



IRONHORSE
RESOURCES, INC

SANTA TERESA SOUTHERN RAILROAD

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FREIGHT TARIFF STS 100

SWITCHING TARIFF

Applicable AT and BETWEEN Stations On The

SANTA TERESA SOUTHERN RAILROAD, LLC

Governed, except as otherwise provided herein, by the Uniform Freight Classification (UFC), as provided Item 5.

NOTICE

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

ISSUED: December 1, 2012

EFFECTIVE: January 1, 2013

ISSUED BY

SANTA TERESA SOUTHERN RAILROAD, LLC.

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LIST OF INDUSTRIES AND TEAM TRACKS

<u>LOCATION</u>	<u>CUSTOMER</u>	<u>STATION</u>	<u>TRACK#</u>
Santa Teresa, NM	JH Rose Logistics	Santa	202
Santa Teresa, NM	Monarch Litho	Santa	201
Santa Teresa, NM	Border Transload & Transfer, Inc.	Santa	150, 151
Santa Teresa, NM	Santa Teresa Ag Transload	Santa	300

SECTION 1 - RULES AND OTHER GOVERNING PROVISIONS

GENERAL RULES AND REGULATIONS

ITEM	SUBJECT	APPLICATION
5	Description Of Governing Classification and Exceptions	The term "Uniform Freight Classification", when used herein means ICC UFC 6000-Series.
10	Station Lists And Conditions	<p>This tariff is governed by the official list of Open and Prepay Station 6000-Series, ICC OPSL 6000-Series, Station List Publishing Company, Agent, to the extent shown below:</p> <p style="text-align: center;"><u>PREPAY REQUIREMENTS AND STATION CONDITIONS</u></p> <p>For additions and abandonments of stations, and except as otherwise shown herein, for prepay requirements, changes in names of stations, restrictions as to acceptance or delivery of freight and changes in station facilities.</p> <p>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 the date.</p>
20	Reference To Tariffs, Items, Notes, Rules, Etc.	Where reference is made in this tariff to tariffs, items, notes, rules, etc., such references are continuous and include supplements to and successive issues of such tariffs, and re-issues of such items, notes, rules, etc.
25	Terminal Or Transit Priveleges or Services	Shipments made under the rates contained in this tariff are entitled also to terminal and transit services and priveleges, and are subject to the charges, allowances, rules, and regulations legally applicable thereto, as provided in separately published, lawfully filed tariffs.
30	Consecutive Numbers	Where consecutive numbers are represented in this tariff by the tariff by the first and last number 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.
35	Capacities and Dimensions of Cars	For marked capacities, length, dimensions and cubical capacities of cars, see the Official Equipment Register, ICC RER 6411-Series.
40	Method of Cancelling Item	<p>As this tariff is supplemented, numbered items with lettered 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.</p> <p>Example: Item 25-A cancels Item 25 and Item 50-B cancels 50-A in a prior supplement which in turn cancelled Item 50.</p>
45	National Service Order Tariff	This tariff is subject to provisions of various Interstate Commerce Commission Service Orders and General Permits as shown in Tariff NSO 6100-Series.
50	Change of Name of Industries	When and industry at a private siding on the STS is mentioned by name, and a change of ownership occurs, the switching provisions herein for the named industry, will also apply to the successor industry at the same private siding. When an industry at a private siding on a connecting carrier is mentioned by name and a change of ownership occurs, the tariff of such connecting carrier, lawfully on file with the ICC, will contain the provisions applicable at such private siding.
55	Receipt Of Order Notify Freight From Connecting Lines	Carload freight from connecting lines, when consigned to order notify, or when consigned to one party, notify, or advise another party, will not be accepted by STS until road haul has taken up the order notify, bill of lading, written order or any other document required as a precedent to delivery.

SECTION 1 - RULES AND OTHER GOVERNING PROVISIONS

GENERAL RULES AND REGULATIONS

ITEM	SUBJECT	APPLICATION										
60	Less Than Carload Freight	Freight moving in less than carload shipments shall be subject to the provisions of, and treated the same as carload freight.										
65	Application Of Switching Rates Or Charges	Except as otherwise provided, switching rates or charges named herein will cover the handling of cars loaded one way and empty the other. If the cars are loaded in both directions, regular rate or charge will be assessed for each loaded movement.										
70	Car Movement Instructions & Release Times	<p>For purposes of this item, the following definition shall apply:</p> <p>Car Movement Instructions – Instructions provided by the shipper or receiver to release a car, move a car via reciprocal switch, intra-terminal switch, inter-terminal or intra-plant switch service, or via freight service with a Bill of Lading.</p> <p>ShipperConnect™: STS requires all Car Movement Instructions to be provided electronically through the ShipperConnect™ system, including but not limited to railcar releases and Outbound Bill of Lading entries.</p> <p>Facsimile Allowance: In the event the customer has technical issues, STS, at STS's sole discretion, may allow the customer to temporarily submit Car Movement Instructions via facsimile. In no event will verbal releases be accepted. If cars are released via facsimile, Customers will only be allowed to release loaded or empty cars to the railroad during "Normal Working Hours" which are between 6:50 AM and 5:00 PM on any day except Saturday, Sunday and holidays. If a car is released at any other time different than normal working hours, the release time will be adjusted to the next time the railroad would have normal working hours. That is, if a customer would release a car on Monday at 8:00 PM, the release time would be changed to Tuesday at 6:50 AM.</p> <p>If Car Movement Instructions are provided to STS through a means other than the ShipperConnect™ system, a fee of \$25 per railcar (Processing Fee) will be applied in addition to other charges for the movement. On all other instructions, charges will be assigned to the industry providing the shipping instructions.</p> <p>For all shipments that originate AND terminate on the STS, do not use ShipperConnect™. The following information must be provided by facsimiles before this movement can be made:</p> <table border="0"> <tr> <td>1. Origin</td> <td>6. Consignee</td> </tr> <tr> <td>2. Shipper</td> <td>7. Empty/Load Status</td> </tr> <tr> <td>3. Car initial & Car Number</td> <td>8. Contents (Commodity)</td> </tr> <tr> <td>4. Destination</td> <td>9. Estimated Weight</td> </tr> <tr> <td>5. Route</td> <td></td> </tr> </table> <p>(The Processing Fee is waived for these types of movements. Switching Charges for these types of moves will be handled through tariff item number 320.)</p> <p>NOTE 3: Customers who advise STS of a planned system outage at least forty eight (48) hours in advance of the outage will be exempt from Processing Fee charges for a period of up to twenty four (24) hours starting from the beginning of the outage as notified by the customer.</p> <p>NOTE 4: Cars that are physically placed at a customer siding during evening hours may not be available for Shipperconnect release until after 8 AM the following morning</p>	1. Origin	6. Consignee	2. Shipper	7. Empty/Load Status	3. Car initial & Car Number	8. Contents (Commodity)	4. Destination	9. Estimated Weight	5. Route	
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SECTION 1 - RULES AND OTHER GOVERNING PROVISIONS

GENERAL RULES AND REGULATIONS

ITEM	SUBJECT	APPLICATION
75	Release Availability	<p>In the event that a railcar is released (regardless of loaded or empty status) to STS and the car is not available at the time of pull due to any reason attributable to the customer, a charge of \$300.00 per released railcar will apply.</p>
90	Demurrage Rules & Charges	<p>A person, company, or entity receiving railcars from STS for loading or unloading who detains the rail cars beyond the period of free time set forth in the governing demurrage tariff will be held liable for demurrage if that person had actual notice of the demurrage tariff. However, if that person, company, or entity is acting as an agent for another party, that person, company, or entity is not liable for demurrage if the rail carrier has actual written notice of the agency status, the identity of the principal, and written acceptance from the principal for the principals responsibility of that demurrage.</p> <p>Free time will start at the first 7:00 AM after placement, or after proper notification has been sent or given when required. For the purposes of computing free time, Sundays and observed holidays (see note) will be excluded if occurring within free time. Free time for unloading is forty-eight (48) hours and free time for loading is twenty-four (24) hours. Demurrage will start after free time.</p> <p>Demurrage charges for Non-Hazardous cars are as follows: \$50.00 per day (or any part thereof) for each of the first five (5) days. \$70.00 per day (or any part thereof) for each of the subsequent days until the car is released.</p> <p>Demurrage charges for Hazardous cars are as follows: \$130.00 per day (or any part thereof) until the car is released.</p> <p>Demurrage charges for TIH cars are as follows: \$1500.00 per day (or any part thereof) until the car is released.</p> <p>Exception: Rates on heavy capacity and special flat cars are negotiated with each customer.</p> <p>A. Customers can only release loaded or empty cars to the railroad during "Normal Working Hours" which are between 6:50 AM and 5:00 PM on any day except Saturday, Sunday and holidays. If a car is released at any other time different than normal working hours, the release time will be adjusted to the next time the railroad would have normal working hours. That is, if a customer would release a car on Monday at 8:00 PM, the release time would be changed to Tuesday at 6:50 AM.</p> <p>NOTE: Release methods are further detailed in Tariff item number 70</p> <p>B. Cars will be constructively placed to a shipper or receiver of rail freight if a customer cannot take the car because of conditions at the facility which will not allow the railroad to place the car. If a car is constructively placed by the railroad, the railroad will notify the customer during normal working hours of the constructive placement either by phone, fax or mail which would be postmarked with that days date. The demurrage rules would apply to this car as if the car were placed at the customer's track. The railroad will place the car when the next normal switch will allow the railroad to place the car.</p> <p>The applicable charge will accrue on all Sundays and holidays after free time has expired.</p> <p>Note: The observed holidays are New Years Day, Memorial Day, July 4th, Labor Day, Thanksgiving and Christmas.</p>
95	Storage Charges on Private Cars	<p>Private cars will receive storage charges for the time they sit on Public tracks per the same schedule and rates detailed in Tariff Item # 90 (Demurrage Rules & Charges).</p> <p>Note: If private cars are loaded or unloaded on public track, these cars will receive storage fees equivalent to the demurrage charge schedule identified in Tariff Item #90.</p>

SECTION 1 - RULES AND OTHER GOVERNING PROVISIONS

GENERAL RULES AND REGULATIONS

ITEM	SUBJECT	APPLICATION
100	Security Deposit For Demurrage, Detention, Storage And Other Accessorial Charges	A security deposit to insure payment of any demurrage, detention, storage and other accessorial charges will be required from every firm or industry whose demurrage, detention, and/or storage charges are delinquent more than 30 calendar days. Deposit must be made using an irrevocable financial instrument in the amount of the total monetary delinquency divided by the units of equipment delinquent, before each unit of equipment is delivered to such firm or industry for loading or unloading. The deposit will be refunded when the unit of equipment is released and applicable charges and any current receivables, if any, deducted. Deposits will continue so long as there are any demurrage, detention, storage or other accessorial charges are delinquent more than 30 days.
110	Tolerance	The amount of allowable weight tolerance on a waybill shall be one percent (1%) of the gross weight on loaded car and 1,000 pounds on empty cars. Railroad will charge \$400.00 to the customer if railcars outside of these tolerances are discovered.
115	Interest Charges On Invoices	An interest charge of 18% per annum will be applied to all invoices when they have not been paid after 20 days of being issued. This charge will be applied on a monthly charge of 1.5% per month.
120	Customer Credit	Credit will only be given to customers at the discretion of the Railroad. The Railroad does not have to give any customer credit and may cancel credit without any notice to the Customer. The Railroad can place the Customer on a cash basis at any time. If Customer has been placed on a cash basis and has not paid the railroad the cash or security deposit requirement before the railcar arrives, the Railroad will place the railcar(s) on Constructive Placement until payment has been made to the Railroad. Customer will be responsible for any additional switch charges or demurrage incurred as result of this delayed payment.
125	General Application	This tariff applies independently except when this tariff is in conflict with the provisions of other applicable tariff, agreement or contract as the case may be, the rates, charges and provisions of the applicable tariff, agreement, or contract will take precedence.
130	Intermediate Application	Rates and charges named in this tariff are subject to intermediate application. Where rates are published from one origin to one destination, these rates will apply to such origins and destinations as the case may be, if no specific rates are named to or from such intermediate points.

SECTION 1 - RULES AND OTHER GOVERNING PROVISIONS

GENERAL RULES AND REGULATIONS

ITEM	SUBJECT	APPLICATION
135	Rates	Rates and charges named in this tariff MAY be absorbed in whole or in part by other carriers as prescribed by tariffs or transportation contracts of other carriers.
140	Charges	Unless otherwise noted, charges published in this tariff are per carload.
145	Line Haul Switching	A switching movement between private, assigned or team tracks and the intermediate tracks of the connections named in Item 220 when either the origin or destination is beyond the STS switching district.
150	Intra-Plant Switching	A switching movement from one track to another, or from one location to another on the same track, within the same plant or industry located on the STS , also a switching movement from a team track to another team track within the same station on the STS.
155	Intra-Terminal Switching	A switching movement (other than intr-plant) between private or assigned sidings located on tracks of the STS within the switching limits on STS.
160	Constructive Placements & Switch Fees	<p>Cars will be "Constructively Placed" to a shipper or receiver of rail freight if a customer is not able to receive a car because of any condition at the customer's facility which will not allow the railroad to place the car. If a car is Constructively Placed by the railroad, the railroad will notify the customer of the Constructive Placement either by phone, fax or mail which would be postmarked with that days date. The demurrage rules would apply to this car as if the car were placed at the customer's track. The railroad will place the car when the next normal switch will allow the railroad to place the car.</p> <p>STS will charge a switch fee of \$125.00 on all cars that are Constructively Placed on the Railroad and then switched to actual placement at the customer's or public siding.</p>
165	Weighing and Reweighing	STS does not perform track scale weighing.
170	Local Switching	<p>The STS is not obligated or required to furnish equipment for handling of traffic in local switch movements.</p> <p>Under circumstances when such service is performed the charges published herein will be applied.</p>
175	Charges On Overloaded, Improperly Loaded, Or Partially Unloaded Car	<p>When cars are discovered to be overloaded, improperly loaded, or partially unloaded on the STS thereby necessitating transfer, trimming, adjusting or reloading in the interest of safe transportation, shipper or owner will be notified and requested to advise disposition. See paragraphs (1) and (2) below.</p> <p>(1) Except as provided in Paragraph (2), cars discovered to be overloaded or improperly loaded, will be placed on carrier's track accessible for transfer, trimming, adjusting or reloading and shipper or owner will be required to transfer, trim or adjust or reload car to meet loading requirements for safe transportation. Any charges assessed by agent to Railroad will be reimbursed to Railroad by customer. Additionally, Intra-plant or Intra-Terminal switch charges may apply.</p> <p>(2) When cars are discovered to be overloaded or improperly loaded at point of origin, and cars are ordered returned to the shipper's plant or point of loading, the applicable intra-plant, intra-terminal switching charges will be assessed.</p>

SECTION 1 - RULES AND OTHER GOVERNING PROVISIONS

GENERAL RULES AND REGULATIONS

ITEM	SUBJECT	APPLICATION
180	Empty Cars Ordered But Not Loaded	On empty cars that are ordered for loading and the service of switching or placing has been performed and the car is not loaded, but returned to the railroad empty, a switching charge of \$400.00 per car will be assessed for this service and collected from the person, firm or corporation ordering such cars. Demurrage will apply for the time the car was on placement with the customer.
185	Application Of Charges In Articulated Cars	When shipments are loaded in or on so called articulated cars (two or more car units permanently or temporarily joined together), the charges published in this tariff will apply separately to each unit of the articulated equipment.
190	Order Notify Shipments From Connecting Lines	STS will in no instance be responsible for the taking or securing of order ladings, turn over order, advising patrons, etc., in connection with shipments received in interchange delivery by connecting road-haul carriers to the interchange with STS. Shipments will be accepted by STS with the understanding that any such documents required as a precedent to delivery, are in possession of road-haul carrier.
195	Rejected Cars	When loaded cars are placed and subsequently rejected account grade product, STS will switch car(s) as directed by owner. Notification of such rejection shall be the responsibility of party rejecting car(s). Charges for such movement will be the the applicable charges as published herein and will apply in both directions of the loaded move. Note: Such rejected cars are subject to demurrage charges as described herein up until the time that STS receives switch order from the customer
200	Improper Cars Furnished For Loading By Connecting Line	When cars ordered by industries for loading are furnished by a road-haul carrier and subsequently refused on account of not being in proper condition to load, a charge of \$400.00 per car will be assessed against the railroad furnishing the car.
203	All Loaded or Empty Cars Received From UP In Error	When any car loaded or empty is received in error from the Union Pacific, a charge of \$300.00 will be assessed per car to the Union Pacific
205	Reloading Cars	When an empty car is appropriated by shipper, car shall be accepted by shipper's agent as being suitable to receive their product(s). Note: Nothing in this Item shall make it permissible to load an appropriated car with a product inferior to the inbound lading to the extent that car would be unsuitable to receive a similar or like class loading as it originally contained.
210	Team Track	Customers without private or assigned sidings, may negotiate the use of a STS controlled Team Track. All Team Track agreements and switch charges will be established through the negotiation and execution of a "TEAM TRACK LICENSE & BUSINESS AGREEMENT". Use of a Team Track will not be accepted unless prior arrangements have been made directly with STS.
215	Hazardous Material	Cars loaded with explosives or radioactive material as shown in Tariff ICC BOE 6000-Series, will not be accepted for movement. Other hazardous material moving under STCC 49-Series will be accepted provided shipper notifies the STS at least 48 hours prior to shipment.
220	Definition of Switching Limits	The entire STS Railroad.
225	Connecting Lines	UP - Santa Teresa, NM

SECTION 1 - RULES AND OTHER GOVERNING PROVISIONS		
GENERAL RULES AND REGULATIONS		
ITEM	SUBJECT	APPLICATION
235	Acceptance of Car By Customers	<p>Customers are required to ensure the railcar number that is placed at the customer's facility belongs to the customer. Customers must check the railcar number and confirm accuracy prior to unloading the railcar. Any costs associated with unloading a railcar that does not belong to customer will be solely borne by Customer.</p> <p>Once a customer begins to load / unload a railcar, this car is considered 'accepted' by that customer. The customer will be responsible for any costs associated with damage that is discovered or any door that can not be closed after the customer begins to load / unload the railcar.</p> <p>Customers are also required to verify railcar numbers before unloading. Costs associated with Loading / Unloading a railcar that was not ordered will be absorbed by that Loading / Unloading customer.</p>
240	Damage to Cars by Customers	<p>Any damage done to the cars by the customer will need to be repaired according to the STS and FRA standards.</p> <p>Demurrage charges will continue on the railcar until these repairs have been completed to the satisfaction of STS and FRA standards</p>
245	Car Doors Not Closed	<p>A charge will be assessed for each car door not closed on a box car equipped with plug doors, refrigerated car, top door lids on hopper cars, and any other type of car if the doors are not closed after they are released by customer for pick-up by railroad. These cars will be charged \$200.00 for every door that needs to be closed.</p> <p>The railroad will close the door for the customer after the mechanical department has an opportunity to inspect this railcar. Until this inspection and door closing occurs, the car will still be on the customer's demurrage clock.</p>
250	Cars Placed At Wrong Location	<p>If a car is placed at the wrong location by the railroad and it is the fault of the railroad, the railroad will move the car at its next ordinary switch movement at no cost to the customer, and the demurrage time will start when the car is correctly placed.</p> <p>If the car is placed at the wrong location by the railroad and it is not the fault of the railroad because of incorrect orders by the customer, shipper or receiver then the car will be moved to the correct track, and the current tariff charge will be invoiced to the customer. The demurrage time of the car will start when the car was first placed at the wrong track.</p>
255	Customer Liability	<p>Any customer does hereby assume and shall be liable for any damage to any car and/or any damage to or loss of the contents thereof from and after the time such car is placed on the Customer's track or team track by Railroad for Customer. Customer's liability therefore shall continue until the car is released by Customer and is attached to Railroad's locomotive. This applies whether or not the Railroad has notified Customer that car has been placed or constructively placed.</p> <p>Customer also assumes liability for and shall indemnify, defend and hold Railroad harmless from and against any and all claims, losses, costs, damages, expenses (including attorney's fees) and awards, arising from any injury to or death of any person or any damage to or loss of property occurring on or about a track or other property of Railroad and resulting from any act or omission of Customer or Customer's employees or agents.</p>
260	Non-application Mileage - Private Car Allowance	<p>The Santa Teresa Southern Railroad, LLC (STS) does not participate nor does it abide by the Items or Rules stated in Tariffs RPS 6007-series and ASLG 6007-series.</p>
265	Derailed Cars	<p>STS requires notification from customers of any railcar derailment. This notification must be received by fax or email with car number(s) and location of derailment. It must be noted which wheel(s) have derailed on this notification. Railcars cannot be moved until the car is classified as safe for movement for the railroad.</p> <p>A crane may be required for inspection of wheel bearings(s) and 3rd party contractors will be required to re-rail the car and inspect the Roller bearings. The customer will be responsible for all charges.</p> <p>In addition to the above charges, the customer will also be responsible for resulting demurrage, STS time, materials, and equipment required to fix and inspect the track.</p>

SECTION 2 - MISCELLANEOUS SWITCHING RULES AND CHARGES		
ITEM	SUBJECT	RATES IN DOLLARS PER CAR
300	<p style="text-align: center;"><u>INTRA-PLANT SWITCHING</u></p> <p>These charges apply to cars loaded or empty when STS is requested to perform such service (See Item 150)</p> <p>EXCEPTION: When an empty car, having had prior loaded movement with STS is moved to another location for a subsequent loaded movement, no charge will be made for the movement of the empty car.</p>	\$150
320	<p style="text-align: center;"><u>INTRA-TERMINAL SWITCHING</u></p> <p>STS will perform intra-terminal switching service as defined in Item 155, under the following conditions and charges</p> <p>Between ALL Stations and Team Tracks</p>	\$300
340	<p style="text-align: center;"><u>Special Switching</u></p> <p>Upon written request received at least 24 hours in advance of the requirement for such service, STS will provide special service for customers with a record of established credit, subject to the availability of an engine and crew. The time for this service will be based on the extra time the train crew operates the train to fulfill the request of the special switch. Charges are billed on the basis of actual crew time on duty, subject to a two hour minimum.</p>	First Hour - \$225.00 2nd hour on - \$150.00

SECTION 3 - LINE HAUL SWITCHING, RATES AND CHARGES

ITEM	STATION	COMMODITY	BETWEEN	AND	RATES IN DOLLARS PER CAR
500	All Industries Named in List of Industries and Team Tracks	All Commodities	All Industries Named In List Of Industries and Team Tracks	Interchange With UP When Originating or Terminating Beyond Interchange	These rates are published by or contracted directly with the UP. Contact the UP for rates.
710	All Loaded Or Empty Cars Received From the UP in Error	All Commodities	All Stations On the STS	Interchange with UP when originating or terminating beyond Interchange	\$400.00

EXPLANATION OF ABBREVIATIONS AND REFERENCE MARKS

Abbreviation or Reference Mark	Explanation
BOE	Bureau of Explosives
NSO	National Service Order
OPSL	Official List of Open and Prepay Stations
RER	Official Railway Equipment Register, The
NM	New Mexico
STB	Surface Transportation Board
FRA	Federal Railroad Administration
ICC	Interstate Commerce Commission
STS	Santa Teresa Southern Railroad, LLC.
UP	Union Pacific Railroad Company

EXPLANATION OF NOTES, ABBREVIATIONS AND REFERENCE MARKS

Note, Abbreviation or Reference	Explanation
*	Indicated Team Track