



## **Pan Am Railways**

- TERMS AND CONDITIONS -  
FOR  
RAIL TRANSPORTATION OF COMMODITIES  
MOVING IN INTERSTATE AND INTRASTATE COMMERCE  
VIA  
PAN AM RAILWAYS AND ITS AFFILIATED LINES SHOWN HEREIN

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Version 1.3

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Issued by:

**PAN AM RAILWAYS**  
Springfield Terminal Railway Company, Boston & Maine Corporation, Maine Central Railroad Company  
1700 Iron horse Park, North Billerica, MA 01862-1690

REFERENCE TO "PAN AM" OR "PAN AMERICAN RAILWAY COMPANY" HEREIN INCLUDES  
THE FOLLOWING SUBSIDIARIES AND AFFILIATED CARRIERS

- Springfield Terminal Railway Company
- Boston & Maine Corporation
- Maine Central Railroad Company

## **1. CARRIER LIABILITY - LOSS AND DAMAGE TO LADING**

The following liability provisions will apply unless Pan Am Railways and shipper agree in writing to different liability provisions:

### **GENERAL**

1. On domestic moves that originate in the United States of America, shipper may, at their option, select freight loss and damage liability provisions set forth in 49 U.S.C.A, Section 11706 (Carmack) as explained in this Item. If 49 U.S.C.A. Section (Carmack) is not selected, the liability provision of this item will govern.
2. The shipper agrees to indemnify and hold harmless the rail carriers from any loss, damage, personal injuries or death resulting from the shipper's failure to comply with the provisions contained herein. Acceptance of a shipment by the rail carriers for transportation shall not be considered as a waiver of shipper's liability.
3. For shipments moving into and out of a foreign country on a single through bill of lading, see the liability provisions under: COMMODITIES FROM OR TO A FOREIGN COUNTRY.
4. On shipments intended for export from the United States of America, rail carriers will not be liable for charges such as brokerage fees, fines, penalties, foreign marine or foreign country freight charges, import duties or other such charges on cargo that is lost, damaged or delayed in domestic transportation.
5. Cargo Loss and Damage any loss or damage(s) that arise out of shipments that are delayed in transit are limited to the specific amount of actual cargo loss or damage occurring to product.

### **LIABILITY RESTRICTIONS**

1. The rail carrier/party in possession will be liable as at common law except as provided herein.
2. Rail carrier's liability will not exceed the actual amount of physical loss or damage sustained to the cargo plus any costs incurred through efforts to mitigate the loss or damage. Rail carriers will not be liable for special damages (including but not limited to lost profits, business interruption expenses and shipper or consignee's liability to their own customers for liquidation damages or other damages), consequential damages, indirect loss or punitive damages arising from loss, damage, suspected contamination, or delay to cargo, nor will rail carriers be liable for any losses attributable to fluctuation in the market value of the cargo. Furthermore, rail carriers will not be liable for any losses, direct or indirect, which result from an interruption of rail service, nor do rail carriers guarantee rail service on any scheduled time frame. Rail carriers will not be responsible for interest or attorney fees.
3. Pan Am Railways and its connecting United States and Canadian rail carriers are not liable for loss or damages occurring in Mexico. Unlocated loss or damages from international land transport shipments that do not break bulk or are not visibly checked at U.S.A./Canadian entry/embarkation points are excluded from liability coverage and claims may be subject to compromise or declination unless clear and convincing evidence exists that damage occurred during the U.S.A./Canadian rail transport.
4. Unless amended by written agreement prior to shipment, rail carrier's liability for the contents of any rail car will be limited to the destination value of the cargo or \$50,000.00, whichever is the lesser of the two amounts, except on TOFC and COFC units, rail carrier's liability for the contents of any rail equipment will be limited to the destination value of the cargo or \$250,000.00, whichever is the lesser of the two amounts.

5. Claims or lawsuits for less than \$500.00 shall not be filed and no claim shall be paid if the amount of the loss or damage is found to be under \$500.00 per shipment.
6. In the event of an act or omission of any party involved in the transportation process; (shipper, rail carriers, receiver) is not the sole cause but contributes to any loss or damage, each party will be liable for only that portion of the loss or damage caused by its negligence.
7. Rail carriers are not liable for temperature, corrosion or humidity related losses unless mechanical protective service is requested, paid for and carrier owned or leased equipment is used.
8. Rail carriers are not liable for loss or damage caused by defective equipment when such equipment is not owned, or leased by rail carriers.
9. Cargo loss and damage claims presented to the Pan Am Railways will be resolved for the account of all domestic U.S.A. and Canadian rail carriers, while in this country, involved in transportation of shipments moving under the provisions of this publication, unless a connecting rail carrier's tariff or agreement provides for more limited liability in which case the more limited liability provision will govern.
10. Rail Carriers will not be liable for more than \$500.00 per car load for the amount of internal revenue taxes paid or determined and customs duties paid on distilled spirits, wines, and beer previously withdrawn from bond, which were lost, rendered unmarketable or condemned by a duly authorized official by reason of fire, flood, casualty or breakage, destruction or other damage (but not including theft) resulting from vandalism or malicious mischief, if such damage or disaster occurred in the United States of America, and if such distilled spirits, wines or beer were held and intended for sale at the time of such disaster or other damage.

#### **LOSS OR DAMAGE VERIFICATION AND DISPOSITION PROVISIONS**

1. Rail carriers have the right to inspect, weigh or reject shipments at origin, en route or at destination for non-compliance with the provisions contained in the applicable publications.
2. Rail carriers reserve the right to inspect damages or shortages to shipment. As a condition precedent to payment of any claims against carriers for loss or damage, the consignee must within twenty-four (24) hours of shipment's placement, notify the destination carrier (shown on the waybill), of any claimed damages or shortages and allow destination carrier or its agent to inspect.

#### **IMPORTANT INFORMATION TO PROVIDE:**

- (a.) Contractor or reporting party's name, address, phone number
- (b.) Railcar initial & number
- (c.) Dates: waybill, shipped, placed, unloading
- (d.) Shipment details including Shipper, Consignee, Origin, Destination
- (e.) Seals: note condition and number
- (f.) Possible cause of the damage
- (g.) How the product was secured in the railcar
- (h.) Value of the loss if possible
- (i.) Disposition of the damaged lading
- (j.) In all cases make detail damage or shortage notations on receiving record and take photographs (digital photos if possible)

#### **PHOTOS SHOULD INCLUDE:**

1. Outside picture of railcar showing railcar initial and number
2. Intact face of lading adjacent opened side door(s) to show arrival condition.
3. locations of holes or leaks
4. blocking and bracing used to secure your load

5. Other photos to substantiate damage to containers/product remaining intact in lading to include full view of lading in ends of railcar or trailer/container.

\*NOTE: WHEN RAIL SHIPMENTS ARE DELIVERED BY PAN AM RAILWAYS AND ARE NOTED AT DESTINATION WITH DAMAGE OR SHORTAGE, NOTIFICATION SHOULD BE MADE TO:

Pan Am Railways  
Director of Freight Claims  
Office: (978) 663-1013  
Fax: (978) 663-1009  
E-mail: [freightclaims@panamrailways.com](mailto:freightclaims@panamrailways.com)

A MEMBER OF OUR STAFF WILL TAKE YOUR INFORMATION, IN SOME CASES, WE MAY MAKE AN INSPECTION, BUT IN OTHER CASES OUR RIGHT TO INSPECT MAY BE WAIVED. PAN AM RAILWAYS DOES NOT ISSUE EXCEPTION REPORTS WHEN YOU NOTIFY US OF DAMAGE OR SHORTAGE. ALL INFORMATION IS ACCUMULATED AND STORED IN THE PAN AM RAILWAYS FREIGHT CLAIMS FILES IN NORTH BILLERICA, MA TO MATCH WITH ANY CLAIM THAT MAY BE FILED AT A LATER DATE.

3. Failure of the destination railroad to inspect damaged cargo for any reason will not relieve the claimant from the requirement of establishing that cargo was delivered in a damaged condition and was properly blocked and braced. Failure of the destination railroad to inspect damaged cargo for any reason will not be considered an admission of liability by Pan Am Railways.

\* NOTE: IF DESTINATION RAILROAD WAIVES THE INSPECTION, STATE THE RAILROAD OFFICIAL'S NAME, PHONE NUMBER, AND DATE THAT THE INSPECTION WAS WAIVED.

4. Shipper and/or consignee must mitigate damage by accepting the damaged cargo unless it is without salvage value. Shipper and/or consignee may not abandon damaged or partially damaged shipments to the rail carrier when the damaged shipments retain any value. The rail carriers may offer customers who retain damaged cargo an allowance in order to minimize the losses. Such allowances are granted for the purpose of minimizing losses and do not establish rail carrier liability. Product that is abandoned to the rail carriers in an undamaged condition shall be sold for account of the beneficial owner and salvage proceeds only, less any salvaging expenses incurred, shall be remitted to the beneficial owner.

## CLAIMS

1. As a condition precedent to payment of a claim, claims must be filed in writing, via FAX or via E.D.I. within nine (9) months of the delivery date or in the event of non-delivery, within nine (9) months of the expected delivery date. Such written or electronic communication shall comply with the minimum requirements contained in 49 C.F.R. 1005.2(b). Claims may only be submitted by the beneficial owner or a party to the transportation agreement.
2. In addition to the requirements of 49 C.F.R. 1005.2(b), all written claims must include the following documentation:
  - (a.) A demand for payment of a specific amount, with a statement of the formula or basis on which the damages are calculated, plus evidence/documentation in support of the calculation.
  - (b.) Information identifying the rail shipment including equipment initials and numbers, shipper's consignees and receiver's names, address and telephone number, shipping date and commodity.
  - (c.) Origin records or certification as to the condition and quantity of the lading at the time the goods were tendered to the origin rail carrier. If shortage is involved, origin seal records must be furnished. Bill of lading, shipping manifest, or purchase or sales agreements

- (d.) Destination records or certification as to the condition and quantity of the lading at the time the goods were received from the destination rail carrier. If shortage is involved, destination seal records must be furnished.
- (e.) Verification of the amount claimed such as certified invoices or repair bills.
- (f.) Documentation as to the disposition of the damaged lading and salvage proceeds therefrom.
- (g.) Documentation that shipment was loaded in compliance with the provisions herein or applicable AAR loading specifications if no specific provisions apply.
- (h.) Supporting photos see under: LOSS OR DAMAGE VERIFICATION AND DISPOSITION PROVISIONS 2. (j.)
- (i.) Carrier reserves the right to summarily deny any and all claims submitted that does not contain all or part of the aforementioned documentation.

**A FREIGHT LOSS, DAMAGE OR DELAY CLAIM FILED WITH PAN AM RAILWAYS IS TO BE MAILED TO:**

Pan Am Railways  
Director of Freight Claims  
1700 Iron Horse Park  
North Billerica, MA 01862

**CARMACK LIABILITY**

49 U.S.C. Section 11706 provides for full value liability and other liability terms for the rail carriers and the shipper. To make a shipment pursuant to the terms of 49 U.S.C. Section 11706, the shipper must comply with all of the following provisions:

- (a.) Shipper must notify rail carrier no less and seventy-two (72) hours before the rail car is released for transportation that the shipper chooses Carmack Liability protection.
- (b.) The shipper must have prepaid the Carmack Liability rate obtained from Pan Am Railways' Marketing Department.
- (c.) The shipping instructions are subject to a specific pricing authority, which shall be specifically noted.

**FREIGHT LOSS AND DAMAGES LAWSUITS**

All lawsuits must be filed within eighteen (18) months from the actual loss or damage or in the event of non-delivery from the expected date of delivery by rail carrier.

**SEALS**

It is the sole responsibility of the shipper to determine the type of protection necessary to protect the cargo, including but not limited to the use of seals and security devices. Pan Am Railways does not apply or determine if seals or security devices are appropriate or adequate, except in the case of contamination (see paragraphs below). Nor does Pan Am Railways, in all cases, inspect shipments for seal integrity. In the event that a seal or a security device is broken, or missing, the absence or breach of a seal will not create a presumption of contamination or theft without actual physical evidence. Documentation of the application of seals or security devices at origin is the responsibility of the shipper and the seal number(s) must be included on the bill of lading or shipping instructions and in any claim application.

For Pan Am Railways to consider a claim for contamination of cargo the shipment must be sealed by the actual shipper or its agent. The minimum seal will be a barrier type seal meeting American Society for Testing and Materials (ASTM) standards, a cable seal 1/8 inch in diameter, a high security bolt seal, or its equivalent. All seals utilized by the shipper will be sequentially numbered and recorded on the bill of lading or shipping instructions. The shipper will maintain for one year a record of the date and time of the application of seal, and the identity of the person applying the seal.

Pan Am Railways will not consider any claim from cargo contamination unless the above minimum standards are met.

## **2. CHANGE IN PROVISION(S)**

Pan Am Railways reserves the right at any time to change the provisions of these Conditions of Carriage; provided, however, any such change shall be effective only with regard to any transportation services provided under these Conditions of Carriage for freight tendered after the effective date of the changes. Pan Am Railways will make available on its web site, [www.PanAmRailways.com](http://www.PanAmRailways.com), these Conditions of Carriage in their latest amended form. Shipper should review these Conditions of Carriage before tendering freight to Pan Am Railways. Revisions to the publication will be made from time to time by reissuing the publication in its entirety.

## **3. COMMODITIES FROM OR TO A FOREIGN COUNTRY**

Unless otherwise provided in an agreement, the transportation, or any portion thereof performed within a foreign country, will be subject to all laws and rules pertaining to the railroad transportation in that country, including but not limited to, environmental, taxing, civil, commercial, loss and damage to cargo, administrative and labor laws, rules, decrees, ordinances, Mexican Regulatory Railroad Service Law and its Regulations (without giving effect to the principles of conflicts of laws). Pan Am Railways shall not be liable for freight loss or damage that occurs while cargo is in the possession of an international or a domestic rail carrier in a foreign country. Shippers acknowledge that "full liability" coverage is available from Pan Am Railways by contacting Pan Am Railways.

Rates for shipments moving in Bond for clearance by U.S. Customs at a Pan Am Railways rail facility will not include the unloading, segregating or reloading of freight when required to accomplish U.S. Customs clearance. Such unloading, segregating and reloading of freight and/or the charges associated with this action is the responsibility of consignor and/or consignee.

## **4. COMMODITIES NOT ACCEPTED UNDER THIS PUBLICATION**

Unless otherwise authorized coins, currency, valuable papers of any kind, precious metals or stones or articles manufactured therefrom, old rare or precious articles of extraordinary value, or articles liable to damage transportation equipment or other freight will not be accepted for transportation and Pan Am Railways shall have no liability for loss, damage or theft of these items.

In addition to the above, the following articles will not be accepted for transportation in TOFC and COFC:

- Acids, liquid, in carboys
- Animals, live
- Articles described under Rule 3 of the Uniform Freight Classification
- Articles exceeding inside length of van-type trailer used or articles exceeding length of flat-bed trailer used
- Articles requiring protective service
- Bees
- Blacks (carbon gas or oil blacks), lamp black or vegetable black, dry, NEC, not activated, not dyes or dyestuffs
- Bulk commodities, excluding articles in packages, bundles or units weighing 8 pounds or over, also excluding articles in tank trailers (carriers will not furnish tank trailers) (Notes 3 and 4)
- Carcasses, animal, bird, poultry or reptile
- Carrion
- Explosives as described in Classes A and B, Section 173.53 to 173.93 of Tariff ICC BOE 6000

- Fresh meat, packing house products and dressed poultry, as described in Items 67780 to 68010 of ICC UFC6000 (Note 2)
- Fruits, fresh; or vegetables, fresh or green, as described in Item 40050, 41050 and 41815 to 42220 of ICC UFC 6000.
- Missiles, guided, or rockets, guided; guidance system or electronic guidance control apparatus for installation in missiles or in missile sections; missile or rocket from assemblies containing electronic apparatus; or mobile missile guidance systems as described in Items 69093 to 69098 of ICC UFC 6000.
- Motor vehicles, freight or passenger or combination of freight or passenger, complete or not complete, finished or not finished
- Radioactive materials
- Railway wheels, new or used, when moving on other than flat bed trailers
- Trailers, freight, or tank trailers, new or used, including freight trailers, NOIBN, as described in Item 92900 of ICC UFC 6000, but excluding farm or freight cars, trucks or wagons, NOIBN, as specifically described in Item 92900 and other than as described in Items 93080, 93100 and 93110 of ICC UFC 6000 (Note 1)
- U. S. Mail of any class
- Waste materials: Hazardous, having no reclamation value, as described in Part 1, Title 40, Code of Federal Regulations.

Every party, whether principal or agent, shipping any of the above identified commodities or other explosive or dangerous goods, without full written disclosure to the rail carriers of their nature, shall be liable for and indemnify Pan Am Railways against all loss or damages caused by such goods, and such goods may be warehoused at owner's risk and expense or destroyed without compensation to owner. The transportation charges for any such commodities transported by Pan Am Railways shall be ten times the highest TOFC/COFC rate in effect between the origin and destination of the shipment.

**Note 1:** Will not apply on empty tank trailers on which an inbound haul was received.

**Note 2:** This restriction does not apply on shipments of lard, NOIBN, shortening as described in Item 67840 of ICC UFC 6000.

**Note 3:** This RESTRICTION does not apply on shipments of synthetic plastic materials, other than liquids, in plastic liner bags, loaded in dry van trailers subject to the following:

- A. Shipper must furnish and install the plastic liner bag at shipper's expense.
- B. Consignee must remove the empty plastic liner bag after the shipment is unloaded.
- C. Carrier assumes no liability for breakage of the plastic liner bags.
- D. Carrier assumes no responsibility for return movement of empty plastic bags after inbound loaded movement.

**Note 4:** For the purpose of applying this rule, the term "bulk commodities" includes:

- A. Commodities moving in tank trailers furnished by carrier at carrier's expense.
- B. Any commodities shipped loose, or in mass, which must be shoveled, scooped, or forked in handling and which are neither in packages nor in units of such size as to readily permit handling piece by piece.

## 5. DUNNAGE

Except as otherwise provided in an agreement, temporary blocking, flooring or lining, corrugated fiberboard or plywood separators or dividers, standards, strips, stakes or similar bracing or supports (hereinafter referred to as dunnage), bulkheads, partitions, temporary doors or door protection, not constituting a part of the car, when required to protect and make freight secure for a shipment must be furnished and installed by shipper and at their expense. The term "dunnage" does not include excelsior, hay sawdust, shavings, shredded paper, and straw, packing cushions or pads or similar packing material.

Except as provided in this paragraph or the paragraph below, an allowance of actual weight, but not in excess of 2,000 pounds, will be made for dunnage used when such materials are required for safe transportation of freight provided in no case shall less than the established minimum carload weight be charged for. No allowance will be made for dunnage used in connection with bulk freight.

No allowance for dunnage used will be made unless shipper specified total actual weight of dunnage on the Bill of Lading. Transportation charges for dunnage, when made, shall be at the rate applicable to the freight which it accompanies.

## **6. PRIVATELY OWNED CARS**

Pan Am Railways shall not be liable for loss of or damage to the commodity transported due to defects in the private equipment or improper loading.

Use of private equipment is limited to cars, which have been authorized by Pan Am Railways to operate over its lines. Nothing in any agreement making reference hereto shall be construed as requiring Pan Am Railways to grant such authorization.

Nothing in any agreement making reference hereto shall affect or be construed to affect any arrangement, interchange agreement or other agreement between customer and Pan Am Railways with respect to the use, maintenance, operation or repair of, or payment for damage to or destruction of such private cars.

## **7. FORCE MAJEURE**

In the event any party is unable to meet its obligations under the agreement making reference hereto because of Acts of God, war, insurrection, sabotage, riots, terrorism, strikes, derailments or any like causes, the obligations of the party so affected shall be relieved of those obligations under the agreement to the extent its performance is prevented by such Force Majeure. To be relieved of obligations under the agreement the party affected must notify the other parties of the date of occurrence of the event of Force Majeure and the cause of the event within seven (7) days of the occurrence.

## **8. HAZARDOUS COMMODITY**

The shipper of any hazardous commodity shipped via Pan Am Railways shall indemnify Pan Am Railways and hold Pan Am Railways harmless for any and all loss, liability or cost whatsoever that Pan Am Railways may incur or be held responsible for, to the extent that such liability is due to, or arising from, defects in or failure of shipper's cars and equipment, due to shipper's failure to conduct proper or appropriate pre-shipment inspection of the cars as described in 49 CFR Sec. 173.31 (b) or misidentification of commodity shipped during transportation.

The foregoing indemnification shall not apply to any loss or liability caused by or due to Pan Am Railways failure to conduct predeparture inspections as described in 49 CFR Sec. 174(A) or failure to follow AAR interchange rules, or any other liability resulting from Pan Am Railways negligence.

## **9. LOADING AND UNLOADING**

Consignors and consignees are required to load and unload cars.

## **10. OVERLOADED CARS**

An overload car is defined as a rail car for which either the net weight (actual weight of freight including all other materials incidental to the movement of the goods) is in excess of the car's authorized load limit (as listed in Universal Machine Language Equipment Register-UMLER), or the gross weight (combined weight of railcar and freight including all other material incidental to the movement of the goods) is in excess of the track weight limitations at any point along the route of movement.

If a car is overloaded, shipper is responsible for the removal and disposal of the excess portion of the lading of the car. Pan Am Railways will not be responsible for damaged goods or loss of lading resulting from the process of removing excess portion and Pan Am Railways does not assume responsibility for the proper loading or unloading of any lading into or out of a car containing excessive lading. All charges referred to are assessed as a deterrent to the unsafe practice of overloading rail cars and are not connected in any way with the line-haul transportation charges. These charges are not freight or "or other lawful charges" within the meaning of Section 7 of the Bill of Lading, and the execution of Section 7 will not in any way relieve the shipper from the responsibility for the charges set forth in this Item.

If shipper does not produce a certified weight document, in a form acceptable to Pan Am Railways, indicating that the excess tonnage has been removed from each car, weighing charges for each overloaded car, including applicable switch charges as published in Pan Am Railways Circular 2.X, will be assessed against the shipper in addition to all other charges named in this publication.

If a car is found to be overloaded at origin after having been removed from industry or if a car is found to be overloaded at railroad tracks where loaded or if a car is found to be overloaded after the car has departed the origin station, the overloaded car(s) will be placed at a point of Pan Am Railways choosing until the excess lading is removed and will be subject to a surcharge of \$2000.00 per car, a switch charge of \$300.00 per car, and the applicable freight charges. Shipper will be notified via telephone, fax or by an electronic means and shall remove the excess lading at the operating convenience of Pan Am. Cars found to contain excess lading at origin will remain on continuous demurrage under the provisions found in Pan Am Railways Circular 2.X, until the excess lading is removed.

If the shipper fails or refuses to arrange to have the excess lading removed from each car within one hundred and twenty (120) hours from the date and time of notification, Pan Am Railways may, at its discretion, arrange for removal and disposal of the lading in excess of the weight limit needed to allow the car to continue safely to destination. The shipper will be assessed and pay actual cost of removal and disposal to the party removing the lading from the car. If shipper/consignor has not commenced reducing the excess portion from each car after two hundred and forty (240) hours from the date and time of notification, the lading in the car will have been deemed abandoned and Pan Am Railways may, at the option of Pan Am Railways Freight Claim Department sell or dispose of the lading. All charges (switching, weighing, demurrage, reduction and disposal expense) resulting from the overloaded car, will be deducted from the proceeds of sale.

## **11. PACKAGING**

Pan Am Railways does not make any representations as to the suitability of cargo for rail transportation. The shipper acknowledges that there are significant forces exerted on the cargo in rail transportation that may require additional packing measures for the cargo to move safely and damage free.

All loading, bracing and blocking must comply with the applicable, Association of American Railroad's pamphlet or general information series publication or modifications approved by Pan Am Railways Damage Prevention Services prior to shipment. Shippers are required to take all necessary additional steps to protect their product during rail transportation.

In the event of a load shift, when it is determined by rail carriers that there was insufficient or improper blocking and bracing, the shipper shall be responsible for all expenses, including the repair of damaged equipment, loss or damage to cargo, and transfer services. In addition, all charges, administrative, civil fines, storage and demurrage are due and payable in full before the railcar or the cargo is released.

## **12. RAIL OPERATIONS-ORDER/NOTIFY SHIPMENTS**

Specialized rail handling such as 'do not hump'; speed restrictions and equipment size are special rail services and not routine rail services. Unless agreed to in writing by both Pan Am Railways and shipper, any restrictions on rail handling placed by shipper upon a particular car (including but not limited to "do not hump" signs, notations as to speed or other restrictions on a bill of lading, EDI notations) shall have no effect and be void. Shippers desiring special handling must contact Pan Am Railways to arrange special handling.

Pan Am Railways does not provide Order/Notify service. Bills of lading or shipping instructions tendered to Pan Am Railways in the form of an order/notify bill of lading will be handled as straight bills of lading. Instructions to the effect of requiring Pan Am Railways to not complete delivery of a shipment until either securing authorization for delivery from the shipper or some other party, surrender of the bill of lading or notification by Pan Am Railways to the shipper or some other party shall have no effect and be void regardless of whether such instructions are

contained in a straight or an order/notify bill of lading; and Pan Am Railways shall have no liability for delivering a shipment to the consignee listed in the bill of lading in such circumstances.

### **13. RETURNED, REFUSED OR REJECTED SHIPMENTS**

**This item does not apply on Coal or Perishable Freight requiring protective service.**

When shipment covered by this publication has reached destination but is refused or rejected, not unloaded, and is returned to the original shipping point for reasons other than rail carrier's error, the return movement will be subject to the rate and minimum weight in the reverse direction in effect on date shipment is tendered for return, or to the rate normally applicable for such return movement if lower.

Routing for the return movement will be applicable only via the reverse of the route over which the original shipment moved, except in the case of emergency routing orders.

### **14. OVERCHARGE, OVER COLLECTION OR DUPLICATE PAYMENT CLAIM PROVISIONS**

Pan Am Railways will accept whole or partial claim for overcharge, over collection or duplicate payment only if the claim is in writing and contains sufficient information for Pan Am to conduct an investigation, including the name of the claimant, which must be the payer; their claim number; the amount being claimed, the original freight bill; payment of freight bill documentation showing that Pan Am Railways collected all of the charges at issue and, in the case of overcharges, the rate, weight, commodity, description and supporting authority claimed to be applicable. The claim must be filed within two years of the date of delivery or tender of delivery by Pan Am Railway or delivering rail carrier of the subject shipment.

### **15. Open or Closed Switch Customer Status.**

Unless Pan Am Railways Marketing Department is notified in writing, all customers will be considered "Closed Switch" customers. This will result in constructive placement notification of cars available to the consignee and require the consignee to order in the cars they require.