



Norfolk Southern Corporation
 Three Commercial Place
 Norfolk, Virginia 23510-9251

Claude Edward Elkins
 Vice President
 Industrial Products

December 1, 2019

Dear Norfolk Southern Customer:

In a separate notification to be issued today, you will receive details regarding revisions Norfolk Southern is making to its Demurrage and Storage (NS 6004-D), Accessorial (NS 8002-A), and Conditions of Carriage #1-E tariffs. These revisions can be found in the tariffs posted to our website. I encourage you to take time to review these updates in detail and share within your organization.

Revisions to the NS 6004-D Demurrage and Storage tariff will become effective April 1, 2020. This additional time between notification and implementation offers our customers an opportunity to review, ask questions, and assess the impact these changes may have going forward on an individual basis.

Beginning April 1, 2020, we are implementing a new tiered demurrage and storage structure to address cars held for seven (7) days or longer. Chargeable per car per day rates for demurrage and storage will remain at the same rates for days one (1) to six (6) but will increase when cars are held seven (7) days or longer as referenced below.

Demurrage	Loading Credits	Unloading Credits	Per Car Daily Charge Tier 1 Days 1 - 6	Per Car Daily Charge Tier 2 Day 7+
Railroad Controlled Cars, Except Below	1	1	\$ 150.00	\$ 200.00
Covered Coil Cars, Centerbeam Flatcars, Refrigerated Cars, Heavy-Duty Flatcars	1	1	\$ 250.00	\$ 300.00
Cars Held	Origin/Destination Credits		Per Car Daily Charge Tier 1 Days 1 - 6	Per Car Daily Charge Tier 2 Day 7+
For Purposes Other than Loading or Unloading	0		\$ 100.00	\$ 150.00
Storage	Loading Credits	Unloading Credits	Per Car Daily Charge Tier 1 Days 1 - 6	Per Car Daily Charge Tier 2 Day 7+
Private Cars	0	0	\$ 60.00	\$ 120.00
Assigned Cars	1	0	\$ 20.00	\$ 60.00

Credits within a specific demurrage or storage application group or charge type will be applied against the car days of the highest tier first. If there are more credits than car days in the highest tier within an application group or charge type, the credits will then apply to the next tier until there are no credits remaining. See example below.

Month Year	Application Group (Charge Types)	Total Credit Days to Apply	Car Days Tier 1	Car Days Tier 2	Total Chargeable Days X Tier Rate	Amount Billed
April 2020	Railroad Controlled, except below	50	30	45	25 x Tier 1 Rate	25 x \$150 = \$3,750 Total = \$3,750
April 2020	Covered Coil Cars, Centerbeam Flatcars, Refrigerated Cars, Heavy-Duty Flatcars	15	20	25	10 x Tier 2 Rate 20 X Tier 1 Rate	10 x \$300 = \$3,000 20 x \$250 = \$5,000 Total = \$8,000
April 2020	Private Cars	30	15	35	5 x Tier 2 Rate 15 x Tier 1 Rate	5 x \$120 = \$600 15 x \$60 = \$900 Total = \$1,500

Other changes that will become effective January 1, 2020, include: 1) an overloaded car delivered to destination without being stopped en route for partial unloading will be subject to charges as referenced in NS 8002-A, Item 5000; and 2) customers will have one (1) year to file a claim with Norfolk Southern as referenced in Conditions of Carriage #1-E, Rule 280.

As a leader in the transportation industry, we continually strive to provide the best service possible at all our customer locations on a consistent basis. When proper forwarding instructions are not provided at time of release, it results in additional time and expense to switch out that railcar. Going forward, NS reserves the right, in its sole discretion, to not pull a railcar that has been released without forwarding instructions and any railcars behind it. Beginning January 1, 2020, a new pull code will be activated which will require forwarding instructions be in place before a car can be released.

Please contact your Norfolk Southern representative with questions. As we work to streamline processes in an effort to make it easier to do business, we are committed to providing timely responses to your questions and concerns.

We value our customer and business partner relationships and welcome your feedback on how we can continue to positively affect service.

Sincerely,

Ed Elkins
Vice President Industrial Products
Norfolk Southern Corporation