Cars for loading when ordered after the beginning and prior to the ending of strike interference.

#### WEATHER INTERFERENCE

On cars placed for loading and unloading, when because of earthquakes, floods, hurricanes or tornadoes and conditions in the devastated area resulting therefrom, the operations of the consignor, consignee or third party handler are disrupted, the detention directly chargeable thereto shall be eliminated from demurrage charges assessed and billed provided the disruption exceeds forty-eight (48) hours in duration, and claim is presented in writing to M&ET within 30 calendar days after the date on which demurrage bill is rendered, stating fully the circumstances which prevented the loading or unloading.

**145****Demurrage – Notification/Rules and Provisions****NOTIFICATION TO CONSIGNOR, CONSIGNEE OR THIRD-PARTY HANDLER - GENERAL PROVISIONS**

- A. When the consignor, consignee or third party handler is entitled to receive notification as provided in this Item, such notification shall be given within twenty-four (24) hours of arrival of car at destination or hold point.
- B. When required, notification will be furnished by electronic or mechanical device. Such information shall include:
- Car initials and number.
  - Contents.
  - Point of shipment.
  - Hold point (if different than destination).
- C. A record of notification shall be maintained by M&ET.
- D. When consignor, consignee or third party handler utilizes an electronic or mechanical device to accept messages, notification left on device will be considered as having been received.
- E. Where any part of the contents of a car has been inspected or removed by the consignee or third party handler prior to notification by M&ET, such inspection or removal shall constitute the required notification.

**NOTIFICATION TO M&ET**

When required, consignor, consignee or third-party handler will furnish notification to M&ET by electronic or mechanical device. The recorded date and time that instructions are received by M&ET will govern.

**NOTIFICATION TO CONSIGNOR, CONSIGNEE OR THIRD PARTY HANDLER - SPECIFIC CIRCUMSTANCES**

The following notification will be furnished or made applicable as indicated:

**CARS FOR OTHER THAN PUBLIC DELIVERY TRACKS**

- A. Actual placement of cars upon other than public delivery tracks, including lead tracks of the consignor, consignee or third party handler, will constitute notification to consignor, consignee or third party handler without further action by M&ET under this Item.
- B. Notification in accordance with this Item shall be provided to consignor, consignee or third party handler upon the constructive placement of any car ordered to other than public delivery tracks.
- C. Notification in accordance with this Item shall be provided to an order-in customer upon the arrival and availability for placement of a car.

Issued: June 11, 2024, 2024

Effective: July 1, 2024

Issued by: Modesto and Empire Traction Company

#### CARS FOR PUBLIC DELIVERY TRACKS

On cars for loading or unloading on Public Delivery Tracks, notification shall be sent or given within the first twenty-four (24) hours following arrival or after actual placement. Time will be computed from first 12:01 A.M. after actual placement (see Note) and after required notice has been sent or given.

Note – When placement of cars on public delivery tracks cannot be made on account of more cars on hand then such tracks will accommodate, such cars will be constructively placed following notification of same, provided one or more of such consignor's , consignee's or third party handler's cars are placed or offered for placement each time the facility is switched.

#### CARS STOPPED IN TRANSIT

When cars are held in transit because of any condition attributable to the consignor, consignee or owner, notice shall be given to party ordering cars held upon arrival of cars at the hold point. This will not apply to cars stopped in transit for milling or other in-transit privileges, but notice will be given as otherwise required.

#### REFUSED CARLOAD FREIGHT

When carload freight is refused at destination, M&ET shall give notice of such refusal to the consignor or owner when known, or when not known, to the agent at point of shipping.

#### UNCLAIMED CARLOAD FREIGHT

When carload freight cannot be delivered and remains on hand undelivered and unclaimed after the expiration of five days, computed from the first 12:01 A.M. after notification has been given, a notice to that effect shall be given to the consignor or owner when known, and when not known, to the agent at point of shipment.

Notification of unclaimed freight shall not be sent under the following circumstances:

- A. When actually placed, or constructively placed, for delivery on other than public delivery tracks or industrial interchange tracks serving the consignee or unloader.
- B. When the consignee has paid the freight charges at the destination, or has ordered in writing that the car be placed for unloading.
- C. When consignor has advised either the destination or originating railroad in writing that such notice is not required.

- D. When the consignor and consignee are the same and a notice of arrival has previously been sent or given.
- E. When the bill of lading has been surrendered or an indemnity bond furnished for shipment covered by “to order” bill of lading.
- F. When consignor or owner has been previously sent or given a notice electronically that the car is being held for disposition instructions.

**150**

**Demurrage – Cars Held for Loading**

LOADING

Loading is the complete or partial loading of a car in conformity with applicable loading and clearance rules, and the furnishing of forwarding instructions.

TENDER

The actual placement, or notification of constructive placement, of an empty car placed on orders of the consignor or third-party handler.

RELEASE

- A. Date and time forwarding instructions for a loaded car are received by M&ET.
- B. Cars placed on the interchange track(s) of customers who perform their own switching, must be returned back to the interchange track(s) to complete release.
- C. Cars found to be overloaded or improperly loaded at origin will not be considered released until the load has been adjusted properly and clearance obtained.

COMPUTATION

- A. Time will be computed from the first 12:01 A.M. after tender until the car is released.
- B. If the car is placed prior to date for which it was ordered, time will be computed from 12:01 A.M. of the date ordered until the car is released.
- C. When the same car is unloaded and reloaded, empty release information must be furnished to M&ET. On cars used for reloading, time will be computed from the first 12:01 A.M. after notice is received that the car is empty, until its release. If no notice is received when the car is made empty, demurrage will accrue continuously from the prior delivery of the loaded car.
- D. For order-in customers, time will be computed from the first 12:01 A.M. after notification by M&ET of arrival and availability of the car until M&ET

receives order-in instructions, and from the actual placement of the car until the car is released.

- E. On appropriated cars, time will be computed from the actual commencement of loading or use of the car and continue until either the car is released or M&ET has evidence that the car has been unloaded and is no longer in use.

**APPROPRIATED CARS**

When an empty car is appropriated, without being ordered, it shall be considered as having been ordered and actually placed at the time so appropriated. When an empty car placed on an order of one party is appropriated by another party without permission of M&ET it shall be considered as having been initially ordered and placed on the order of the party appropriating the car.

**155**

**Demurrage – Cars Held For Unloading**

Unloading is the complete unloading of a car and notification to M&ET that the car is available.

**TENDER**

The actual placement or notification of constructive placement of a loaded car.

**RELEASE**

- A. Date and time that M&ET receives advice that the car is empty.
- B. Cars placed on the interchange track(s) of customers who perform their own switching, must be returned back to the interchange track(s) to complete release.
- C. On private cars, demurrage will continue until car is actually placed or ordered for unloading on private tracks.

**COMPUTATION**

- A. Time will be computed from the first 12:01 A.M. after tender until the car is released.
- B. When the same car is unloaded and reloaded, empty release information must be furnished to M&ET. If no notice is received when the car is made empty, demurrage will accrue continuously from the initial delivery of the loaded car.
- C. For order-in customers, time will be computed from the first 12:01 A.M. after notification by M&ET of arrival and availability of the car until M&ET receives order-in instructions, and from the actual placement of the car until the car is released.

**160****Demurrage – Cars Held – Other Than Loading/Unloading**

## APPLICABLE TO CARS HELD

- A. On orders of the consignor or consignee.
- B. Cars received under load from another railroad and held by M&ET for forwarding directions or other disposition.
- C. Loaded private cars received from private tracks and held by M&ET for forwarding directions or other disposition.
- D. Cars held for diversion, reconsignment or reshipment.
- E. Loaded cars refused by consignee or third party handler at destination.
- F. Cars held in transit which also include:
  - 1. Cars found to be overloaded or improperly loaded.
  - 2. Cars held for surrender of order-notify bills of lading.
  - 3. Cars held waiting for payment of lawful charges.
  - 4. Cars destined for delivery to a connecting carrier.
  - 5. Cars held for any other purpose which is not attributable to M&ET.
  - 6. Cars held as a result of conditions attributable to the consignor, consignee or third party handler.
- G. Empty cars, either appropriated or ordered for loading and not used in transportation service.

## DISPOSITION

Information, including forwarding instructions or empty release, which allows M&ET to either tender the car or release the car from the consignor's, consignee's or third party handler's account.

## TENDER

The actual placement or notification of constructive placement of a loaded car.

## RELEASE

Date and time that the M&ET receives disposition of the car, including forwarding instructions.

## COMPUTATION (See Note 1)

Time will be computed from the first 12:01 A.M. after the tender until release, on cars that are:

- A. Diverted, reconsigned or reshipped.
- B. Stopped in Transit.
- C. Ordered for loading and not used in transportation service (Will not apply on cars rejected as unsuitable for loading) (Note 2).
- D. After cars are received by M&ET until date of disposition on:
  - 1. Cars received from connecting carriers.
  - 2. Loaded private cars returned to railroad tracks.
- E. After tender until date of refusal on loaded cars refused by the consignee or unloader.
- F. After tender until the date disposition is received from consignor of load refused by consignee. (Note 3)

Note 1 – For free time and charges for rules contained in this Item, refer to Items 120 and 125.

Note 2 – No free time will be allowed for empty cars either appropriated or ordered and not used in transportation service.

Note 3 – Upon refusal of load at destination, M&ET will notify the consignor or owner within twenty-four (24) hours following such refusal.

**165 Demurrage – Payment and Credit Terms**

Payment of demurrage charges shall be subject to the provisions of Item 40 of Freight Tariff M&ET 8000 series.

**170 Demurrage – Security Deposits for Charges**

M&ET may require a security deposit to ensure payment of future demurrage charges that may accrue from any consignor, consignee or third-party handler upon specific written demand from M&ET referring to this tariff provision.

The deposit must be paid in cash, certified check, cashier’s check, wire transfer or money order before any further cars are delivered for loading or unloading.

The deposit for each further car will be as determined by M&ET but may not exceed the greater of \$250.00 per car or the maximum amount of demurrage that accrued on any one car during the preceding 12 months.

M&ET will refund the deposit or balance of the deposit to the consignor, consignee or third-party handler within 60 days after the car is released to M&ET after deducting any unpaid undisputed demurrage charges on that car. Alternatively, the deposit or balance of the deposit is transferable to another car to satisfy the requirements of this Item with respect to future cars on a revolving basis.



**SECTION 2 – SPECIAL PROVISIONS**

<b>ITEM</b>	<b>APPLICATION</b>
<b>200</b>	<p><b>Constructive Placement – Liability for Railcars</b></p> <p>The following provisions apply to railcars that are constructively placed.</p> <p>A. Consignor, consignee and/or third-party handler will be solely responsible for the security, condition and state of repair of constructively placed railcars and their contents; for any loss or damage to constructively placed railcars and their the contents; ; and for any release of Hazardous Materials from constructively placed railcars.</p> <p>B. Consignor, consignee and third-party handler release, indemnify, defend and hold harmless M&amp;ET and M&amp;ET’s affiliated companies, partners, successors, assigns, legal representatives, officers, directors, shareholders, owners, employees and agents for, from and against any and all claims, liabilities, fines, penalties, costs, damages, losses, personal death or injury, liens, causes of action, suits, demands, judgments and expenses (including, without limitation, court costs, attorneys’ fees and costs of investigation, removal and remediation and governmental oversight costs) of any nature, kind or description, environmental or otherwise, to any person or entity directly or indirectly arising out of, resulting from or related to (in whole or in part) any release of any contents of any stored railcar (including but not limited to those relating to any explosion, fire or contamination, acts of war or terrorism, or as a result of any third-party act or omission) or the presence, storage, discharge or release of any Hazardous Materials or substance from any railcar, whether intentionally or unintentionally, and regardless of any ordinary negligence, strict liability or alleged ordinary negligence or alleged strict liability of M&amp;ET, provided, however, that consignor, consignee and third-party handler shall not be liable to M&amp;ET for any loss, injury or death result from the gross negligence or willful misconduct of M&amp;ET.</p>
<b>205</b>	<p><b>Constructive Placement – Restrictions on Hazardous Materials</b></p> <p>A. M&amp;ET will not hold for constructive placement purposes on its property or trackage railcars containing toxic by inhalation/ poisonous by inhalation commodities, hazardous waste or waste materials or residues thereof as regulated or characterized by any governmental authority, law or regulation.</p> <p>B. M&amp;ET will not hold for constructive placement purposes on its property or trackage, railcars containing Hazardous Materials for a period longer than 48 hours (excluding Sundays, and U.S. holidays).</p>

Issued: June 11, 2024, 2024

Effective: July 1, 2024

Issued by: Modesto and Empire Traction Company

**1000**

**Explanation of Abbreviations and Reference Marks**

(A) – Increase.  
(R) - Reduction.