

WATCO INDUSTRIAL TERMINALS.

TARIFF NO. 001

Rates Rules and Regulations Governing Industrial Terminals

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Section One

SUBJECT: RULES AND REGULATIONS

SUBRULE 1: DEFINITIONS AND ABBREVIATIONS

A. The following terms are defined as follows wherever used in this tariff.

- (1) *Agent or Vessel Agent*: The party or entity which submits the application for berth.
- (2) *Berth*: The water area at the edge of a wharf, including mooring facilities, used by a vessel while docked.
- (3) *Breakbulk Cargo*: Commodities which are not transported in containers or trailers, and which are commonly packaged in bags, cartons, drums, crates, etc, and palletized while awaiting transfer or storage.
- (4) *Container*: A standard (I.S.O.) seagoing container 20 feet in length or over.
- (5) *Day*: A consecutive 24-hour period or fraction thereof.
- (6) *Dockage*: A charge assessed against a vessel for berthing at a wharf, pier, bulkhead structure, or bank or for mooring to a vessel so berthed.
- (7) *Free Time*: The specified period during which cargo may occupy space assigned to it on terminal property free of wharf demurrage or terminal storage charges immediately prior to the loading or subsequent to the discharge of such cargo on or off the vessel.
- (8) *Holidays*: As applied within this tariff, the term "holidays" may include the following named days.

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

Holidays falling on Sunday will normally be observed the following Monday.

- (9) *Lash/Seabee Transit Barges*: Barges engaged in foreign, coastwise or intercoastal trade that are designated for carriage aboard a mother ship and do not receive or discharge cargo within Houston Ship Channel.
- (10) *Liner Service*: Vessels making regularly scheduled calls for the receipt and delivery of cargo at Industrial Terminal.
- (11) *Watco Industrial Terminals*: The physical facilities operated by Watco Dock and Rail III, LLC, located on the Houston Ship Channel at 14035 Industrial Road, Houston, Texas 77015.

- (12) *Marginal Tracks*: Railroad tracks on the wharf apron within reach of ship's tackle.
- (13) *Navigation District or Port Authority*: Reference herein to the "District" or "Navigation District" or "Harris County-Houston Ship Channel Navigation District" or "Port Authority" means the Port of Houston Authority.
- (14) *Pallet*: The term "pallet" when applicable in this tariff in connection with unit loads, means expendable pallets constructed in such a manner to permit normal handling with forklift trucks and without damage to the cargo.
- (15) *Point of Rest*: The area of the terminal facility which is assigned for the receipt of inbound cargo from the ship and from which inbound cargo may be delivered to the consignee and that area of the terminal facility which is assigned for the receipt of outbound cargo from shipper for loading of vessel.
- (16) *Shed and/or Wharf Use Hire*: A charge assessed against a vessel for loading or discharging cargo, and utilizing wharf shed or sheds and/or wharf for the assembly or distribution of 100 tons or more of such cargo.
- (17) *Shipside*: The location of cargo within reach of ship's tackle or in berth space, in accordance with the customs and practices of this port.
- (18) *Terminal*: Watco Industrial Terminals
- (19) *Terminal Charges*: A charge applying to those services as identified in Section Three of the tariff.
- (20) *Terminal Manager*: The individual designated to manage all activities at Watco Industrial Terminals.
- (21) *Terminal Storage*: The service of providing warehouse or other terminal facilities for the storage of inbound or outbound cargo after the expiration of free time, including wharf storage, shipside storage, closed or covered storage, opened or ground storage, bonded storage, and refrigerated storage, after storage arrangements have been made.
- (22) *Transshipped Cargo*: Cargo landed from a vessel and reloaded on a vessel without being removed from the wharves.
- (23) *Ton*: A unit of weight of 2,000 pounds or, for commodities designated as weight or measure, one (1) cubic meter, whichever tonnage value produces the greater revenue for commodities rated as weight or measure commodities.
- (24) *Unitized*: The term "unitized" when applicable in this tariff in connection with loading and unloading, means shipments of commodities, either pre-palletized, skidded, crated, boxed or conditioned to permit free access of forklift tines, so as not to require additional labor in handling.

- (25) *User*: A user of the facilities owned by Watco Dock and Rail III, LLC (“Watco”) shall include any vessel or person using any Watco properties, facilities or equipment, or to whom or from whom any service, work, or labor is furnished, performed, done or made available by Watco, or any person owning or having custody of cargo moving over such facilities.
- (26) *Vessel*: Includes within its meaning every description of water craft or other artificial contrivance whether self-propelled or non-self-propelled, used, or capable of being used, as a means of transportation on water, and shall include in its meaning the owner thereof.
- (27) *Wharf*: Any wharf, pier, quay, landing, or other stationary structure to which a vessel may make fast or which may be utilized in the transit or handling of cargo alongside of which vessel may lie or which are suitable for and are used in the loading, unloading, assembling, distribution, or handling of cargo.
- (28) *Wharfage*: A charge assessed against the cargo or vessel on all cargo passing or conveyed over, onto, or under wharves or between vessels (to or from barge, lighter, or water) when berthed at wharf or when moored in slip adjacent to wharf. Wharfage is solely the charge for use of wharf and does not include charges for any other service.
- (29) *Wharf Demurrage*: A charge assessed against cargo remaining in or on terminal facilities after the expiration of free time unless prior arrangements have been made for storage.

B. The following abbreviations are used in this tariff:

¢	Cents
\$	Dollar
%	Percent
(A)	Addition
(C)	Change in wording which results in neither increase nor reduction
(I)	Increase
(N)	New Item
(R)	Reduction
Cu. Ft.	Cubic Feet
Cwt	Hundred Pound Weight
FMC	Federal Maritime Commission
FTZ	Foreign Trade Zone
GRT	Gross Registered Ton
ISO	International Standardization Organization
Lbs.	Pounds
LOA	Length-over-all
MFB	Thousand Board Feet
MT	Metric Ton
NOS	Not Otherwise Specified
O/T	Other Than

SUBRULE 2: APPLICATION AND INTERPRETATION OF TARIFF

Rates, rules and regulations contained in this tariff shall apply equally to all Users of Watco's facilities and shall apply on the effective date shown on this tariff or amendments thereto.

The use of Watco's facilities constitutes a consent to the terms and conditions of this tariff, and evidences an agreement on the part of all vessels, their owners and agents, and the Users of such facilities to pay all charges specified and be governed by all rules and regulations herein contained.

Watco reserves the right at any time or times and without notice to deny the use of its facilities to any User who or which is delinquent in payment of its accounts for more than thirty (30) days; such denial may be continued until such accounts are fully paid up and in current status.

SUBRULE 3: BILLING AND COLLECTION**A. Liability of Charges**

- (1) Responsibility of Payment: All bills are due upon presentation and, unless other arrangements with Watco and their designated freight handlers are made, are payable, in cash, by the User or person designated in Part (3) of this item, at a time or times provided in this Part (3) herein unless otherwise provided in this tariff. Watco will not permit movement of cargo from or across or through its facilities, or may withhold permission to occupy or use such facilities, appurtenances and equipment; until all tariff rates and charges have been paid except that Watco and their designated freight handlers may voluntarily extend credit arrangement to govern settlement of aforesaid rates and charges. Vessel or authorized agent will not permit the movement of cargo direct to or from ship's tackle and land and water carrier until the permission of Watco as specified in this paragraph has been obtained.

Errors, if any, will be rectified by adjustment or amendment based on information received subsequent to the issuance of the original bill.

User or person desiring or proposing the use of Watco or their designated freight handlers property, facility or equipment may be required to deposit, in advance, an amount sufficient to satisfy anticipated cost or expenses thereof; or in the

In absence of other specific arrangements a User thereby warrants to Watco or their designated freight handlers that he is liable and responsible for payment of charges provided in this tariff and will pay the same as herein provided. If such User desires to relieve himself of such obligations, he shall (a) deposit in cash with Watco the amount of charges estimated by Watco to be due, and (b) in writing state the correct name and address of the owner or party warranted to be responsible for the charges.

- (2) Extension of Credit: Watco at its option and subject to termination at its election, may at any time or from time to time extend credit to any User or other person conducting business with Watco pursuant to provisions to this tariff or amendments or reissues thereof, by such User or other person establishing and maintaining financial responsibility acceptable to Watco. Further extension of credit may be suspended or terminated by Watco subject to establishment of added or extended credit acceptable to Watco Extension and continuation of credit shall be conditioned upon payment

of invoiced charges within thirty (30) days. Any invoice remaining unpaid 30 days past invoice date may be subject to an interest charge of 20% per annum, simple interest, for each day over 30 days until the invoice is paid and reimbursement to Watco for all reasonable attorney fees.

(3) Invoice Procedures and Liability:

(a) All vessels, their owners or agents, will be liable for and billed for Dockage, Shed Hire and/or Wharf Use Charge, and for provision of water and related utilities and services accorded the vessel, including Wharf Cleaning.

(b)

(a.1) Terminal Charges, and Wharfage Charges, set forth in Section Two and Section Three, are liabilities of the owner of the cargo; however, the collection and payment of same to the billing entity, be it Watco or the designated freight handler must be guaranteed by the vessel, her owners and agents, and the use of Watco's facilities by the vessel, her owners and agents, shall be deemed an acceptance and acknowledgment of this guarantee.

(a.2) As compensation to said vessel, her owners and agents, for such collection and payment of Terminal and Wharfage charges, as specified in Section Two and section Three, the billing entity, Watco or the designated freight handler, shall allow a credit of four percent (4%) of the total terminal and wharfage charges incurred and billed to the vessel, her owners and agents. Subject to the terms set out in (a.3).

(a.3) The credit of four percent (4%) set out in (a.2) will only be allowed in instances where the collection and payment of said terminal and wharfage charges is by the appointed Vessel Agent and is paid timely as specified in Subrule 3A.(1 and 2).

(a.2) Wharfage charges on cargo shall be assessed on the basis of manifest weights, unless otherwise provided herein.

B. Collection of Charges

(1) Charges for services provided in Section Two, Section Three and in other provisions of this tariff will be payable in advance unless prior arrangement for the extension of credit to the party responsible for such charges have been made with the party assigned the responsibility of providing loading and unloading service. Where such credit is extended, all bills rendered by the party assigned the responsibility of performing the services are due and payable upon presentation and not more than 30 days following the performance of such service.

(2) An interest charge of 10% per annum may be assessed against unpaid invoices over 30 days for each day over 30 days until the invoice is paid. Written notice of any invoice in dispute must be furnished to Watco's Billing Department within twenty days from date of invoice or else interest will apply.

(3) Inbound Cargo-Wharf Demurrage Charges will be assessed to the owner of the cargo or his authorized agent, to whom invoice will be sent.

- (4) Outbound Cargo- Wharf Demurrage Charges will be assessed to the cargo owner or authorized agent, except on cargo cut back or held on the wharves for convenience of vessel's owner or agent, the charges will be assessed to the vessel or its owners or agent. In the case of cargo on which wharf demurrage has accrued, the wharf demurrage charges will be assessed to the loading vessel or its owners or agents unless a release has been secured from Watco prior to the loading of the cargo. In the case of cargo remaining on wharves or premises after sailing of vessel, the owner or agent of such vessel shall immediately provide Watco an itemized list of such cargo not lifted by vessel. Wharf demurrage charges will continue to apply until cargo is removed from the premises.
- (5) Transshipped Cargo-Wharf Demurrage Charges will be assessed to the outbound vessel, its agent or owners to which cargo is assigned, to whom invoice will be sent.
- (6) In no case will Watco invoice, or otherwise assume responsibility for collection of charges assessed by a transportation agency or steamship company.
- (7) Except as above provided, the User shall be liable for charges as provided in Section Two, Section Three and other provisions of the tariff and invoice will be sent to such User.
- (8) Steamship lines terminating a service to Watco must make arrangements to satisfy all accrued charges for that line's account, including estimated charges for last vessel call, prior to arrival of the last vessel.

SUBRULE 4: **LEGAL RESPONSIBILITIES**

A Responsibility for Loss of and Damage to Cargo:

- (1) Except for damage or injury caused by negligence of Watco, Watco shall not be responsible for injury to or loss of any freight being loaded or unloaded at the public wharves nor for any delay to same; nor for injury to or loss of freight on its wharves or in its sheds by fire, leakage, or discharge of water from fire protection sprinkler system; collapse of building, shed platforms, wharves; subsidence of floors or foundations; breakage of pipes; nor for loss or injury caused by rats, mice, moths, weevils or other animals or insects, frost, or the elements; nor shall it be liable for any delay, loss or damage arising from combinations of strikes, tumult, insurrection, or acts of God; nor from any of the consequences of any of these contingencies.
- (2) Persons and vessels responsible for damage to the property of Watco shall be liable for the expense of replacement or repair of the property destroyed or damaged.
- (3) All liability for all loss or damage due to switching will be specifically for the account of the railroad or truck carriers.
- (4) Watco will not be responsible for loss or damage arising from defects in rail cars or their equipment.
- (5) Watco is not responsible for damage to cargo where such damage is caused or contributed to by parties who have care, custody and control of the cargo under other provisions of this Tariff.
- (6) Except for damage or injury caused by negligence of Watco, users of its facilities agree to indemnify and save harmless Watco from and against all losses, claims, demands, and suits for damages,

including death and personal injury, and including court costs and attorneys' fees, incident to or resulting from their operation on the property of Watco.

(7) Under no circumstances shall Watco be responsible for consequential damages.

B. Handling, Loading and Unloading: The party designated the responsibility for freight handling (loading and unloading) and related services of Watco general cargo facilities is Watco Transloading, LLC or appointed Watco designee.

By prior specific agreement, other freight handlers may be designated as requested by the User, but no other freight handler may perform freight handling services at Watco without the prior specific agreement of Watco.

It shall be the obligation of the freight handlers assigned the responsibility for any services to perform or have performed all loading and unloading services required as set forth in this tariff, and subject to the rules and regulations as published in this tariff.

References in this tariff to freight handlers or freight handling refer to the loading and unloading of cargo to and from inland conveyances and the movement of cargo on Watco premises, except where the cargo is being moved by stevedores loading or unloading a vessel. Stevedores loading and unloading a vessel are not considered freight handlers within the meaning of this tariff.

C. Care, Custody and Control of Cargo: The rates published in this tariff do not provide for, and Watco does not accept, care, custody and control of any cargo or other property while on its premises. Care, custody and control of any cargo or other property while on the premises of Watco Industrial Terminals is vested in the shipper, the freight handler or the steamship company, depending on the circumstances as set forth in this tariff.

D. Fines and Penalties: Should Watco be subjected to a fine or fines, a penalty or penalties by the United States Coast Guard or any other federal authority, or any state or local authority as a result of the conduct of any vessel, its owners or agents, stevedore, freight handler or any other User of its facilities, whether by act or omission, the amount of such fine or fines, penalty or penalties, shall be invoiced to such User who will be required to reimburse Watco such amount within 30 days and may include other charges for reasonable attorney's or consultants fees.

SUBRULE 5: RESTRICTIONS ON USE OF FACILITIES

A. Handling of Hazardous Commodities: Red Label (Flammable Gas, Class 2, Flammable Liquid, Class 3), Poison Gas Label (Class 6), Yellow Label (Organic Peroxide, Class 5), and Spontaneously Combustible materials shall not be placed in a Transit Shed. Such labeled commodities may be delivered to open wharves only after ship is in Port and then "in limited quantity". (For purposes of this Section "Red Label" is defined as a commodity having a Flash Point of 99 degrees Fahrenheit (37.2 degrees Celsius) or below. Poison Label (Class 6), materials may be placed in a Transit Shed but extreme caution should be exercised. Red/White striped (Flammable Solid Class 4), Yellow (Oxidizer, Class 5) and Black/White (Corrosive Label Class 8) may be stored in a Transit Shed. Explosives IMCO Class 1.1, 1.2 and fireworks, regardless of Class will not be handled at Watco Industrial Terminals whether loading, discharging or in transit. Explosives IMCO Class 1.3 of 50 lbs. net or less explosive content, shall be handled as "last on, truck-to-ship" or "first off, ship-to-truck" with prompt removal from

premises. No vessel having more than 50 lbs. of Class 1.3 explosives will dock at Industrial Terminals L.P. Explosives IMCO Class 1.4, 1.5 (not to include fireworks) will be handled “truck-to-ship” or “ship-to-truck” as above. Explosives will not be left overnight at Watco Industrial Terminals.

Any Vessel having onboard over 10 tons of Class 1.4 or 1.5 Explosives must be cleared through the local Captain of the Port, at least twenty-four (24) hours prior to its arrival. All proposed movement of explosives will be coordinated with that office. Requirements covering the transportation of Hazardous Materials covered in 49 CFR Parts 171-180 must be complied with on any cargo entering Industrial Terminals L.P. property. All cargo entering the jurisdiction of the Port Authority must comply with the requirements of 49 CFR 171-180 and the International Maritime Dangerous Goods (IMDG) Code relating to the transportation of Hazardous Materials. Cargo arriving at Marine Terminals within the jurisdiction of the Port Authority without all documentation required by this tariff and by applicable law will not be received into the terminal or offloaded from the vessel on which it arrives.

Bulk Ammonium Nitrate in open hopper or cargo holds is strictly prohibited; however, it may be shipped and handled in breakbulk packaging if it meets the requirements of 49 CFR 173.212. The shipping of radioactive material (Class 7) is limited to Low Specific Activity (LSA) N.O.S., and must meet shipping and handling requirements of the IMDG Code and 49 CFR Parts 171-180.

- B. Painting or Erecting of Signs: Painting or erecting signs on Watco’s property or structures is prohibited without prior approval of the Terminal Manager who shall also approve copy, design, material and method of erection
- C. Compliance with Environmental Regulations; Smoking Prohibited: All Users shall comply with all applicable environmental laws, rules, or regulations that may be promulgated by Federal, State, or Local regulatory agencies, bodies and by Watco Industrial Terminals.

Smoking in warehouses, transit sheds, on the wharves, or on vessels is strictly prohibited. Fines may be imposed by the Coast Guard and Fire Marshall per their official jurisdiction.

- D. Responsibility for Cleaning of Property by User: Users of Watco property will be required to maintain same in an orderly manner as prescribed by the Terminal Manager or his designated assistant.

If User does not properly clean property used, the Terminal Manager shall order the work performed and User will be billed at cost plus twenty percent.

NOTE: Does not apply to cleaning of berths, as provided in Subrule 15 except as to excessive or unusual cleaning thereof.

- E. Responsibility for Property Damage: When damage is caused to any property or any of the facilities of Watco, the Users causing such damage (including, without limitation, said Users, agents, servants, representatives, and employees as defined in Subrule 1 hereof) shall be held jointly and severally responsible for the cost of repairs, and they shall be billed thereto, and all shall be jointly and severally responsible for payment thereof. One or more invoices may be rendered to Users as costs are incurred, and said costs may include invoices from third parties as well as direct costs (including, without limitation, labor) of Watco. All invoices shall include an override of 20% for Watco’s overhead. All invoices shall be paid within 30 days. When the damage is caused by a Vessel, Watco shall be able to detain the Vessel

until it has received a satisfactory guarantee for either the amount of the damage or for a reasonable estimate hereof.

- F. Responsibility for Fire Equipment: Watco requires the Users of the facility to be responsible for all fire equipment, such as hoses, nozzles, extinguishers, etc., and all such equipment found to be missing or destroyed upon inspection will be replaced by Watco at cost plus twenty percent and billed against the User.
- G. Abandoning. Dumping. Discharging. etc. of Waste Matter: All vessels, their owners or agents, and other Users of Watco's facilities shall comply with all federal, state or local regulations with regard to the placing or discharging into the Houston Ship Channel or Sims Bayou either directly or through sewers, any sanitary sewage, butcher's offal, garbage, dead animals, gaseous liquid or solid matter, oil, gasoline, residuum of gas, calcium carbide, trade waste, tar or refuse or any other matter covered by such laws or regulations of any of such authorities.

Vessels discharging oil from bilges or tanks into the aforementioned waters will be reported to the United States Attorney for prosecution under appropriate federal laws. Throwing rubbish, dunnage or any other matter into the aforesaid waters is strictly prohibited. Should any vessel, its owners or agents, stevedore, freight handler or other User of the facilities abandon any drums, boxes or other containers of cargo upon Watco's property and not remove same there from within 48 hours after notification by the Terminal Manager or designate of the location of such items, same will be removed by Watco, its employees or contractors, and the cost of such removal plus twenty percent shall be billed to the vessel, its owners or agents, stevedore or freight handler or other User of the facilities which shall be deemed by its failure to remove same to have agreed to the payment for same.

- H. Removal of Articles Dropped into Channel: The dropping of cargo, scrap or any other articles in the Houston Ship Channel is prohibited by law. Responsible parties shall be liable for the removal of any articles dropped in channel or bayou and Watco reserves the right to remove such articles on a basis of cost plus twenty percent at the expense of the responsible party.
- I. Lightering and Bunkering: To insure safe and unimpeded vessel movements on the Houston Ship Channel, lightering and bunkering operations are restricted at Watco Berths. When such operations are conducted at the aforesaid wharves and berths, the person arranging for lightering and/or bunkering is responsible for notifying the U.S. Coast Guard and must arrange to have a tugboat standing by to provide for movement of the barge/lighter within two hours after notification.
- J. Advance Notice of Arrival of Vessels: The Vessel or Vessel Agent of any domestic or foreign vessel which is inbound into Watco having on board cargo as described in 33 CFR 160.215 shall notify Watco at least 24 hours in advance of arrival. Upon arrival it shall be the responsibility of the Vessel or Vessel Agent to remove any damaged cylinder, pressure vessel or container from the vessel and from the confines of the waterfront facility within twenty-four hours.

SUBRULE 6: **ARRANGEMENTS FOR BERTH**

All vessels, or their owners and/or agents, desiring a berth at Watco Industrial Terminals shall so far in advance of the date of docking as possible, make application for berth, specifying the date of docking, sailing, and the nature and quantity of cargo to be handled; application for berth to be made to the Terminal Manager or designate. To allow the vessel on the berth lineup, berth applications must be submitted 5

days prior to arrival at pilot station. Any vessel that submits a berth application less than 5 days of arrival at pilot station will be subject to placement on the dock lineup as determined by the Terminal Manager in relation to other vessels.

Any damage caused by the vessel to the wharf or any installation or equipment which is the property of Watco, whether it be through incompetence or carelessness on the part of the pilot or officer of the ship carrying out operations or for any other reason, shall be the responsibility of the master and of the owners of the ship causing the damage. Watco shall be able to detain the ship until it has received a satisfactory guarantee for the amount of the damage caused or a reasonable estimate thereof. .

To achieve quick turnaround of ships and barges and to prevent congestion, maximum utilization of Watco's facility is required.

Any vessel in berth after completion of loading or discharging or any vessel refusing to work all available work shifts if so requested by the Terminal Manager or designate, including overtime at the expense of that vessel, may be required to vacate the berth whenever another vessel is awaiting the berth. Further, when in the judgment of the Terminal Manager there is significant cause or reason to protect the public interest, or in the best interest of Greens Port Terminal, any vessel may be ordered, at its own expense, to move from its berth or move within the berth or dock.

Any vessel failing or refusing to vacate a berth when so ordered shall be subject to additional dockage charges at the rate of \$3500 per hour or any part thereof.

SUBRULE 7: DISPLAY OF LIGHTS

All vessels, including barges, shall display lights from sunset to sunrise while lying at any berth at Watco. Vessels must conform to navigation rules applying when anchored in the channel, and barges to display white lights visible all around the horizon, located at least eight feet above the water line on their outside or channel comers.

SUBRULE 8: REPORTING OF COLLISIONS

In the event of a collision between two vessels at or near Watco or between a vessel and any Watco terminals wharf, dock, or pier, written reports of such collision shall, within twenty-four hours, be furnished the Terminal Manager by the pilot and by the master, owner or agent of said vessel. In the case of a minor collision or collision where a vessel is under way and proceeding to the open sea, there being no need for repair, said report may be mailed by the master of said vessel from the next port which it passes, and provided further that, in all cases of collision, report of an owner or agent shall not relieve the pilot of the duty of rendering his report within the specified time.

SUBRULE 9: FIRE ALARM

In the event of fire occurring on board any vessel berthed at Watco Industrial Terminal, such vessel shall sound five prolonged blasts of the whistle or siren as an alarm indicating fire on board or at the dock to which the vessel is moored. Such signal shall be repeated at intervals to attract attention, and is not a

substitute for, but may be used in addition to, other means of reporting a fire. The words, "prolonged blasts" used in this rule shall mean a blast of from four to six seconds.

SUBRULE 10: CARGO STATEMENTS REQUIRED

- A. All vessels, their owners and agents, using Watco Industrial Terminal shall present certified copies of manifest or documentation deemed acceptable by the Terminal Manager including all changes and supplements thereto, of cargo loaded or unloaded on forms and in the manner prescribed by the Terminal Manager.

Certified copies of manifests on inward cargo shall be presented not later than 10 working days after arrival of vessel at wharf. Certified copies of manifests on outward cargo shall be presented not later than 10 working days after sailing.

Failure to file copies of manifests and statements of cargo within the time specified will disqualify the appointed Vessel Agent from recovering the 4% discount on terminal and wharfage charges specified in Subrule 3 A.(3)(b.2).

- B. Vessels, their owners, agents and masters, and all other Users of the facilities, shall be required to permit access by Watco to manifests of cargo, railroad documents and all other documents for the purpose of audit for ascertaining the correctness of reports files; or securing necessary data to permit correct estimate of charges.

SUBRULE 11: DOCKAGE RATES ON VESSEL ENGAGED IN ALL TRADES

- A. Dockage shall be charged on the overall length of the vessel as shown in the current issue of Lloyd's Register of Shipping. If length is not shown in Lloyd's Register, the Ship's Certificate of Register showing length will be accepted. However, Watco reserves, without question, the right to measure any vessel when deemed by it to be necessary and to use such measurements as the basis of the charge. When necessary to measure a vessel, the linear distance in feet shall be determined from the most forward point on the bow of the vessel to the after most part of the stern of the vessel, measured as parallel to the base line of the vessel.
- B. Dockage on all vessels, except as provided elsewhere in this Tariff, will be determined by multiplying the Length Overall (LOA) in feet, by the rate in dollars per foot, to establish the dockage charge per 24 hour day.

<u>LOA</u>	<u>RATE</u>
000-199	\$2.72
200-399	\$3.58
400-499	\$4.86
500-599	\$6.54
600-699	\$7.60
700-799	\$9.65
800-899	\$11.60

900-OVER

\$13.90

- C. After the first period of twenty-four hours, any period of berth occupancy of twelve hours or less will be billed at one-half of that day's rate.
- D. Dockage assessment, for vessels actively engaged in loading or discharging cargo, for the third twenty-four hour period will be at ninety percent, fourth twenty-four hour period will be at seventy-five percent, fifth twenty-four hour period at sixty percent, sixth and succeeding twenty-four hour periods of uninterrupted berth occupancy at fifty percent of applicable rates set out above. All discounts are subject to terminal established daily (24hr period) discharge rates.
- E. Vessels that request permission to remain at Watco Industrial Terminals berth that is not actively loading or discharging cargo will be assessed dockage at the full dockage rate. Watco may at its sole discretion request the vessel to vacate the berth. Failure to do so will subject the vessel to additional dockage charges as set in subrule 6.
- F. To reduce night transits on the Houston Ship Channel, and enhance safety, vessels will be allowed to dock without charge from 1800 hours to 0600 hours. However, if vessel operations begin before 0600 hours, then normal dockage charges will apply starting at the docking time. If no vessel cargo operations begin before 0600 hours, then dockage charges begin at 0600 hours.
- G. Bulk cargo vessels shall be charged on the gross registered tonnage as shown in the Lloyd's Register at the rate of \$0.492 per gross registered ton per twenty-four (24) hour day. Additional dabrue will conform to Subrule 11 (C and D) above.

SUBRULE 12: CHARGE FOR WATER

Water will be supplied to vessels through hoses and connections provided by the vessel for the following charges:

- A. One time service charge for providing water between 8:00 a.m. and 5:00 p.m. at a flat fee of \$547.35.

SUBRULE 13: SHED AND/OR WHARF USE HIRE

- A. Application: Vessels loading or discharging cargo, and utilizing wharf shed or sheds and/or wharf for the assembly or distribution of 100 tons or more of such cargo, will be assessed a shed and/or wharf use hire charge.
- B. Charge: The shed and/or wharf use hire charge shall be a onetime charge equivalent to the first day's dockage set out in Subrule 12.
- C. Measurements: Shed and/or wharf use hire shall be charged on the overall length of the vessel as shown in Lloyd's Register of Shipping. However, Watco Industrial Terminals reserves, without question, the right to measure any vessel when deemed by it to be necessary, and to use such measurements as the basis of the charge.

SUBRULE 14: CHARGE FOR CLEANING OF BERTH

A. Charge

- (1) A charge of \$396.75 will be assessed each vessel loading and/or discharging 501 tons or more of cargo on, to or across wharves for the cleaning of berth assignments, including space utilized in transit sheds, on open wharves and in transfer of cargo across, from or to wharf apron.
- (2) A charge of \$290.73 will be assessed each vessel loading and/or discharging 500 tons or less of cargo on, to or across wharves for the cleaning of berth assignments, including space utilized in transit sheds, on open wharves and in transfer of cargo across, from or to wharf apron.

- B. Excessive or Unusual Cleaning. When cleaning required to restore vessel assignment to normal condition exceeds that cleaning which would usually attend to the cargo loaded or discharged, an excessive cleaning charge may be assessed.

SUBRULE 15: **RECEIPTS FOR CARGO**

- A. Receipts for Cargo from Steamship Companies. Steamship companies shall receipt daily for cargo placed in ship's berth by Watco's designated freight handlers in their capacity as unloader of railroad cars, motor vehicles, or other conveyances delivering cargo to Watco. Such cargo shall be considered in the steamship companies' care, custody and control, and steamship companies shall be responsible for such cargo from time of placement in vessel's berth by the designated freight handlers.

Cargo placed in a vessel's berth between 7:30 A.M. and 4:30 P.M. shall be receipted for promptly on the day it is unloaded, and prior to 6:00 P.M. Cargo placed in a vessel's berth after 4:30 P.M. and prior to 7:30 A.M. shall be receipted for not later than the following 9:00 A.M.

Receipt and Delivery of Trucks: Trucks delivering freight to Watco must have instruction as to which vessel and freight handler is involved before entering the transit facility. Trucks carrying freight from shipside facilities must leave copy of Steamship Company or cargo handlers' receipt, properly signed, setting forth the commodity, number of packages and weight of the load at the gate of exit from Watco Industrial Terminal.

- C. Receipt and Delivery of Railroad Cars: **FOR GENERAL INSTRUCTIONS AND RULES CONTACT THE DESIGNATED FREIGHT HANDLER.**

SUBRULE 16: **SEGREGATION OF CARGO**A. Cargo Discharged from Vessels:

- (1) Vessels discharging cargo at Watco Industrial Terminal must tender such cargo in separate lots as identified by applicable ocean bills of lading and marks.
- (2) The party assigned responsibility for Loading and Unloading shall have the right of refusal to handle cargo not properly segregated by vessel, but may, upon its election and at specific request of vessel, its authorized agent or owner, perform segregation at actual cost of such service, plus 20 percent.

(3) Further segregation performed to comply with loading and/or delivery instructions will be performed at expense of party requiring same at actual cost of such service, plus 20 percent.

(4) Split deliveries of partial lot cargoes will be performed by the party assigned responsibility for Loading and Unloading. Such charge will be borne by party requesting the service. Contact Watco for rates and additional instructions.

B. Cargo Received for Vessels: Contact Watco Industrial Terminals for rates and additional information.

SUBRULE 17: SPECIAL SERVICE

A. REFRIGERATED CONTAINERS

Electrical power supplied to refrigerated containers will be charged \$27.56 per unit per day. Container monitoring and plug in services will be charged \$22.50 per day.

B. Any labor or material required for special services not covered in this tariff shall be provided at actual cost plus twenty percent, or flat rate prices will be quoted by the Party providing services upon application.

SUBRULE 18: TERMINAL CHARGE FOR VEHICLES

A. A charge of \$3.93 each applies to automobiles, trucks and utility vehicles, in addition to wharfage and such other charges as may accrue under the terms of this tariff.

B. This charge will not be applied to a shipment of one individually and privately owned vehicle only.

C. The minimum charge for one or more vehicles will be \$35.

SUBRULE 19: FREE TIME AND WHARF DEMURRAGE CHARGES

A. Computation:

(1) Saturdays, Sundays and holidays will not be excluded in computation of free time and wharf demurrage charges.

(2) Any fractional part of twenty-four (24) hours will be counted as one day.

(3) Any fractional part of one ton (2,000 lbs.) will be computed as one ton.

(4) On Inbound cargo, free time commences following day after vessel completes discharge. Wharf demurrage charges apply after expiration of free time period, terminating day next preceding removal of cargo from wharves or premises.

- (5) On outbound cargo, free time commences after cargo is unloaded and placed on wharves or premises in an assigned berth. Wharf demurrage charges apply after expiration of free time period, terminating the day next preceding commencement of loading of vessel to which cargo is assigned and subsequently loaded. Cargo remaining on wharves or premises after sailing of vessel to which assigned will be subject to computation of free time and wharf demurrage charges from initial placement on such wharves or premises, and wharf demurrage charges together with all other related charges accrued against such remaining cargo shall be charged to the cargo until the day next preceding its removal from wharves or premises.
- B. Transshipped Cargo: When cargo landed from vessel is reloaded on a vessel without being removed from the wharves, the free time commences on the day the vessel completes discharge. Wharf demurrage charges apply after expiration of free time period, terminating day next preceding commencement of loading to vessel to which cargo is assigned and subsequently loaded.
- C. Assessment of Charges:
- (1) Wharf demurrage charges will be calculated for period property remains at Watco Industrial Terminal.
 - (2) On cargo remaining in the terminal in excess of 30 days, charges will be invoiced by individual bill of lading lots and will be billed at end of calendar month, or more frequently, if deemed desirable.
 - (3) A Minimum invoice charge of \$35 shall apply.
- D. Free Time :
- (1) Inbound Cargo: 3 days after cargo is discharged from vessel.
Wind power equipment - 15 days free time.
 - (2) Cargo unstuffed from containers which is not transported via vessel to the terminal – and breakbulk cargo not assigned to a vessel- 7 days free time.
 - (3) Outbound Cargo: 3 days after the cargo is unloaded at the terminal. Cargo stuffed into containers which are not transported via vessel from the terminal -and breakbulk cargo not assigned to a vessel - 2 days free time. Wind power equipment - 15 days free time.
 - (4) Transshipped Cargo: 15 days commencing the day the vessel completes discharge.
 - (5) Containers – 15 free days
- E. Charges: Cargo remaining on premises, with the exception of wind power equipment, after expiration of free time will be assessed wharf demurrage at graduated per day rates of (cents per ton):
- (1) \$0.31 for initial demurrage day and for each succeeding day within a seven-day period.
 - (2) \$0.40 for 8th demurrage day and for each day through 20th demurrage day.
 - (3) \$0.65 for 21st demurrage day and for each day thereafter until cargo is removed.

- (4) Wind power equipment will be charged on a weight or measure basis whichever is greater. Weight basis will be at \$.59 per short ton after 15 free days. The measure basis will be \$.05 per cubic meter per day.
- (5) Loaded Import and Export Containers – After expiration of free time any container that is 20' in length will be charged \$3.50 per day. Any container that is 40' in length or greater will be charged \$7.00 per day.
- (6) Empty Shipper Owned Containers – After expiration of free time, any empty Shipper Owned Container that is 20' in length will be charged \$3.50 per day. Any Shipper Owned Container that is 40' in length or greater will be charged \$7.00 per day.
- (7) Hazardous and Harmful Cargoes – All hazardous cargoes, general and containerized, and any other cargoes classified as harmful as described in their Material Safety Data Sheet, will be assessed one and a half of the regular applicable wharf demurrage rate.
- (8) Fire or Water Damaged Cargo – Wharf demurrage rates, rules and regulations set forth in the Tariff will apply, except that after expiration of the first seven-day period:
 - a. The daily rate per ton of general for all subsequent days shall be double the daily rate per ton for each day of that first seven day period.
 - b. The daily rate per day for containers for all subsequent days shall be double the daily rate per day for each day of that first seven day period.

F. Exceptions:

- (1) Option of Movement to Storage: Upon expiration of free time, Watco at its option, may move, or cause to be moved, cargo from its transit facilities to licensed public storage. Transfer charges to storage will be assessed at the applicable rate.
- (2) Rules and Charges During Water Front Strike or Work Stoppage of Water Front Labor: When due to a general water front strike or work stoppage of water front labor engaged in handling will be allowed additional free time equal to but not in excess of the duration of such interference. Cargo which has exceeded the free time period and is accruing demurrage at the time such interference begins will be assessed demurrage charges at the rate shown in Subrule 21 [E and F (I)] during such interference.
- (3) Wharfage Charge Application –LASH/Seabee Barges: Cargo loaded in LASH/Seabee barges will be subject to wharfage charges as if transferred between vessel and wharf.
- (4) Loading of cargo designated by U.S. Customs as General Order will be charged for as " All Commodities Not Otherwise Specified" and will be at rate set forth elsewhere in this tariff.
- (5) Wharfage Earned: Cargo shall be considered to have earned wharfage when placed upon the wharf and wharfage will be collected whether or not eventually loaded on a vessel.

- (6) Wharfage Charge Applicable to Transshipped Cargo: Cargo discharged from vessels to a wharf for transshipment by vessel, if reloaded within fifteen days, and has not changed ownership and if it has not been removed from the wharf, will be billed wharfage following reloading for outward shipment.

The day on which cargo is placed on the wharf shall be counted as the first day.

The day on which cargo is lifted shall not be counted.

- (7) Wharfage Charge Applicable to Transshipped Cargo Handled on Offshore Side of Vessel: Cargo transferred directly to or from offshore side of vessel while such vessel is moored at Watco Industrial Terminal will be assessed wharfage at the charge applicable had such cargo been placed upon and passed between wharf and vessel as noted above.

- (8) Explanation of Terms:

- (a) Combination Articles: When not specifically named in Subrule 21-28, articles which have been combined or attached to each other will be charged at rating for the articles bearing the highest rate in the combination.
- (b) Parts or Pieces Constituting Complete Article: Parts or pieces constituting a complete article, receiving as one shipment, will be charged a rate for complete article.
- (c) Drums or barrels, Definition of: Drums or barrels are defined as straight-sided cylindrical containers of not less than 5 gallons capacity, with ends (heads) of equal diameter and with or without bailor handle.

SUBRULE 20: **TRANSIT FEE**

Cargo that does not cross Watco Terminals docks nor is received at the Terminal thus not subject to Watco's Terminal wharfage, that transits or transfers across Watco Terminals property shall be assessed a transit fee of \$2.50 per cubic meter. Cargo Interest seeking authorization to move cargo across Watco Terminals property shall provide written request for such transit, identifying the nature of the cargo and scope of the transit activity. Watco reserves the right to approve or reject such request.

SUBRULE 21: **PORT SECURITY FEE**

In order to fulfill its responsibilities for security, including but not limited to responsibilities mandated, under the Maritime Transportation security act of 2002 and the US Coast Guard regulation 33CFR 105, Watco Industrial Terminals, will assess against and collect from all Users of port premises, services, or facilities, a Port Security Fee as set forth herein. Such fee, in the amounts set from below, shall be in addition to all other fees and charges due under this and other governing tariffs:

Vessels (including, without limitation, barges):

- Eight and Seventy Five Percent (8.75%) of total dockage assessed per port call

Cargo:

- Break-bulk \$.1925 per ton
- Bulk Cargo (dry or liquid) \$.0435 per ton
- Containers \$3.72 per loaded container
- Vehicles \$1.07 per unit

Watco shall have all of the rights and remedies provided in this tariff and other governing tariffs for failure to pay amounts due Watco and may (1) require from said User a deposit estimated to cover such fees in advance of using port premises, services or facilities, and/or (2) deny service to said User until said deposit is made and/or all prior amounts due are paid.

SUBRULE 22: VESSEL ESCORT CHARGE (TWIC compliance)

In accordance with the Transportation Worker's Identification Credential (TWIC) regulations, no access to and from vessels can be allowed for persons not holding a TWIC card unless they are escorted by a TWIC card holder who has completed escort training by the Watco's security office.

Therefore, beginning April 14, 2009, Watco will assess vessel owners a charge of \$500.00 per vessel call to provide their crew with a dedicated escort service from 8am to 8 pm (actual shift may change as we learn more of the need). Additional escort service from 8pm to 8am will be provided by use of our roving security officer as his duties allow.

This service is intended to assure an adequate means of escorted access to/from vessels with the Implementation of the TWIC regulations on April 14, 2009.

Section Two

SUBJECT: WHARFAGE CHARGES

All wharfage charges are in cents per ton of 2,000 lbs. , applied to all shipments at actual weight, except as otherwise noted.

Commodity	Wharfage
SUBRULE 23: WHARFAGE CHARGES	
<u>NOT TO EXCEED THE FOLLOWING CHARGES:</u>	
ALL COMMODITIES NOT OTHERWISE SPECIFIED:	351
(a) All commodities, not otherwise specified, in bulk through pipeline, including to or from vessel moored on offshore side will be charged 139 cts wharfage only. (See exception)	
Exception: Bunker fuel and lubricating oils for vessels, in bulk 33 cts (Per Metric Ton).	
SUBRULE 24: AIRCRAFT AND AIRCRAFT PARTS	678
SUBRULE 25: CONTAINERS	
Container of maximum dimensions 40 feet in length, 8 feet 6 inches per ton in width and 8 feet 6 inches in height, gross weight 6001 pounds but not exceeding 70,000 pounds (See Note 1): (See Exceptions)	351
Containers loaded direct to or from ship with ship's tackle or with crane equipment:	351
EXCEPTION 1: Container must be constructed in a manner that will permit handling from either side by forklift and/or crane equipment.	
EXCEPTION 2: Not applicable on shipments of household goods moving in packing vans or packing cases.	
EXCEPTION 3: Loaded containers will be charged loading or unloading and wharfage at the rates specified, based on the weight of the products only, providing gross and tare weights are shown on the documents requesting the handling.	
EXCEPTION 4: Empty containers will be charged loading or unloading and wharfage at the rates specified, based on the actual weight of such container.	

SUBRULE 26: IRON OR STEEL ARTICLES	Shipments Less Than 1500 MT	Shipments Exceeding 1500 MT
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Chain Iron in Coils, Ingots, Nails in boxes or kegs, Pig Iron,

Railway Equipment, Wire in Coils, Staples:	342	231
Steel: Pipe, Beams, Structural and Plate:	342	231
Scrap metal, iron or steel in bulk direct from railcars Or trucks to / from vessel.	342	231
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Steel Sheets: In Coils, Banded or Secured or Packaged Non Skidded or Skidded	342	231
Except Barge Shipments or Steel Sheets in Coils of Domestic Origin:	342	231
Wire Rods: in Coils	342	231
SUBRULE 27: DRY BULK		170
SUBRULE 28: PAPER, KRAFT, and/or WRAPPING, PULPBOARD or FIBERBOARD		
In rolls		279
Not otherwise specified		279
Bleachboard, Coated or Uncoated, in rolls:		279
SUBRULE 29: PAPER, PRINTING, OR NEWSPRINT		
In rolls, average weight per roll not less than 1,500 lbs. Minimum shipment per vessel 2,000 lbs.		279
SUBRULE 30: SCRAP METAL		
Iron or Steel in bulk direct from railcars or trucks to vessel		351
SUBRULE 31: VEHICLES, MACHINERY (SELF -PROPELLED), AUTOMOBILES, TRUCKS, TRAILERS, UTILITY VEHICLES, MILITARY ORDINANCE VEHICLES, AGRICULTURAL MACHINERY (tractors, combines, etc.)		
Driven On/Off Land Carrier Equipment		683
Lift On or Lift Off Carrier Equipment		683
Agricultural Machinery		351
Used grading or road making machinery being returned to United States		351
SUBRULE 32: WIND POWER EQUIPMENT		
		\$3.17 per 2,000 lbs. or \$1.73 per cm – whichever

is greater

Section Three

SUBJECT: TERMINAL HANDLING CHARGES**TERMINAL HANDLING CHARGES WILL BE ASSESSED AS FOLLOWS, UNLESS OTHERWISE QUOTED OR AGREED FOR CONTRACT SERVICE.**

All Terminal Handling charges are in cents per ton of 2,000 lbs. and apply to all shipments at actual weight, except as otherwise noted.

SUBRULE 33: RECEIVING OR DELIVERING TO AND FROM INLAND CARRIER

General cargo not otherwise specified in packages weighing less than 50,000 lbs	\$10.50
Heavy Lifts	
50,000 to 100,000 lbs	\$16.00
100,000 to 200,000 lbs	\$18.00

For all pieces between 50,000 and 200,000 lbs, and lighter pieces as required, an additional charge of \$250.00 per truck/rail car will be charged when a shore crane is required for unloading or loading.

Packages weighing more than 200,000 lbs and over	Quoted on Request
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Self loading or unloading cargo i.e. vehicular cargo, trailers, portable and/or self propelled machinery or equipment not requiring loading or unloading services	\$4.75
Direct Discharge or delivery cargo	\$4.75
Containers	
Loaded, Per Unit	\$130.00
Empty, Per Unit	\$130.00

Overtime	\$300.00 per hour
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SUBRULE 34: RECEIVING OR DELIVERING TO AND FROM RAILCARS (SURCHARGE):

The following charges will be assessed in addition to the charges specified in SUBRULE 32 above:

General cargo (N.O.S.) in box cars	Per Car	\$110.00
General cargo (N.O.S.) in gondolas or flat cars	Per Car	\$158.00
High or wide or overweight flatcar loads, i.e. loads which are classified as "Hi-Wide" by mainline rail carriers	Per Car	\$1,000.00

Railcar surcharges compensate for the additional costs of switching cars, cleaning cars, opening and closing doors, and of cranes for the loading and unloading of gondolas and flatcars.

Securing cargoes loaded to railcars

Labor, Per Man Hour	On Request
Welding Labor, Per Man Hour	On Request
Materials Charged at Market Cost	

SUBRULE 35: DIRECT DISCHARGE OR LOADING TO AND FROM RAILCARS (SURCHARGE):

The following charges will be assessed (in addition to the SUBRULE 32 direct cargo rate):

Standard size railcars (including locomotives) Per Car \$350.00
 Section Three
SUBJECT: TERMINAL HANDLING CHARGES

High or wide or overweight flatcar loads, i.e. loads which are
 Classified as “Hi-Wide” by mainline rail carriers Per Car \$1,000.00

SUBRULE 36: DETENTION CHARGE FOR ALL RAILCARS

Railcars will be subject to a detention charge from PTR A commencing on the
 third 7 a.m. following placement at Watco Industrial Terminal. Per Day \$140.00 or current
 Charges continue until the railcar is returned to PTR A. PTR A tariff rate

In addition to the PTR A detention charge, Industrial Terminals may charge a railcar
 usage fee of \$100.00 per car per day or partial day of track occupancy.

SUBRULE 37: CONTAINER FREIGHT STATION (CFS) RATES

The following charges will be assessed in addition to the charges specified in SUBRULE 32 & 33.

- A. 20 Ft. Containers (Stuffing/Stripping)
 - By Machine \$490.00 Per Unit (1)
 - By Hand \$590.00 Per Unit (1) plus labor @ \$40/mh
- B. 40 Ft. Containers (Stuffing/Stripping)
 - By Machine \$650.00 Per Unit (1)
 - By Hand \$750.00 Per Unit (1) plus labor @ \$40/mr
- C. Notations to CFS Charges
 1. Blocking, bracing, strapping or lashing included.
 2. If cranes are needed for flat racks or open tops they will be furnished at an additional charge of \$350.00 per unit.
 3. Removal and replacements of tarpaulins on open top containers will, when necessary, be billed at an additional charge of \$80.00 per unit.
 4. Stuffing and stripping rates include drayage of containers between the yard and CFS. Stuffing and stripping charges do not include receiving or delivering charges.

SUBRULE 38: ADDITIONAL SERVICES

The following services are available in addition to the loading and delivering or unloading and receiving of cargo:

Marking or remarking of cargo, sorting or segregating mixed shipments, bundling, banding or pre-slipping cargo, repairing or recouping of packages, weighing (packages up to 1000 lbs), bagging (automated).

Section Three

SUBJECT: TERMINAL HANDLING CHARGES

Rate quotations for additional services will be available upon request or those services will be provided for the following charges.

LABOR (Including machinery but excluding cranes) \$40.00 Per Man Hour
 CRANES (Subject to two hour minimum charge) \$275.00 Per Hour
 MATERIALS MARKET RATES

There will be a \$15.00 per ticket charge for providing scale tickets related to deliveries not complying with the requirements for a certified weight scale ticket per SUBRULE 41B.

SUBRULE 39: MINIMUM CHARGE

There will be a minimum charge of \$50.00 in respect of each service order or dock receipt.

SUBRULE 40: FUEL SURCHARGE

For the purpose of offsetting variations in the price of diesel fuel, freight handlers will collect a fuel surcharge on all cargo that is subject to loading and unloading charges published in this Tariff in accordance with the following schedule.

Average national retail price for a gallon of diesel fuel	Fuel Surcharge Percentage
Less than \$2.00	0%
Equal to \$2.00 and less than \$2.25	2.25%
Equal to \$2.25 and less than \$2.50	2.50%
Equal to \$2.50 and less than \$2.75	2.75%
Equal to \$2.75 and less than \$3.00	3.00%
\$3.00 and Over	3.25%

1. The fuel surcharge is determined by the weekly average national retail price of diesel fuel published by the Department of Energy. The fuel surcharge is the percentage in effect on the day of loading or unloading of the freight.
2. The applicable percentage will be applied to freight handlers' invoiced loading and unloading charges.
3. The fuel surcharge is to be assessed in addition to all other applicable loading and unloading charges.

Exception 1: The fuel surcharge will not be applicable to cargo that is self-driven or self-loading or unloading.

Section Three

SUBJECT: TERMINAL HANDLING CHARGES

SUBRULE 41: GENERAL CONDITIONS

A. Working Hours

Our normal working hours for marine terminal operations are from 0800 to 1700 hours Monday through Friday, certain Federal Holidays excluded. Services performed outside of these hours will be subject to overtime charges.

B. Documentation

All deliveries must be accompanied by a written Delivery Instruction which provides all necessary shipping information together with the name of the entity responsible for loading or unloading charges.

No import cargo will be delivered from the terminal unless we are in possession of the steamship release and pertinent governmental releases. (i.e. U.S. Customs, U.S.D.A.)

All loaded export containers delivered for shipment must be accompanied by a certified weight scale ticket indicating the gross weight of the container.

All single item truckloads of export general (breakbulk) cargo delivered for shipment must be accompanied by a certified weight scale ticket indicating the gross weight of the single item.

All multiple item truckloads must be accompanied by a Delivery Instruction indicating the gross weight of each item.

C. Responsibility for Payment

In the absence of specific written instructions to the contrary the party responsible for the loading or unloading charges will be the forwarding agent or broker named in the Delivery Instruction. Our invoices are due upon presentation once credit has been established. Undisputed invoices which remain unpaid after (30) days from the date of the invoice will be considered delinquent and such delinquency will result in the immediate suspension of credit privileges.

D. Custody

Cargo marshaled at the terminal for import or export constitute goods in transit which remain in the care and custody of either the steamship operator or the cargo owner or their respective agents. The marine terminals are not operated as Public Warehouse facilities and Warehouse Receipts are not issued. We do not insure such goods and we are not responsible for loss or damage to the goods except to the extent that such loss or damage is the result of our negligence.

D. Receiving or Delivering

Charges for receiving or delivering to or from inland carriers or to or from railcars are meant to cover services required to move the cargo between the inland conveyance and the place of rest in the terminal. These charges do not cover the movement of the cargo between the place of rest in the terminal and the vessel.

Section Three

SUBJECT: TERMINAL HANDLING CHARGES

Charges for the movement of the cargo to the vessel from the place of rest or from the vessel to the place of rest will be quoted on an individual basis and will depend upon the terms of the contract with the carrier.

E. TWIC REGULATIONS ACCESS RULES

In accordance with the Transportation Worker's Identification Credential (TWIC) regulations, no access into the secure areas of Industrial Terminals can be allowed for persons not holding a TWIC card unless they are escorted by a TWIC card holder who has completed escort training by the Industrial Terminals security office.

Therefore effective April 14, 2009 entrance to the Terminal for Gulf Stream Marine cargo related business will be allowed per the following rules:

All Crating Company's, Surveyors, and Vendors will be required to have a TWIC card for all personnel that need to enter the port! We will not provide any escort services for the above nor will said entities be allowed to act in the same capacity as an escort for personnel without a TWIC card.

Gulf Stream Marine will only have escort services for visitors and drivers with a limited number of escorts available at each of our terminals to escort personnel wishing to enter the terminal on cargo related business for a nominal fee of \$200.00.

Section Four

SUBJECT: FOREIGN TRADE ZONE

SUBRULE 42: HANDLING IN/OUT CHARGES

Receiving cargo in FTZ	\$8.00/st
Delivery out of FTZ	\$8.00/st

SUBRULE 43: STORAGE CHARGES

Outdoor storage – no free time	\$.45/st
Indoor storage – no free time	\$.90/st

After delivery out of FTZ

\$.45 per short ton per day, first 90 days counted from the admission day

\$.61 per short ton per day, thereafter

SUBRULE 44: MINIMUM CHARGES

Minimum charges for cargo in lots less than 50 short tons per single admission number:

Receiving cargo in FTA	\$500/per lot
Delivery out of FTZ	\$500/per lot

Storage outdoor	\$675/month
Storage indoor	\$1,350/month

The pricing is exclusive of any marine terminal handling and/or stevedoring charges.

SUBRULE 45: **WORKING HOURS**

Straight time working hours is Monday – Friday 7:30AM – 4:30 PM

SUBRULE 46: **SUPERVISION RATES**

Straight time	\$49/hour
Overtime	\$74.50/hour

SUBRULE 47: **ACTIVATION AND ADMISSION PROCESS**

FTZ admission is subject to space requested and space available at the site.

FTZ site activation takes approximately 2–3 weeks.

Prior to admission to the FTZ, all cargo must be approved by FTZ site operator and by CBP:

- Customer to provide packing list for cargo destined for FTZ
- FTZ site operator to provide Admission Number for said cargo
- Customer to fill in and submit form 214 to the FTZ site operator
- FTZ site operator will approve and submit form 214 to CBP
- Admission approval process may take approximately a

Section Four

SUBJECT: FOREIGN TRADE ZONE

FTZ site operator is responsible for record keeping and auditing of all cargo entering and leaving the FTZ, as mandated by CBP. Cargo can be moved into and out of the FTZ only under strict supervision of the FTZ site manager or its representative.

Customer is responsible for maintaining current insurance for all cargo admitted into FTZ; Industrial Terminals is not responsible for cargo insurance.

For Terms and Conditions please refer to Industrial Terminal Tariff.