

CENTRAL NEW YORK RAILROAD CORPORATION

CNYK 8001 - F

- SWITCHING RULES AND MISCELLANNEOUS CHARGES -
AT STATIONS ON
CENTRAL NEW YORK RAILROAD

This tariff is governed by CNYK Conditions of Carriage #1 – Series

Cancels provisions of CNYK 8001 - E

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Marketing and Sales Department
Central New York Railroad Corporation
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ITEM 100 – SWITCHING – INTRA-PLANT AND/OR INTRA-TERMINAL

Switching charges apply on loaded or empty rail cars when a customer requests an intra-plant movement of a rail car after that rail car has been placed for unloading or loading.

Switching Charge - \$175.00 per car.

ITEM 125 – SWITCHING - INTERLINE TRAFFIC

Stations on the CNYK are closed to interline switching, except as otherwise noted in CNYK Conditions of Carriage #1 – Series and Item 130 of this tariff.

ITEM 130 – RECIPROCAL SWITCHING CHARGES

The CNYK shall collect a fee of \$266.00 per car to be paid as a reciprocal switching charge on loaded cars to and/or from Binghamton, NY and Kirkwood, NY when to and/or from NS via Binghamton, NY when the CNYK is to perform this service. Switching charges are subject to fuel surcharge as published by Norfolk Southern Railway.

ITEM 150 – SWITCH MAINTENANCE

The CNYK will assess a switch maintenance fee of \$2,500.00 per year if a customer does not receive and/or ship a minimum of six (6) cars per calendar year to or from their private siding.

ITEM 200 – STORAGE OF EMPTY PRIVATE CARS

Empty private railcars held on the CNYK without a fully executed railcar storage agreement with the CNYK are subject to standard demurrage and/or storage charges per CNYK 8003-Series.

ITEM 225 – STORAGE OF LOADED PRIVATE CARS

Loaded private railcars held on the CNYK without a fully executed railcar storage agreement with the CNYK are subject to standard demurrage and/or storage charges per CNYK 8003-Series.

ITEM 250 – STORAGE OF RAILROAD MARKED CARS

The CNYK does not store railroad marked and railroad controlled cars. Railroad marked cars, loaded or empty, are subject to standard demurrage charges per CNYK 8003-Series.

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ITEM 275 – STORAGE OF BAD ORDERED AND SHOPPED RAILCARS

Bad ordered and shopped cars may be held on a customer's private siding or leased track without charge.

Bad ordered and shopped railcars held on CNYK tracks are subject to demurrage charges as published in CNYK 8003-Series except 120 hours (5 days) of free time are allowed from the first 1201 am from being bad ordered or shopped or from removal from a customer's private siding or leased track. Switching charges as published in CNYK 8001-Series apply for the movement of bad ordered and shopped railcars from a customer siding to a shop track or CNYK track and from a shop track or CNYK track to a customer siding.

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ITEM 300 - SPECIAL TRAIN SERVICE

Special train service is the movement of a train or rail cars in other than normal, regularly scheduled service and performed at the request of, or for the need of, a specific shipment and/or customer. Special train service may include high and wide shipments, excessive weight loads or other conditions that are not handled during normal train operations. The CNYK may require special train service on specific shipments due to the characteristics of that shipment.

Requests for special train service must be made in writing in advance to the CNYK Vice President of Transportation via the customer service department. Such requests must contain any pertinent shipment information for the CNYK to accept/decline and schedule special train service. The CNYK may restrict or modify requests for special train service.

Charges for special train service are in addition to all other freight and accessorial charges for the car(s) handled. The number of 'service hours' furnished by special train service is calculated from the crew's on-duty time to their off-duty time.

Charges:

- Special train service when the train crew is NOT used exclusively to perform the service of the requesting customer - \$900 per event
- Special train service when the train crew IS provided for the exclusive use of the requesting customer, up to eight (8) hours - \$1700 per event and/or crew
- Special train service when the train crew IS provided for the exclusive use of the requesting customer, exceeding eight (8) hours but not exceeding twelve (12) hours - \$2,500 per event &/or crew
- Additional locomotive(s) for a special train - \$600 per additional locomotive per event
- Cancellation of requested and scheduled special train service - \$500 per event

Charges for special train service are subject to the CNYK established credit policy. Customers without approved credit with the CNYK may be required to submit payment for the estimated special train service charges prior to the service being scheduled by the CNYK.

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ITEM 350 – TURNING OF RAIL CARS

The CNYK will turn a car upon written request by the customer who will be paying for this service.

Charges for the turning of a car are \$500.00 per car when the turning is performed on or within the customer's private siding or performed on CNYK tracks in the immediate switching terminal area as it applies to Binghamton, NY and Kirkwood, NY.

Charges for the turning of a car are \$750.00 per car when performed on CNYK tracks outside the immediate switching terminal area.

Charges for turning a rail car are in addition to inbound or outbound freight charges for that rail car.

ITEM 400 – WEIGHING OF RAIL CARS

The CNYK does not have rail car weighing facilities. If a customer located on the CNYK requests rail car weighing services, the CNYK will assess a charge of \$500.00 per car for weighing, in addition to any fees per CNYK tariffs. Weighing services shall be performed by the New York, Susquehanna & Western Railway. Additional transportation charges may be assessed by the CNYK and/or NYSW.

Item 425 – OVERLOADED RAIL CARS

The CNYK will assess a charge of \$750.00 per car on each car that is determined to be overloaded on the CNYK.

The customer is responsible for any damage to the railcar caused by overloading of the railcar.

Cars found to be overloaded must be partially unloaded to the weight limit of the railcar by the customer at the customer's expense where placed by the CNYK for offloading. Demurrage charges will be assessed on the overloaded car from the day the shipper is notified of the overloaded car until the car is accepted by the CNYK as being within the lading limits of the car. No demurrage 'free' days will be allowed on overloaded cars.

If the CNYK Transportation Department determines that car can be returned to the shipping point for offloading of the excessive lading the switching charge contained in Item 100 of this tariff will be accessed in addition to the charges in this item.

Overloaded cars must be reweighed after lading removal and before being accepted by the CNYK for loaded movement. Weighing charges contained in Item 400 of this tariff will be accessed if the CNYK reweighs the car.

ITEM 500 – CARS ORDERED AND NOT USED

The CNYK will assess a charge of \$150.00 per car on empty cars ordered by a customer for loading when the customer cancels the car order after the CNYK receives the car but before the car is placed for loading.

The CNYK will assess a charge of \$250.00 per car on empty cars ordered by a customer for loading when the customer cancels the car order after the car is placed for loading.

ITEM 510 – REFUSED OR REJECTED LOADED CARS

When a customer rejects an inbound loaded car, the car may move via reverse route back to the origin of the current waybill at the same rate as the inbound movement, unless otherwise provided for in the rate document governing the inbound shipment.

ITEM 525 – MOVEMENT OF EMPTY PRIVATE CARS

Empty private cars moving into or from storage on the CNYK and empty private cars delivered empty to the CNYK but subsequently moved off the CNYK without loading are subject to charges of \$600 per car.

ITEM 550 – RETURN OF PALLETS, PLATFORMS, SKIDS, CONTAINERS, CARRIERS OR OTHER SHIPPING DEVICES

The CNYK will not provide free return, non-revenue movement of pallets, platforms, skids, containers, carriers or other shipping devices unless specifically provided for in individual pricing documents and/or contracts.

Complete bill of lading information is required from the shipper when individual pricing documents and/or contracts do allow for non-revenue movement of pallets, platforms, skids, containers carriers or other shipping devices.

ITEM 575 – CARS INTERCHANGED IN ERROR

The CNYK will charge \$350 per car for cars interchanged to the CNYK in error by a connecting railroad. The charge will be billed to the railroad delivering the car in error to the CNYK.

ITEM 600 – DIVERSION

The term diversion means any order received by CNYK that requires a change in the billing/shipping document of a shipment that is in possession of the CNYK and is not at destination.

When a diversion order is received the movement will be considered as terminating at the station where the car is diverted and re-billed from there to affect the order. CNYK will accept a new Bill of Lading for re-routing the car or use the diversion order as the new Bill of Lading.

Diversion orders must be made in writing or confirmed in writing as follows:

- 1.) Verbal orders may be given to Customer Service Representative, Cooperstown, NY. Telephone: 607-547-2555 ext 235. A verbal diversion request will not be implemented until written confirmation is received.
- 2.) Written confirmation of verbal orders must be sent to:
Customer Service Department
Central New York Railroad
customerservice@nysw.com or fax: 607-547-8632

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ITEM 700 – FUEL SURCHARGE

In the event the average monthly price of West Texas Intermediate Crude Oil (WTI) exceeds \$23.00 per barrel using the daily prices as published in the Wall Street Journal, the Central New York Railroad shall have the right to apply a fuel surcharge to all line haul freight charges referencing or subject to this item. The applicable fuel surcharge percentage shall be applied to each shipment having a bill of lading dated on or after the 1st day of the second calendar month following the calendar month of a given WTI Average Price calculation.

The fuel surcharge will be 0.4% of the line haul freight charge for every \$1.00 per barrel, or portion thereof, by which the WTI Average Price exceeds \$23.00. The WTI Average Price for a given calendar month will be determined by adding the daily West Texas Intermediate Crude Oil prices published in the Wall Street Journal during a calendar month, and dividing the result by the number of days so published in that given month. The result will be rounded to the nearest cent. If the Wall Street Journal ceases publication of the price of West Texas Intermediate Crude Oil, CNYK will employ a suitable substitute source of price or measure.

The fuel surcharge will change monthly per the table below.

| Calendar Month of WTI Average Price | Calendar Month Fuel Surcharge Applied |
|-------------------------------------|---------------------------------------|
| January | March |
| February | April |
| March | May |
| April | June |
| May | July |
| June | August |

| Calendar Month of WTI Average Price | Calendar Month Fuel Surcharge Applied |
|-------------------------------------|---------------------------------------|
| July | September |
| August | October |
| September | November |
| October | December |
| November | January |
| December | February |

The following schedule reflects the applicable fuel surcharge within the WTI Average Price ranges noted below.

| WTI Average Price per Barrel | Fuel Surcharge Percentage |
|------------------------------|---------------------------|
| \$23.00 and below | No Surcharge |
| \$23.01 to \$24.00 | 0.4% |
| \$24.01 to \$25.00 | 0.8% |
| \$25.01 to \$26.00 | 1.2% |
| \$26.01 to \$27.00 | 1.6% |
| \$27.01 to \$28.00 | 2.0% |
| \$28.01 to \$29.00 | 2.4% |
| \$29.01 to \$30.00 | 2.8% |
| \$30.01 to \$31.00 | 3.2% |
| \$31.01 to \$32.00 | 3.6% |
| \$32.01 to \$33.00 | 4.0% |
| \$33.01 to \$34.00 | 4.4% |
| \$34.01 to \$35.00 | 4.8% |
| \$35.01 to \$36.00 | 5.2% |

| WTI Average Price per Barrel | Fuel Surcharge Percentage |
|------------------------------|---------------------------|
| \$36.01 to \$37.00 | 5.6% |
| \$37.01 to \$38.00 | 6.0% |
| \$38.01 to \$39.00 | 6.4% |
| \$39.01 to \$40.00 | 6.8% |
| \$40.01 to \$41.00 | 7.2% |
| \$41.01 to \$42.00 | 7.6% |
| \$42.00 to \$43.00 | 8.0% |
| \$43.01 to \$44.00 | 8.4% |
| \$44.01 to \$45.00 | 8.8% |
| \$45.01 to \$46.00 | 9.2% |
| \$46.01 to \$47.00 | 9.6% |
| \$47.01 to \$48.00 | 10.0% |
| \$48.01 to \$49.00 | 10.4% |
| \$49.01 to \$50.00 | 10.8% |

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ITEM 725 – MILEAGE BASED FUEL SURCHARGE (MBFSC)

This Item applies to:

- all regulated common carrier linehaul freight rates existing or established by CNYK on or after April 23, 2007; and
- all linehaul freight rates and charges with respect to exempt traffic, and linehaul freight rates and charges in contracts, private price quotations or other pricing documents, that both reference this publication and are entered into or issued and effective on or after April 23, 2007.

In the event that the monthly average price per gallon of highway diesel fuel (as determined below, the “HDF Average Price”) equals or exceeds 200.0 cents, CNYK will apply a mileage-based fuel surcharge (MBFSC) to the linehaul rates and charges as described above. The mileage based fuel surcharge will be applied to each qualifying shipment having a bill of lading or other shipping instruction dated on or after the first day of the second calendar month following the calendar month of a given HDF Average Price determination.

The “HDF Average Price” for a month will be the average price for that month of U.S. No. 2 Diesel Retail Sales by All Sellers, as determined and published by the U. S. Department of Energy, Energy Information Administration (“DOE-EIA”). That average price will, in calculating the HDF Average Price, be rounded to the nearest 1/10 of a cent. The fuel surcharge will be 1 cent per mile per railcar for every 4¢ per gallon, or portion thereof, by which the HDF Average Price for the calendar month two months prior to the calendar month of shipment exceeds 199.9 cents.

If DOE-EIA ceases publication of the above information, CNYK will employ a suitable substitute source of price or measure.

The mileage to be applied in calculating the fuel surcharge will be based on rail miles between origin, interchange(s) and destination.

The following table reflects a sampling of the fuel surcharge within the included HDF Average Price ranges.

| HDF Average Price | Cents | HDF Average Price | Cents | HDF Average Price | Cents |
|--------------------------|-----------------|--------------------------|-----------------|--------------------------|-----------------|
| Cents Per Gallon | Per Mile | Cents Per Gallon | Per Mile | Cents Per Gallon | Per Mile |
| 0 - 199.9 | 0 | 232.0 - 235.9 | 9 | 268.0 - 271.9 | 18 |
| 200.0 - 203.9 | 1 | 236.0 - 239.9 | 10 | 272.0 - 275.9 | 19 |
| 204.0 - 207.9 | 2 | 240.0 - 243.9 | 11 | 276.0 - 279.9 | 20 |
| 208.0 - 211.9 | 3 | 244.0 - 247.9 | 12 | 280.0 - 283.9 | 21 |
| 212.0 - 215.9 | 4 | 248.0 - 251.9 | 13 | 284.0 - 287.9 | 22 |
| 216.0 - 219.9 | 5 | 252.0 - 255.9 | 14 | 288.0 - 291.9 | 23 |
| 220.0 - 223.9 | 6 | 256.0 - 259.9 | 15 | 292.0 - 295.9 | 24 |
| 224.0 - 227.9 | 7 | 260.0 - 263.9 | 16 | 296.0 - 299.9 | 25 |
| 228.0 - 231.9 | 8 | 264.0 - 267.9 | 17 | Above 299.9 | See Below |

The fuel surcharge will be 25¢ per mile plus 1¢ per mile for every 4¢ per gallon, or portion thereof, by which the HDF Average Price exceeds 299.9 cents.

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