



INTERMODAL TERMS AND CONDITIONS (ITC)

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A. **GENERAL TERMS AND CONDITIONS.**

1. **Governing Publications.** Except as otherwise expressly provided herein, these Terms and Conditions are governed by the provisions of the publications and circulars set forth below, including amendments and reissues, in effect on the date(s) of services:

The UIIA and the UIIA Addendum	http://www.uiia.org/ The UIIA Addendum is available by contacting IANA at (301) 474-8700
Association of American Railroads Publications	http://www.aar.org/
UP Intermodal Accessorial Matrix link	https://www.up.com/customers/premium/resource-center/mita/index.htm

In the event of any conflict between the terms of these Terms and Conditions and the publications and circulars referenced above, the terms of these Terms and Conditions shall govern. In the event of any conflict between any of the publications and circulars referenced above, then after application of these Terms and Conditions, the various publications and circulars set forth above shall govern in the listed order.

These Terms and Conditions and any agreements, Rate Documents, or contracts that reference these Terms and Conditions have been made under 49 U.S.C. Section 10709 (as amended and modified and including any successor provision thereto).

Intermodal transportation is exempt from regulation by the Surface Transportation Board.

2. **Application.** The terms of these Terms and Conditions shall apply to all Shipments Tendered for transportation on UP lines. In the event of a conflict between the terms of these Terms and Conditions and any Rate Documents, the conflicting terms of the applicable Rate Document shall govern. Notwithstanding the foregoing, the terms and conditions of service established by each other carrier apply once a Shipment transfers onto the lines of another carrier. The terms of these Terms and Conditions in no way obligate UP to continue ownership, maintenance, or operation of any lines. UP, at its sole discretion, may decline to handle particular traffic movements or movements for particular customers.
3. **Modification.** These Terms and Conditions may be amended or modified by UP at any time.
4. **Savings Clause.** If any one or more of the provisions contained in these Terms and Conditions shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other terms of these Terms and Conditions, but these Terms and Conditions shall be construed to the fullest extent allowed by applicable law, without giving further force or effect to the invalid, illegal, or unenforceable provision.
5. **Recordkeeping and Audit.** Customer shall keep accurate records of Shipments, and UP may inspect Shipment records for the purpose of determining compliance with the terms of these Terms and Conditions.
6. **Effect of Noncompliance.** UP may reject any Shipment that does not comply with the terms of these Terms and Conditions or applicable Governmental Regulations. Failure to reject does not make UP responsible for Damages resulting from noncompliance.
7. **Waiver.** The failure by UP to enforce any provision of these Terms and Conditions will not be construed as a waiver of the provision and does not preclude subsequent enforcement of the provision.
8. **Force Majeure.** If UP is unable to meet or is delayed in meeting its obligations as a result of a Force Majeure Event, then the obligations of the affected party(ies) shall be suspended for the duration of the Force Majeure Event. UP shall not be liable for Damage, delay, or any other event beyond UP's control caused by a Force Majeure Event.

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B. PAYMENT AND COLLECTION TERMS.

1. **Payment Terms.** Customer shall pay all freight and other charges billed by UP in accordance with the credit and collection terms set forth in the Uniform Freight Classification 6000-series, Rule 62, as amended from time to time. Except as otherwise provided in Rate Documents, when computing mileage for use with distance-based transportation rates, all fractions of total miles will be dropped if less than 0.5 and increased to the next whole mile if equal to or more than 0.5.
2. **Claims for Overcharges.** Customer must file any claim for overcharges (including duplicate payments) of freight charges in writing with UP within nine (9) months from the date of the original freight bill. Suits to collect overcharges of freight charges may not be instituted later than twelve (12) months from the date of the original freight bill. Customer waives any claims for overcharges that do not comply with these time restrictions or that are less than \$50.00 per freight bill.
3. **Joint and Several Liability.** The liability of the Consignor, Consignee, and Beneficial Owner of the Shipment for freight charges arising out of the offer and acceptance, through Tender of Shipment by Consignor and through acceptance of delivery by Consignee on behalf of itself or the Beneficial Owner, is joint and several.
4. **Suit to Collect Charges.** If UP must file suit to collect any amounts owed by Customer, Customer will be responsible for interest from the date of Shipment at the maximum rate of interest allowed by law, UP's court costs, and UP's reasonable attorneys' fees.
5. **Rate Application.** Rates do not include loading or unloading contents of an Intermodal Unit. UP will perform Intermodal Terminal ramping service at UP origins or destinations. Rates are not subject to stopping-in-transit at intermediate points of origin or destination for partial loading and/or unloading. Switching charges of connecting lines will not be absorbed at origin or destination. Customers may not combine two or more local rates to create a combination rate when a through rate is published. Local UP Shipments and Interline Shipments that attempt to use a combination rate will be subject to a [surcharge](#) administered by Blume Global (reference <https://www.blumeglobal.com/>). Adjustment of any existing or the implementation of any new charges beyond the control of UP but incurred during the performance of transportation services will be passed directly through and will be in addition to applicable rates.
6. **Fuel Surcharge.** Except as otherwise provided in individual contracts or Rate Documents, all contracts or Rate Document referencing a fuel surcharge will be subject to a fuel surcharge based on the percentage change in the Department of Energy's Retail On-Highway Diesel Price Index. The Department of Energy Retail On-Highway Diesel Price Index can be retrieved from the Department of Energy at 202-586-8800 or accessed on the Internet at www.eia.gov. Except as otherwise provided in Rate Documents, fractions of dollars resulting from the application of a fuel surcharge will be dropped if less than 50 cents and increased to the next whole dollar if 50 cents or more.
 - a. Monthly fuel surcharge is calculated by determining the percentage change between the base index and the most recent monthly average of the Department of Energy's Retail On-Highway Diesel Price Index multiplied by UP's fuel weight. The percentage change will be measured by using the first three weeks of the month in those months that have four Mondays, and by using the middle three weeks in those months that have five Mondays. Monthly fuel surcharge applies to International Traffic.
 - b. Weekly fuel surcharge is calculated by determining the percentage change between the base index and the most recent Monday of the Department of Energy Retail On-Highway Diesel Price Index multiplied by UP's fuel weight and will be effective on the subsequent Monday. Weekly fuel surcharge applies to Domestic Traffic.
7. **Flip Charges.** Normal lift operations include one lift-on (load to rail) at origin and one lift-off (unload to rail) at destination Intermodal Terminal. Customers requiring additional Flips will be assessed a Flip Charge per occurrence for all private Containers (International and Domestic). All [Flip Charges](#) will be assessed against the party requiring the Flip through the [Intermodal Accessorial Management Tool](#). At origin, Containers not utilizing a Chassis Pool will be Flipped onto an alternate Chassis (Flip authorization required), and Customers must remove any empty private Chassis immediately after the Flip is performed. At destination, Containers not utilizing a Chassis Pool will be d-ramped onto an alternate Chassis or will be handled by live lifts to the appropriate empty private Chassis. UP will Flip that Customer's Container onto a private Chassis when Customer's drayman Ingates the private Chassis (Flip authorization required).

8. **Alameda Corridor Use Fee.** In addition to rates and charges set forth in Rate Documents, each Container and Trailer originating or terminating at UP ICTF terminal or Ports of Long Beach/Los Angeles will be subject to a use fee as defined by the Alameda Corridor Transportation Authority (ACTA) at http://www.acta.org/gen/charge_per_teu.asp. This use fee is adjusted annually and rounded to the nearest dollar. Such applicable use fees are found at <https://www.up.com/customers/premium/resource-center/mita/index.htm>.
9. **ICTF Gate Fee.** In addition to rates and charges set forth in the applicable Rate Documents, a [Gate fee](#) will be assessed for each Intermodal Unit that originates or terminates at the ICTF terminal. The party responsible for line haul charges will be assessed and is responsible for payment of such Gate fee.

C. **SHIPPING TERMS.**

1. **Required Documentation.** In order to obtain transportation services, Customer must submit a Bill of Lading or Billing Instructions by appropriate EDI. The Billing Instructions must correctly reference the applicable Rate Document's identification number. If UP receives Billing Instructions with no Rate Document or the wrong Rate Document, UP may, in its sole discretion, assess Customer the proper UP rate for the Commodity and route indicated for UP's portion of the move. Rates contained in a contract between UP and Customer will take precedence over and apply instead of publicly available rates covering the same movement. In the event of a conflict between the terms of these Terms and Conditions and terms contained in the Billing Instructions, the terms of these Terms and Conditions will govern. For purposes of determining the date on which a Shipment was made, the Waybill date will govern. Rates, provisions, and UP transit times are subject to change by UP without notice.
2. **Restricted Commodities.** UP will not accept the Tender of certain Commodities unless approved by UP's Shipment Quality Department. Refer to Attachment B for a list of restricted Commodities.
3. **Shipment Movements.** Interline Shipments may move via alternative Gateways. UP reserves the right and has the discretion to handle, sort, and transport railcars in the most efficient, expeditious, and safe manner. Unless specifically prohibited by applicable law or unless specifically agreed to by UP's authorized representative within its Marketing & Sales Department ("Authorized Representative"), UP reserves the right to determine which Commodities and which railcars will be sorted by the use of gravity in UP hump yards. Any request for special handling, including an electronic request for "NH" or "No Hump" or a request sent to another carrier, that has not been specifically agreed to by UP's Authorized Representative is not a condition of carriage on UP.
4. **Changes and Cancellations to Billing Instructions.** Cancellations to billing submitted by Customer may be canceled any time prior to the Customer Tendering the Shipment. Changes to billing submitted by Customer may be made at any time prior to Van Grounding of the Intermodal Unit at a destination on UP rail, or prior to Interchange to connecting railroads. When permitted, changes or cancellations to billing and/or notify party information made via EDI or via UP's web site can be made for no additional charge. However, if changes or cancellations are made via email or fax they will be subject to a per Intermodal Unit [change charge](#) ("Change Charge"). The Change Charge will not apply to any change(s) or cancellation(s) made by UP for its operational convenience. Once an Intermodal Unit has been Tendered for Shipment, the Intermodal Unit will move according to the billing information provided at time of Tender. If Customer desires to alter the movement of a Tendered Shipment, Customer is responsible for providing UP a new Bill of Lading upon arrival of the Intermodal Unit at destination. Customer's new destination must be to an intermediate or beyond destination in a lane that was approved for the Shipment from the original Shipment origin. A one-time "[Altered Movement of Tendered Shipment](#)" charge will be assessed for this "Altered Movement of Tendered Shipment" service. Customer will be responsible for applicable freight rates, surcharges, and Accessorial Charges, without Free Time. If Customer desires to alter the movement of a Tendered Shipment via a rail carrier other than UP, Customer is responsible for Outgating the Shipment upon arrival at the original billed destination. Customer will also be responsible for applicable freight rates to the UP destination terminal.
5. **Shipments Requiring Special Permits.** Where Governmental Regulations require the securing or providing of special permits, bonds, or escorts, Customer (or their Agent) shall be solely responsible for making the special arrangements. All additional cost involved in securing or providing such permits, bonds, or escorts and, in complying therewith, must be paid by Customer (or their Agent).
6. **Dimension and Weight Limitations.** In no instance can the gross weight of an Intermodal Unit, which includes its contents, exceed the weight limitations set forth in [Union Pacific's Intermodal Loading Guide](#) below:
 - a. **Provisions Applying to Customer.** Any Customer who Tenders an Intermodal Unit above the maximum weights will be [subject to fees](#) and will arrange for and incur all costs of adjusting the Shipment's weight (including any

applicable Storage charges). UP will utilize the weight on the Bill of Lading of Private Equipment for purposes of assessing fees associated with Private Equipment above the maximum weights. UP reserves the right to weigh Private Equipment to verify the weight on the Bill of Lading. If UP determines that the Bill of Lading does not include the correct weight, UP will [assess a fee](#). Lading weight in Trailers must be evenly distributed both crosswise and lengthwise and combined weight of lading. All over dimensional Shipments must be properly identified in the Billing Instructions and must contain the accurate special handling code. If not properly identified, such Shipments will be [subject to a surcharge](#). UP reserves the right to reject any over dimensional Shipment. Customer will be solely liable for any Damages resulting from the Tendering of over dimensional Shipments to a UP Intermodal Terminal without UP approval. Any over dimensional Shipment billed without the appropriate rate authority will be [subject to a surcharge](#), which will be applied in addition to applicable freight and Accessorial Charges.

- b. Provisions Applying to Customer. A Customer may be assessed a [heavy weight surcharge](#) for certain Containers originating in states other than California, Washington, or Oregon and terminating in California, Washington, or Oregon that also meet one of the following:

20' ISO Containers that have a lading weight in excess of 22 net tons (44,000 pounds or 20 metric tonnes).

40' and 45' ISO Containers that have a lading weight in excess of 26 net tons (52,000 pounds or 23.6 metric tonnes).

The above surcharges will be billed in addition to the rate for Shipment and all other fees and surcharges (other than fees assessed for exceeding the maximum weights that will otherwise apply to a Shipment).

7. **Accuracy of Shipping Instructions.** UP has the right but is not required to inspect Shipments to ensure Billing Instructions accuracy and loading compliance. Upon the receipt of inaccurate Billing Instructions, UP has the right to revoke the shipping arrangement with Customer. UP will not be responsible for additional freight charges or any other charges incurred if inaccurate or improper Billing Instructions are transmitted or provided to UP. Unless otherwise specifically agreed to in the Rate Documents or other written agreement, UP will transport the Shipment in accordance with the plan or service specified on the Billing Instructions but not on any particular train or schedule. A [charge](#) will be assessed in addition to the applicable linehaul charge for mis-describing non-restricted Commodity Shipments, including mis-describing an empty as a loaded unit.
8. **Intermodal Terminal Reservation.** UP may require Customer to utilize its reservation system to gain access to its transportation services.
9. **Return Movement of Pallets.** Empty Pallets will be handled at prior agreed upon rate levels that have been established specifically for the return of the empty Pallets. One Intermodal Unit of Pallets will be returned for each ten or more inbound palletized loaded Intermodal Units. Return Shipments of Pallets must be made in one Intermodal Unit containing no more than the number of Pallets that were used in the loading of ten or more inbound palletized Intermodal Units of Commodities billed at applicable rates. Inbound Intermodal Units must be from one Customer at one origin to one Receiver at one destination, and returned Pallets must be consigned to the Customer of the inbound loaded movement. All inbound Intermodal Units must have moved via the same route, and return movement of Pallets must be via the Reverse Route of the inbound movement. Intermodal Units of empty returned Pallets shall be permitted to stop in-transit for partial unloading. Customer must certify on the Bill of Lading the number of empty Pallets being returned.
10. **International Traffic.** International rates given to ocean carriers apply on International Traffic moving on their ocean Bill of Lading and in their specific owned or leased Containers. Any other traffic cannot be moved under these rates. Shipments that are warehoused, processed, repackaged, or the like, prior or subsequent to rail movement will not be considered International Traffic and shall be rated as Domestic Traffic. Mixed Shipments of Domestic Traffic and International Traffic shall be rated as Domestic Traffic. Shipments from or to Hawaii, Puerto Rico, Alaska, and Guam will be considered International Traffic. With respect to International Traffic, Customer or its Agent will perform, at Customer's expense, Intermodal Terminal ramping at origin and destination. Rates do not include any charge that may be incurred prior to Interchange on import Shipments or following Interchange on export Shipments. Unless otherwise provided, rates applicable to international border crossings, inclusive of through rates to and from Canada and Mexico, do not include brokerage fees, in-bond preparation, export, import, or manifest declaration of messenger services. In the event UP determines that Domestic Traffic is being billed by Receiver or Customer under rates applicable only on International Traffic, [UP will assess a surcharge](#).

11. **Rule 11 Shipments.** A Rule 11 Shipment will be considered any Intermodal Shipment that is billed by a Customer from a UP Intermodal Terminal to a specific destination located on a connecting railroad via an established Gateway point that UP would normally deliver to that connecting line via steel wheel interchange at a given Gateway point in UP's normal course of rail operations. These Shipments may move in Intermodal Units on a variety of Double-Stack cars and/or Conventional Cars, mixed with Intermodal Units moving to various destinations via a particular Gateway point. Once a Rule 11 Intermodal Shipment(s) reaches the Gateway point, the Rule 11 Intermodal Shipment may be grounded at that location and moved over the road at UP's Drayage expense to the connecting rail carrier at that location. Customer or their designated Intermodal equipment provider is responsible for supplying a Chassis for units that are rubber tire Interchanged to connecting rail carriers. UP and/or UP's Drayage provider is not responsible for Chassis Per Diem charges. Rule 11 Shipments are only available in certain lanes, as determined by UP.
12. **Destination Storage.** Once UP notifies the Notify Party that the Intermodal Unit is grounded and available for Outgate, Free Time will start at 0001 the day following the day of notification. All days are included for calculating Free Time, including Saturdays, Sundays, and holidays. If an Intermodal Terminal is closed for an entire calendar day for any reason, that day will not be included in the Free Time calculations. Domestic Traffic will be granted 24 hours of Free Time and International Traffic will be granted 48 hours of Free Time. Upon expiration of Free Time, any Intermodal Unit held at a UP Intermodal Terminal will be assessed a Storage Charge. Once Storage Charges commence, every day thereafter is subject to Storage Charges (including Saturdays, Sundays, and holidays). If an Intermodal Terminal is closed for an entire calendar day for any reason, that day will not be included in the Storage Charge calculations. Storage Charges will not be waived due to failure of the Notify Party to provide notification to Customer or Broker. Additional details, including Storage Charges, can be found at https://www.up.com/customers/premium/resource-center/storage_charts/index.htm. Any Commodity or Intermodal unit that is left on UP's property in excess of sixty (60) days after the notification date will be considered abandoned and the contents forfeited to UP.

D. EQUIPMENT AND SERVICE TERMS.

1. **Defective Equipment.** UP is not liable for loss or Damage caused by defective equipment when such equipment is not owned or leased by UP. All UP liability is governed by the terms of these Terms and Conditions.
2. **Loading and Unloading.** UP shall have no responsibility for loading cargo into equipment at origin, nor for unloading cargo from equipment at destination.
3. **Equipment Seals.** UP reserves the right to reject any Intermodal Unit that is not properly sealed. UP will not be responsible for any claims of loss, Damage or delay that arise from an Intermodal Unit that is not properly sealed at origin. As an added security measure, UP reserves the right to require a carriage bolt on any Container that does not have an ISO/PAS 17712:2010 approved high security bolt seal placed through an open, operable hasp on the right door.
4. **Liability with Respect to High Value Products.** Notwithstanding anything else herein to the contrary, UP's liability for the contents of any domestic Shipment of high value products will be limited to \$100,000.00; provided, however, a \$250,000 maximum liability limit may apply upon appropriately declaring the Shipment high value and satisfying the following high value requirements: (a) prior to Tendering Shipment to UP, Customers are required to contact Shipment Quality to receive a high value STCC Code for billing the high value product with a high value STCC Code; (b) an ISO/PAS 17712:2010 bolt or cable seal and a [UP approved theft deterrent barrier seal](#) is used as the Shipment seal (and Customer has submitted the unique lock assembly/pin number as the theft deterrent barrier seal number); (c) all seals, including the theft deterrent seals utilized by the Customer, are numbered and recorded on the Billing Instructions; (d) the Customer and/or its Agent have taken digital, date-stamped origin photographs showing Container number and seal application with close-up photo of theft deterrent barrier seal number visible; and (e) the Customer and/or its Agent will maintain, for a minimum of nine (9) months, a written record of the date and time of the application of the seal(s), the identity and signature of the person applying the seals, and the required photographic evidence.
5. **Availability of Services.** UP does not guarantee the availability of track capacity, terminal capacity, locomotives, train crews, or railroad equipment, including rail cars, Chassis, Containers, or Trailers. Furthermore, UP does not guarantee any particular transit time or availability of Shipments for pickup.
6. **Private Intermodal Containers and Chassis.** All movements of Intermodal Containers are subject to all the provisions of the AAR Rules, including Standard M-930 (Closed Van-Type Dry Cargo Containers for Domestic

Intermodal Services). Customer is responsible for supplying all Chassis to support the volume shipped for Shipments in Private Equipment. Private Chassis may be placed at a UP Intermodal Terminal up to 24-hours in advance of the Van Grounding of the Container. UP will not be responsible for lost or missing Private Equipment and/or Chassis claims that are filed later than six (6) months after Containers and/or Chassis were Ingated at an Intermodal Terminal. Private Chassis must be promptly removed from the Intermodal Terminal after train departure unless UP approval is otherwise received.

7. **Privately Owned Trailers.** All private Trailers must comply with all Governmental Regulations and licensing, including, without limitation, the AAR Rules, including Standard M-931 (Trailers for Intermodal Service), and be safe for TOFC (intermodal) service. UP shall not be liable for loss of or damage to Trailers when such loss or damage occurs while the Trailer is out of possession of UP or if such damage is due to ordinary handling or normal wear and tear.
8. **Liability for Containers and Trailers.** UP is not obligated to inspect an Intermodal Container or Trailers for failure or defects. UP's acceptance of an Intermodal Container and/or Trailer does not waive Customer's liability. Customer shall indemnify UP from all loss and Damage and costs of defending claims made against UP for claims arising from defective equipment (including Containers, Trailers, or Chassis). Unless otherwise agreed upon, loss, theft, damage or destruction to privately owned Intermodal Containers or Trailers, which UP is responsible for, shall be repaired or replaced at the expense of UP or the rail carrier responsible for the loss, theft, or damage, in accordance with the provisions of the AAR Rules. If there is an Intermodal Container or Intermodal Unit agreement between UP and the Customer who owns the Container or Trailer, UP shall pay the depreciated replacement value as agreed upon between the parties at the time of the occurrence. UP may, without Customer's consent, repair any damage for which UP is responsible or return the Intermodal Unit to Customer at the origin or nearest interchange point for Customer's repair. If estimated repair costs exceed depreciated value, UP may dispose of salvaged Containers or Trailers without prior consent of Customer. If Customer requests return of salvage, UP may return it, if practical, and settlement shall be based on depreciation less salvage.
9. **Blocking and Bracing.** If UP determines, upon inspection at any time, that there was insufficient or improper Blocking and Bracing, corrective actions will be taken. When an exception is identified at the origin or destination Ramp, Customer will be responsible to handle the corrective actions directly with a UP approved contractor and shall be responsible for all expenses associated therewith. When corrective actions are needed on an Intermodal Unit that is moving on the UP network, UP will perform the required actions. A per [incident surcharge](#) will be added to the actual costs of all load shifts that occur while on the UP network. Customer will be responsible for all expenses associated with any such corrective actions.
10. **Inspection and Condition of Intermodal Units.** Customer, at its sole expense, shall be responsible for ensuring that all rail owned or controlled Intermodal Units are returned to UP in a clean condition, including the proper and prior removal and disposal of all materials or substances, or any residue associated therewith. UP may elect to refuse to accept in Interchange from a Customer if any Intermodal Unit is not in a clean condition. If, however, at the time of Interchange, UP fails to notice any unclean condition, or the unclean condition does not become evident until a later time, the Customer to whom the Intermodal Unit was last Interchanged shall be responsible for all expenses arising out of Customer's failure to return the Intermodal Unit in a clean condition.
11. **On-Dock Services.** Customer has the option to request UP to provide transportation services to and from Customer's on-dock facility. This service will be coordinated with Customer's vessel schedule and on-dock facility schedule. All billing with respect to such services must be sent to UP at least 60 minutes prior to Gate arrival, and a load plan must be submitted three (3) hours in advance of train departure/pull. Customer, either directly or through its pier lift operator, will work closely with UP to provide UP with three (3) days advance Container forecast by destination. Flat racks loaded on-dock will not be accepted. Open top Containers loaded on-dock will not be accepted. Over dimensional loads loaded on-dock will not be accepted. Equipment utilization must achieve a monthly average of at least 95% slot utilization for on-dock movements. Cars must be released to UP within 48 hours of arrival at on-dock facility. After 48 hours, Storage Charges will apply. Originating cars must be blocked to one destination only. Customer must Tender 25 x 5 well double stack equivalent cars to one destination in order to be considered for unit train movement. Three intermodal rail cars that are 5-well double stack equivalent cars loaded to one destination are required to create a stub block. Each stub block and each double stack car must be loaded to one destination and cannot be co-mingled with traffic to various destinations. Each flat car in the stub block must be fully loaded to maximize slot utilization. Fully loaded is defined as four of the 5-well double stack equivalents loaded at a 100% slot utilization, with the fifth well loaded with an average of 95% slot utilization.

12. **Service Codes.** The following are valid Intermodal service codes (ISC) to be used in providing Billing Instructions to UP. Rates for the service outlined by ISC's include the following:

Domestic

Equipment Owner	Rail	Steamship	Private
Door to Door	20	40	60
Door to Intermodal Terminal	22	42	62
Ramp to Ramp	25	45	65
Ramp to Door	27	47	67

International

Equipment Owner	Rail	Steamship	Private
Door to Door	NA	80	80
Door to Ramp	NA	82	82
Ramp to Ramp	NA	85	85
Ramp to Door	NA	87	87

13. **EMP or UMAX Equipment.** A Customer who desires to ship EMP or UMAX equipment must first enter into a written agreement with UP (or the participating rail carrier). Customer agrees that the execution of such agreement binds and subjects Customer to follow Blume Global Policies and Procedures located at: <https://www.blumeglobal.com>. Reservations for EMP and UMAX equipment are made through Blume Global.

E. GENERAL LIABILITY.

1. Customer Responsibility.

- a. Customer Responsibility. Customer shall load, Block, Brace, and secure its Shipments in accordance with all applicable Governmental Regulations, UP requirements, and the loading rules of the AAR. Customer and UP may agree to modify the loading rules of the AAR if approved by UP's Shipment Quality Department or, if the Commodity is a Hazardous Material, by UP's Hazardous Materials Management. Customer shall load, Block, Brace, and secure its Shipments to withstand normal forces experienced during rail transportation. Customer is responsible to protect its Shipments from environmental elements, vandalism, and abrasion. Customer shall be responsible for all Damages caused by improper or inadequate loading, unloading, Blocking, Bracing, securing, or protecting of its Shipments. UP loading requirements are available at https://www.up.com/customers/shipment_quality/intermodal/index.htm.
- b. Compliance with Terms. Customer must provide a copy of these Terms and Conditions or notify any and all other parties involved in any transaction of all the provisions, restrictions, and limitations contained in these Terms and Conditions; provided that if Customer fails to do so, Customer agrees to defend and indemnify UP for any and all costs associated with claims or lawsuits alleging a lack of knowledge of the terms and conditions of these Terms and Conditions.

- [c] 2. **Indemnity Obligations.** CUSTOMER IS SOLELY RESPONSIBLE FOR AND SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS UP AND ANY CHASSIS OWNER AGAINST ALL CLAIMS BROUGHT BY ANY PERSON(S) OR ENTITY(IES) ALLEGING PROPERTY LOSS, PERSONAL INJURY, OR DEATH, OR ANY OTHER DAMAGE ARISING OUT OF OR RESULTING FROM: (a) ANY SPILL, RESPONSE, MITIGATION, CLEANUP, OR DISPOSAL DUE TO CUSTOMER'S NON-COMPLIANCE WITH ANY GOVERNMENTAL REGULATIONS OR THESE TERMS AND CONDITIONS; (b) THE SELECTION, HIRING, TRAINING, OVERSIGHT OR OTHER ENGAGEMENT OF A MOTOR CARRIER OR OTHER AGENT UNDER A THEORY OF VICARIOUS LIABILITY OR SIMILAR; (c) ANY DEFECT IN PRIVATE EQUIPMENT OR PRIVATE TRAILERS, OR DUE TO THE PRESENCE OF ANY TRACE OF CHEMICALS OR CONTAMINANTS THAT ARE NOT PROPERLY DESCRIBED IN THE BILLING INSTRUCTIONS, OR FROM IMPROPERLY TENDERING RESTRICTED ARTICLES; or (d) CUSTOMER'S OR ITS AGENT(S)' FAILURE TO COMPLY WITH THE TERMS AND PROVISIONS CONTAINED IN THESE TERMS AND CONDITIONS, OR CUSTOMER'S FAILURE TO COMPLY WITH GOVERNMENTAL REGULATIONS, INCLUDING THOSE RELATING TO UP'S TRANSPORTATION, STORAGE, OR CUSTODY OF THE SUBJECT SHIPMENT.

THE INDEMNIFICATION OBLIGATIONS PROVIDED IN THIS SECTION E.2 SHALL APPLY EVEN IF UP OR CHASSIS OWNER IS ACCUSED OR ALLEGED TO HAVE CAUSED DAMAGES THROUGH ITS OWN NEGLIGENCE, NEGLIGENCE PER SE, OR STRICT LIABILITY.

3. **Limitations on Liability.** In no event shall UP be liable for any special, consequential, indirect, incidental, or punitive Damages whatsoever (including, but not limited to, lost profits, business interruption expenses, lost use of equipment or Trailers, increased equipment rental or replacement cost, and Customer's liability to their own customers for liquidated Damages or other Damages), even if advised of the possibility of such Damages in advance. Any shortfall payments or other liquidated damages set forth in any applicable Rate Document will not be considered special, consequential, indirect, incidental, or punitive Damages.

F. LIABILITY FOR COMMODITY LOSS OR DAMAGE.

1. Carmack Liability.

- a. Carmack. Carmack is the federal statute codifying a rail carrier's liability for loss or Damage to cargo carried on most interstate moves. UP offers Customers the option to ship cargo under Carmack liability terms at a higher freight rate. If Customer wants UP to carry a particular Shipment under Carmack liability terms, Customer must affirmatively elect and pay UP for such greater protection on each such Shipment by complying with all of the following conditions:
- i. No less than 72 hours before the loaded Shipment is Tendered for transportation, Customer must notify UP's Shipment Quality Department that Customer elects to purchase Carmack liability protections for the Shipment;
 - ii. Customer must prepay to UP the higher freight rate for Carmack liability. The higher freight rate will be calculated as the applicable rate in the Rate Document multiplied by 250, or Customer may contact UP's Shipment Quality Department to discuss and obtain the higher freight rate through special pricing authority, which must be approved in writing by UP's Shipment Quality Department before the Shipment is Tendered; and
 - iii. The Billing Instructions that Customer submits to UP must note (A) that the loaded Shipment is moving under Carmack liability terms, and (B) that the loaded Shipment is subject to a specific Rate Document.
- b. Reduced Rate Shipments. Customers that do not select Carmack liability by complying with all of the conditions provided under Section 1.a above, expressly acknowledge that UP and Customer have agreed to transport the loaded Shipment at a reduced rate specified in the applicable Rate Document and pursuant to the reduced liability provisions contained in these Terms and Conditions.
- c. Access to Customer Documents. Customer understands that UP's public Rate Documents for specific Commodities, routes, and rates are published in the Customer portion of the [UP website](#) and can be viewed, downloaded, or printed by Customer from the UP website. Customer further understands and acknowledges that the UP publications, which are incorporated by reference into all Rate Documents, can also be viewed or downloaded from the [UP website](#), and that if Customer has any difficulty accessing any such documents, Customer may contact UP's Customer Service Department for assistance locating and obtaining such documents from UP's website.

2. Reduced Commodity Loss or Damage Liability; Private Equipment and Trailer Loss or Damage Liability.

- a. General Provisions. Any matters not covered in these Terms and Conditions will be governed by the terms of the Bill of Lading, Carmack, and the provisions contained within 49 C.F.R. 1005 et seq.
- b. Loading and Packaging. In the event of a load shift, when it is determined by UP that there was insufficient or improper Blocking or Bracing, Customer shall be responsible for Commodity loss or Damage and Commodity transfer services. In addition, all charges, administrative, civil fines, Storage Charges, environmental, and equipment Per Diem are due and payable in full before the railcar or the Commodity is released.
- c. Seals and Security Devices; Shortage. Customer must determine the type of protection necessary to protect its Shipments, including, but not limited to, the use of seals and security devices. UP does not apply seals unless UP becomes aware that a seal is missing or broken, nor does UP determine whether seals or security devices

applied by Customer or others on its behalf are appropriate or adequate, except in the case of Commodity contamination. UP does not, in any case, 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 or security device will not create a presumption of Commodity contamination or theft without actual physical evidence. Customer must include documentation of the application of seals or security devices at origin and the seal number(s) in any claim for Commodity loss or Damage relating to contamination. Customer must include documentation of the application of seals or security devices at origin and actual loading and unloading records along with destination photos in any claim for Commodity loss or Damage relating to shortage. UP shall not be liable for shortage of Commodity unless there is physical evidence of unauthorized entry into the railcar while it was in the possession of UP; provided that Customer also proves the quantity and condition of the Commodity within the sealed railcar at the time that UP first took possession of the railcar.

d. Limitations on Liability.

i. **Commodity.**

a. UP's liability for Commodity loss or Damage will not exceed the actual amount of physical loss or Damage sustained to the Commodity plus any costs reasonably and necessarily incurred through efforts to mitigate the loss or Damage. UP will not be liable for:

- (1) Commodity loss, Damage, or delay caused by a Force Majeure Event, inherent quality or characteristic of the Commodity, natural shrinkage, an act or default of Customer or owner, or from Shipments stopped and held in transit at the request of Customer or owner;
- (2) Special damages, consequential damages, indirect losses, punitive damages, interest, or attorney fees;
- (3) Suspected contamination to the Commodity;
- (4) Commodity loss or Damage attributable to fluctuations in the market value of the Commodity;
- (5) Commodity loss or Damage, direct or indirect, that results from an interruption of rail service;
- (6) Commodity loss or Damage caused by defects in Containers and Trailers that could have been discovered by reasonable inspection by Customer prior to loading;
- (7) Commodity loss, Damage, or deterioration resulting from pests or other organisms unless Customer provides evidence that the railcar was treated in accordance with USDA standards; or
- (8) Brokerage fees, fines, penalties, foreign marine or foreign country freight charges, import duties, or other such charges on the Commodity that is lost, damaged or delayed in domestic rail transportation.

b. Notwithstanding anything to the contrary, with respect to Commodity loss or Damage, UP will not be liable for (1) any claim totaling less than \$250.00, or (2) any claim in excess of the value of the Commodity plus transportation costs or \$250,000.00, whichever amount is the lesser of the two amounts. Furthermore, UP shall not be liable for any loss or Damage to, or in connection with the transportation of, a Commodity in an amount exceeding \$10,000.00 per package, or in the case of goods not shipped in packages, per customary freight unit. Notwithstanding the foregoing, UP's liability shall be further limited in the event that any of the following liability limits are lower than those limits set forth in these Terms and Conditions, in which case, such lower amounts shall apply as UP's maximum liability for Commodity loss or Damage: (1) the billing party's liability, (2) the liability of the party Tendering the Commodity to UP, and/or (3) liability under the terms of an ocean Bill of Lading covering a Shipment of the Commodity of which UP's shipment is a part.

ii. **Private Equipment and Trailers.**

a. When UP is responsible for damaging private Intermodal Containers or Trailers, the following shall be filed with UP's Claim Department:

- (1) Interchange inspection report when delivered to UP;
 - (2) Interchange inspection report when received from UP;
 - (3) Copy of actual repair invoice showing labor and material charges; and
 - (4) Depreciated value statement (including built date) (Required only when repairs exceed \$450)
- b. In addition, in no event will UP or any rail carrier be responsible for loss or Damage to Containers or Trailers totaling less than \$300.
- iii. Unless a specific delivery date is otherwise agreed to in writing before the Shipment commences, UP will transport a shipment with reasonable dispatch, but not on any particular train or schedule. UP does not guarantee delivery of a Shipment on any particular schedule or train. UP will not be liable for delay in the carriage or delivery of the Commodity. UP will not be liable for any Commodity losses attributable to fluctuation in the market value of the Commodity.
- iv. If Customer wishes to obtain a higher loss or damage limit, Customer has the option of either securing its own insurance to cover the Shipment or electing to ship the Commodity with UP under Carmack liability terms as described in Section F.1 above. The liabilities and responsibilities of UP and Customer, as defined in these Terms and Conditions, are independent of the value of the Commodity.
- v. To the extent that UP carries cargo for the Customer as part of an Intermodal through movement under a through Bill of Lading, which states that the Rotterdam Rules shall apply to the overland portion of the carriage, Customer agrees that UP's liability for cargo loss or damage, if any, shall instead be limited to \$500.00 per package. Customer shall notify the origin Shipper of the terms and conditions of UP's contract of carriage and agrees to indemnify UP for any Damages incurred by UP as a result of the Customer's failure to do so.
- vi. In case of a quarantine, Commodity may be discharged, at risk and expense of Customer, into a quarantined depot or elsewhere, as required by quarantine regulations or authorities. UP's responsibility will cease when Commodity is so discharged. The Commodity may also be returned to origin by UP at Customer's expense. Customer is responsible for all expenses arising out of a quarantine. UP will not be liable for loss or Damage caused by fumigation, disinfecting, or other acts required by quarantine regulations or authorities even if such acts are performed by UP. UP will not be liable for detention, loss, or Damage of any kind occasioned by quarantine or the enforcement of a quarantine. UP will not be liable for any mistake or inaccuracy in any information furnished by UP as to quarantine laws or regulations.
- vii. Unlocated Commodity loss or Damage from international land transport Shipments that do not break bulk or are not visibly checked at U.S./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 loss or Damage occurred during the U.S./Canadian rail transport.
- viii. In the event an act or omission of a party involved in the transportation process is not the sole cause but contributory to any Commodity loss or Damage, then each party whose act or omission contributes to any such loss or Damage will be liable for that portion of the loss or Damage caused by its act or omission.
- e. Additional Limitation on Liability for Contamination. UP is not liable for contamination related losses unless the Shipment was sealed at origin, and Customer provides evidence that the following requirements were met:
- i. The seal was a barrier type seal meeting ASTM (American Society for Testing and Materials) standards, a cable seal 1/8 inch in diameter, a high security bolt seal, or their equivalent;
 - ii. All seals were numbered and recorded on the Billing Instructions; and
 - iii. A two-step seal verification process was used that included sealing by one individual and (A) visual verification of the seal by a different individual, or (B) photographic evidence of the car number, each aperture, and each seal clearly showing the seal integrity and identification marking and the date and time the photograph was taken.

- f. Loss Verification, Mitigation of Damages, and Salvage. UP may inspect damaged Shipments of Commodity. If UP notifies Customer of an inspection, as a condition precedent to recovery of any claims for Commodity loss or Damage, Customer must promptly notify UP upon discovery of any damage and allow UP or its agent to inspect. Failure of UP to inspect damaged Shipments, for whatever reason, will not relieve the burden of the claiming party to establish that the Commodity was received in a damaged condition, nor will it be considered an admission of liability by UP. Customer must mitigate its Damages by accepting the damaged Commodity unless it is totally worthless and is without salvage value. Commodities that are abandoned to UP in an undamaged condition will be sold for the account of whom concerned, and salvage proceeds only, less any salvaging expenses incurred, will be remitted to the beneficial owner.
- g. Removal by UP. UP shall have the right, in its sole discretion, to remove and/or transload cargo from one piece of equipment to another in the course of a rail movement as may be required or advisable due to circumstances affecting a particular rail movement. In such cases, the cost of cargo removal, transloading, equipment repair, and related costs shall be borne by the person responsible for proximately causing the circumstances requiring such actions. Payment of such costs by UP shall not be construed as an admission or as evidence that UP caused the circumstance(s) which required such actions. When a person other than UP removes cargo from any equipment, none of the costs for such cargo removal shall be borne by UP, nor shall Damage to any equipment resulting from any actions performed during cargo removal (including Damage caused by the use of forklifts) be borne by UP. UP shall be entitled to recover from the party which damaged any such equipment, and/or the person on whose behalf that person was performing such actions, any funds expended and costs incurred by UP (including labor) to make the necessary repairs and restorations.
- h. Termination of Liability for Damage to or Theft of Intermodal Unit and/or Commodity. UP's liability for damage to or theft of an Intermodal Unit or any Commodity will terminate upon acceptance at destination by the motor carrier or the Customer port agent, as evidenced by a clear record on the applicable interchange document, or upon actual or constructive delivery. In the event of any gap in time prior to rail Ingate and/or after rail Outgate (loading to Ingate; Outgate to inspection), the Customer must prove by a preponderance of the evidence that the loss or damage was not incurred, in whole or in part, outside of rail possession. The burdens of proof set forth in the contract of carriage shall apply whether or not any gap in time outside of rail possession exists.

3. **Filing a Claim for Commodity Loss or Damage.**

- a. Filing Claim. Filing a claim for Commodity loss or Damage is a condition precedent before a lawsuit for Commodity loss or Damage may be filed against UP. Only a claim filed with UP by the Shipper of record can qualify as a valid claim for recovery of amounts sought in connection with Commodity loss or Damage to which the claim pertains.
- b. Contents of a Claim. All claims must be filed online and must include all of the below documentation. UP reserves the right to summarily deny any and all claims submitted that do not contain all or part of the below documentation.
 - i. A demand for payment of a specific amount;
 - ii. Information identifying the loaded Shipment, including equipment initials and number, Customer and Receiver's names, shipping date, and Commodity;
 - iii. Origin records or certification as to the condition and quantity of the Commodity at the time Tendered to the origin. If shortage is involved, origin seal records must be furnished;
 - iv. Destination records as to the condition and quantity of the Commodity at the time received from the destination;
 - v. Evidence of an affixed seal at origin and destination;
 - vi. Time stamped picture providing clear documentation of the damaged Commodity;
 - vii. Verification of the amount claimed such as certified invoices and repair bills;
 - viii. Evidence as to the disposition of the damaged Commodity;

- ix. Evidence that Shipment was loaded in compliance with these Terms and Conditions and other governing documents; and
- x. For fresh fruits and vegetables (any food cargo), origin and destination USDA inspections, or foreign government equivalent.
- c. Procedure for Claim Submission to UP. All Commodity loss and Damage claims filed against UP must be filed online using the [electronic freight claim submission form](#).
- d. Timing for a Claim. As a condition precedent for payment of a claim or filing a lawsuit, claims must be filed online within nine (9) months of the delivery date or, in the event of non-delivery, a reasonable time for delivery. Such electronic communication shall comply with the minimum requirements contained in Section 3.b above and the requirements set forth in 49 C.F.R. 1005.2(b).

[c] 4. **Lawsuits and Venue.** Other than Chassis Owners, with respect to Section E.2., there are no intended third party beneficiaries to these Terms and Conditions or any agreement or contract for which these Terms and Conditions are incorporated therein. Nothing is intended or may be construed to give any other third party any legal or equitable right, remedy or claim under any such agreement or contract. All lawsuits for Commodity loss or damage must be filed in the United States District Court in Omaha, Nebraska. If Customer has not elected and paid for Carmack terms to govern the Shipment, Carmack's venue provisions do not apply.

G. **GLOSSARY OF TERMS.** The following terms shall have the meaning set forth below when used in these Terms and Conditions or any attachment hereto:

- 1. "Agent" means a third party that acts on behalf of the Customer, Shipper, or a Broker with another entity transmitting instructions on their behalf of the Shipment owner to the transporter.
- 2. "Billing Instructions" means information provided by Customer on the bill of lading that contains all required information under applicable Governmental Regulation.
- 3. "Carmack" means 49 U.S.C. Section 11706.
- 4. "Commodity" means the goods being shipped under these Terms and Conditions.
- 5. "Customer" means any Shipper, Consignor, Consignee, the party to whom Shipment is to be physically delivered, or the party primarily responsible for paying the line-haul freight charges for transportation provided by UP.
- 6. "Damages" means losses, damages, costs, expenses (including, without limitation, reasonable attorneys' fees, costs of court and other legal or investigative expenses, reasonable consulting fees, costs of environmental clean-up, environmental remediation, emergency responses, evacuations, and damages caused by the release, discharge, escape, or presence of a Commodity that is poisonous or toxic by inhalation), judgments, fines, and penalties.
- 7. "Domestic Traffic" means rail traffic that originates and/or terminates in the continental United States, Mexico or Canada.
- 8. "Door-to-Door" means a movement of lading from the Customers front door (dock) to the Receivers front door (dock).
- 9. "Door-to-Ramp" means a movement of lading from the Customers front door (dock) to the destination Intermodal Ramp closest to the Receiver.
- [a] 10. "Chassis Owner" means the holder of actual or beneficial title to UP-supplied Chassis, regardless of the form of the title.
- 11. "Force Majeure Event" means an act of God; authority of law or Governmental Regulation; labor dispute; weather impediments; fire; explosion; war; insurrection; threatened or actual act of terrorism; or other like causes beyond one's reasonable control. Downturns in the economy and changes in market conditions are not considered a Force Majeure Event. A Force Majeure Event cannot excuse non-compliance with safety requirements and Governmental Regulations.

12. "Governmental Regulations" means any and all federal, state, or local laws, regulations, governmental rules, and orders.
13. "Intermodal Units" means UP or non-UP owned Container, Trailer or Chassis.
14. "International Traffic" means U.S. Intermodal rail traffic involving an immediate prior or subsequent ocean movement.
15. "Per Diem" means the fee imposed for the usage of a UP asset.
16. "Ramp-to-Door" means a movement from the Intermodal Ramp closest to the Customer to the Receiver's front door (dock).
17. "Ramp-to-Ramp" means a movement of lading from the Intermodal Ramp closest to the Customer to the closest Intermodal Ramp to the Receiver.
18. "Rate Document(s)" means any tariff, contract, agreement, or any other document that provides a rate for UP's transportation services. All Rate Documents are subject to these Terms and Conditions.
19. "Receiver" means the individual or organization to which the loaded or empty Intermodal Unit is being shipped from Customer. Freight is shipped to the Receiver from Customer.
20. "Shipment(s)" means Intermodal Units Tendered to UP for transportation over UP's lines.
21. "Shipper" means the person or firm by whom articles are shipped.
22. "Storage" means the dwell of a Container or Trailer at an Intermodal Terminal.
23. "Tender" means the Ingate of an Intermodal Unit by Customer at a UP Intermodal Terminal or the receipt by UP of an Intermodal Unit from an interchange carrier.
24. "UMAX" means the domestic interline container service offered by UP and CSX Intermodal.
25. "UP" means Union Pacific Railroad Company, its subsidiaries and affiliates.

Capitalized terms not otherwise defined herein shall have the meanings set forth at <https://www.up.com/customers/premium/intgloss/index.htm>.

H. **DEFINITION OF ITEM SYMBOLS.** Changes between versions of this Publication are denoted as follows:

1. Addition: A or [a]
2. Change: C or [c]
3. Decrease: D or [d]
4. Increase: I or [i]
5. Expired: X or [x]

ATTACHMENT A

MEXICO SPECIFIC PROVISIONS

- A. **APPLICATION.** This Attachment A (Mexico Specific Provisions) to the Terms and Conditions shall apply to all Mexico direct Shipments from U.S. origins and Mexico direct Shipments moving from Mexico origins to U.S. destinations. In the event of a conflict between the terms of this Attachment A (Mexico Specific Provisions) to the Terms and Conditions and the Terms and Conditions, this Attachment A (Mexico Specific Provisions) shall govern.

B. **SHIPPING TERMS.**

1. **Customs Bond.** At its sole discretion UP may, upon request, make its rail carrier U.S. customs bond available for use, [subject to a surcharge](#). Use of the customs bond is restricted to Shipments on UP owned rail. Before an

Intermodal Unit that includes Shipments moving under UP's customs bond is removed from a UP facility for U.S. customs clearance, a permit to transfer the U.S. customs bond responsibility must be secured. Customer (or its Agent) must provide UP with proper documentation.

CUSTOMER GUARANTEES PAYMENT AND AGREES TO DEFEND, INDEMNIFY, AND HOLD UP HARMLESS FROM AND AGAINST ALL DAMAGES (INCLUDING UNDER ANY APPLICABLE STATUTES, RULES, OR REGULATIONS OF THE UNITED STATES CUSTOMS SERVICE AND INTERNAL REVENUE SERVICE) ARISING OUT OF USE OF UP'S CUSTOMS BOND.

2. **Clearance Requirements.** Export Shipments moving via an Intermodal train destined to Mexico are required to obtain US and Mexican customs clearance and/or compliance with government legal requirements, and have communicated clearances and/or compliance to UP prior to arrival at San Antonio, Texas. Failure to obtain and communicate such required clearances and/or compliance for any Shipment will result in [a delay charge](#) (in addition to all other applicable charges).

C. LIABILITY.

1. **Carmack.** UP will not provide coverage for Commodity loss or Damage that occurs while the Commodity is in the possession of an international or a domestic rail carrier in a foreign country. Customers of domestic Shipments traveling into Mexico may, at Customer's option, upon notice to UP, select Carmack liability protections for UP's portion of the carriage of such Shipments within the U.S. Carmack liability protection is not available for Shipments that originate in Mexico.
2. **Customer Liability.** Customer may be assessed Per Diem charges or incur a delay of a load at the Mexico destination ramps if there is lost documentation (including Mexican customs documents). Customer agrees to hold harmless UP from any fines that may be assessed against a Shipment by Mexico Customs. If Customer is at any time in default of any provision of these Terms and Conditions, including this Attachment A, prior to removal of any Intermodal Unit from UP's premises, Customer must provide or cause to be provided a letter of credit to UP to secure payment of applicable charges. All letters of credit must be unconditional, irrevocable stand-by letters of credit issued and payable in USD by a federally insured United States of America bank, in the amount of Ten Thousand dollars (\$10,000.00) USD. The foregoing letter of credit requirement shall remain in effect for so long as UP, in its sole discretion, deems appropriate.
3. **Cargo Loss and Damage.** UP is not liable for Commodity loss or damage occurring in Mexico. Unlocated Commodity loss or damage from International Traffic that does not break bulk or is not visibly checked at U.S./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./Canadian rail transport. For Shipments moving within Mexico, the party in possession of the Shipment will be liable pursuant to Mexican law.
4. **Penalties.** Damages assessed against UP by a government agency for railcars or Containers moving into or out of Mexico will be billed directly to Customer of record noted on the Bill of Lading. UP will bill the Customer for payment of such Damages, and payments are due within 15 days of the invoice date.

D. BILLING AND CHARGES.

1. **General Instructions.** Customer's Billing Instructions for Mexico direct Shipments from U.S. origins to Mexico destinations (southbound) must specify the name of the Mexican Customs Broker ("MCB") at destination and must include both name and telephone number (naming the MCB as the Notify Party). Customer's Billing Instructions for Mexico direct Shipments moving from Mexico origins to U.S. destinations (northbound) must include the name and telephone number of the destination Drayman, or other party at destination that the Customer wishes be notified, that the Shipment has arrived at destination and is available (naming the Drayman as the Notify Party). Storage Charges will not be waived due to a lack of notification when UP notifies the Notify Party.
2. **Custom Inspection Charge.** A [surcharge](#) will apply and be assessed to the payor of freight or the Broker for the immediate movement from the border crossings listed for Trailers or Containers requiring U.S. customs inspection.

- E. **DIVERSION OR RECONSIGNMENTS FOR SHIPMENTS.** Instructions by Customer to change the destination of a Mexico Shipment will be subject to a [charge](#); such instructions are subject to UP approval. Instructions by Customer to change the Shipment from export to domestic, or from domestic to export, are subject to UP approval and surcharge.

- F. **USE OF APPROVED CARRIERS.** A Customer may only use a motor carrier that is approved by UP and a party to the Agreement for Motor Carrier Services (Intra-Mexico) with Soluciones Logísticas Transfronterizas Mexicanas, S. de R.L. de C.V. to move Shipments.

ATTACHMENT B

SPECIFIC COMMODITY PROVISIONS

- A. **APPLICATION.** This Attachment B (Specific Commodity Provisions) to the Terms and Conditions shall apply to all Shipments containing a special Commodity, as each such category of Commodity is detailed below. In the event of a conflict between the terms of this Attachment B (Specific Commodity Provisions) to the Terms and Conditions and the Terms and Conditions, this Attachment B (Specific Commodity Provisions) shall govern.
- B. **ISO – IMP PORTABLE TANK CONTAINERS.** All terms, conditions, and prices with respect to local all-rail interstate and intrastate Shipments of ISO - IMP portable tank Containers with movement from, to, or via UP shall be governed by UP's SCQ 28. With respect to Shipments of ISO-IMP portable tank Containers, in the event of any conflict between the Intermodal Terms and Conditions and UP's SCQ 28, the terms of UP's SCQ 28 shall apply. A copy of UP's SCQ 28 may be viewed on [UP's website](#).
- C. **PROHIBITED AND RESTRICTED ARTICLES.**
1. **Prohibited Articles.** If any of the below listed articles are shipped, such articles may be forfeited, and Customer may be assessed a [surcharge](#) per Container or Trailer (in addition to FAK and any other applicable charges).
 - a. Any article, product, Commodity, or substance considered illegal contraband by any state or federal government entity, forbidden to be owned, possessed, or forbidden to be transported by any government entity.
 - b. Any material, cargo, or product(s) defined in the Hazardous Materials Table contained in 49 CFR 179.101 with a 1, 2, 3, 4, 5, 6, or 13 in the Special Provisions column. This includes, but is not limited to, any material, cargo, or product(s) "Toxic by Inhalation" or "Inhalation Hazard".
 - c. Flammable Compressed Gas, taking Class 2 Division 2.1 in Tariff BOE 6000-Series, will not be handled when loaded in ISO Tank Containers or portable tanks.
 - d. Hazardous Materials of Asbestos, Class 6 or any subsidiary Class 6, Class 7 (radioactive material) and hazardous waste or liquids, as described in the current edition of DOT CFR 49, Parts 106-180 Hazardous Materials Regulations.
 - e. Sodium compounds (STCC 28-123-NN). Sodium compounds falling under this STCC that are not TIH/PIH will be evaluated on an individual basis for exemption purposes.
 2. **Restricted Articles.** Shipments of the below articles require prior UP approval, which may be refused in UP's sole discretion. In the event UP approves the Shipment of any of the below articles, UP and Customer (or a third party IMC) must first enter into a specific rail transportation agreement. If the below articles are shipped without such prior UP approval, then Customer may be assessed a [surcharge](#) per Container or Trailer (in addition to FAK and any other applicable charges, fines or assessments). UP reserves the right to hold any Container or Trailer containing restricted articles at a UP facility until all assessed charges are paid in full.
 - a. Aircraft, aircraft parts, airplanes, airplane parts, airplane components; helicopters, helicopter parts or components, or any other instrumentality used for flying. Use STCC 37-213-10 (complete aircraft) or STCC 37-299-91 (aircraft parts).
 - b. Animals, game, fowl, or poultry, live, refrigerated, frozen, fresh meat and packing house products, and dressed poultry as described in Items 67780 through 68010 of UFC 6000-series. (May be shipped in Containers or Trailers ONLY).
 - c. Animals, fish, or fowl trophies, stuffed or mounted, or research cadavers. Use STCC39-998-13. (May be shipped in Containers or Trailers ONLY).
 - d. Bulk Commodities in UP owned, controlled, or leased equipment, as well as Private Equipment, including, but not limited to, Agriculture Bulk commodities beginning with STCCs 01 and 20

- e. Bulk non-hazardous liquid commodities in Flexitanks/Flexibags, shipped in privately owned or controlled Container or Trailer. Flexitanks/Flexibags must be approved for use on UP. Environmental Packaging Technologies (EPT), Braid, Pac Tec Inc, Trans Ocean Bulk Logistics Inc (Formerly TOD), CACSA, Quindao BLT Packing Industrial CO, LTD, SIA Flexitanks, Stolt and Mark & Williams(M&W) brand Flexitanks/Flexibags are approved for use on UP in steel 20 foot Containers only. Odyssey Logistics is approved for use on UP in 40 foot and 53 foot Containers. M and W is approved for use on UP in 53 foot Containers. The STCC will be based on the Commodity inside the Flexitank.
- f. Calcium Carbide. All new Shipments must be inspected by UP hazmat group. All Shipments must have proper packaging that meets all UN and DOT requirements, as outlined in CFR 49, Section 173.211. Packaging must be new or in "as- new" condition, free of holes, tears, or excessive dents or rusting and be completely waterproof. Shipments cannot be Tendered or Interchanged to UP before the Shipment Quality inspection has been performed. (Use STCC 28-126-29).
- g. Ceramics (Use STCC 32-952-49), pottery (Use STCC32-699-70), glassware (Use STCC 32-291-50), crystal (Use STCC 32-291-50), and chinaware (Use STCC 32-621-10).
- h. Cigarettes and tobacco products. Customer is solely responsible for ensuring that any cigarettes or tobacco products Tendered for Shipment in a Container or Trailer are protected with a waterproof barrier that is not less than five (5) millimeters thick. Use STCC 21-111-10 or obtain a high value STCC No. from UP Shipment Quality 402-544-3791.
- i. Extraordinary value, generally items where the size of the item bears little relationship to the value of the cargo or an item whose value cannot be accurately assessed by its designation, such as: bank bills, coin or currency, deeds, drafts, notes or valuable papers of any kind; carcasses; cosmetics, jewelry, other than costume or novelty; postage stamps; U.S. mail of any class; precious metals or articles manufactured therefrom; precious stones, revenue stamps; antiques; collectibles; or other related or unrelated old, rare or precious articles of extraordinary value, and all individual items worth more than \$10,000.00 each or where a Container or private Trailer Shipment of the Commodity is worth more than \$250,000.00.
- j. Fish, shellfish, crustaceans, fresh or frozen. Use STCC 09-121-90 (fish) or STCC 09-122-90 (shellfish). (May be shipped in private Containers or Trailers ONLY).
- k. Fruits or vegetables of any kind. Use STCC 01-219-90 (citrus fruit), 01-229-90 (deciduous fruit) or 01-399-90(vegetables).
- l. Hides, furs, pelts or skins, green or green salted, shipped in privately owned or controlled Container or Trailer with the cargo properly packaged, secured, Blocked, and restrained for rail transportation. All Shipments must be properly lined with a durable liner to prevent any leakage. The Customer identified on the Waybill will be responsible for all associated cleanup costs of the facilities and any equipment remediation that may occur from any hide, pelt or fur Shipment documented to be leaking on UP property. (Use STCC 20- 141-91 / 20-149-NN). (May be shipped in Containers or Trailers ONLY).
- m. Ice, ice cream and/or frozen novelties. Use STCC 20-241-10. (May be shipped in private Containers or Trailers ONLY).
- n. Loaded temperature-controlled Private Trailer or Containers billed as FAK (Freight All Kinds), or any temperature controlled Shipments. (May be shipped in Private Containers or Trailers ONLY).
- o. Marine vessels of any kind including ships, boats, canoes, launches, yachts, or sailboats unless individually completely enclosed in a crate and which is then properly Blocked and Braced for rail transportation. Use STCC 37-329-90.
- p. Medical equipment, medical supplies, or medical hardware including x-ray machines, CT scanning devices or MRI devices. Use STCC 38-411-30
- q. Medicines, drugs, pharmaceuticals, prescription and non-prescription medication. Use STCC 28-311- 90.
- r. Metal products shipped in coils, rolls, reels, or spools, when the gross weight of the product and packaging exceeds 3,500 lbs., (1591 kg) per package.

- s. Military communications outfits, as described in Item 73785 of Uniform Freight Classification Code (UFC), (STCC: 38-612-40).
- t. Military tracking, radar, communications equipment, electronics, or surveillance equipment.
- u. Any items moving in conjunction with a military field exercise.
- v. Missiles, guided or rockets, guided; guidance systems or electronic guidance control apparatus for installation in missiles or in missile sections; missile or rocket frame assemblies containing electronic apparatus, or mobile missile guidance control systems, as described in Items 69093 through 69098 of Tariff UFC 6000-series.
- w. Municipal garbage waste, solid, digested and ground, fertilizer material or sewage waste (STCC: 40- 291-NN). (May be shipped in private Containers or Trailers ONLY).
- x. All freight and passenger motor vehicles (including new, used, or Gliders) must use STCC 37- 119-55 on the billing. (A Glider is defined as a finished motor vehicle without the engine, and drive train, or any all-electric motor vehicle without its battery).
- y. Motorized vehicles such as ATVs (STCC 37-119-NN), Motorcycles (STCC 37-511- NN), Snowmobiles (STCC 37-119-NN), UTVS and other motorized recreational vehicles, even those that are individually crated and properly Blocked and Braced for rail transportation.
- z. Plants, living or fresh cut, including Christmas trees, floral, or nursery stock. Use STCC 08-611-10 (Christmas trees) or STCC 01-912-09 (nursery stock). (May be shipped in private Containers or Trailers ONLY).
- aa. Blacks (carbon gas or oil blacks), lampblacks or vegetable blacks, dry NEC, not activated. No dyes or dyestuffs. Low grade only with enclosed air sealed packaging requirement. (Privates only)
- bb. Coal or coke, charcoal products only, require enclosed packaging. (Privates only).
- cc. Raw wooden logs must be banded together to prevent the lading from pressing against the Container or Trailer side walls. Bull boards or other longitudinal securement is needed to prevent any lading from contacting the rear doors. Use STCC 24-111-65. (May be shipped in private Containers or Trailers ONLY).
- dd. Trailers, modular housing, prefabricated housing, modular or prefabricated offices, carts, freight or passenger. Buildings, houses or offices; fabricated or portable. Units must ship empty. No other lading or equipment that is not mechanically mounted in the unit will be allowed to ship. Use STCC 42-211-30.
- ee. Used batteries (electric), spent, with or without chemicals, (STCC: 40-291-35 (Dry Cell batteries electric, spent, having value for reclamation of materials), 40-291-97 (Scrap batteries, old, spent, with chemicals having value for reclamation of materials), 36-911-NN (storage batteries or plates), 36-921- NN (primary batteries, wet or dry). Each individual cell or battery must be separately packaged in a UN Code-approved non-metallic outer package that completely encloses each cell or battery to prevent any movement within the package as well as to avoid any short circuits during transport. (May be shipped in private Containers or Trailers ONLY).
- ff. Used business equipment, office furnishings, or furniture. Use STCC 41-112-10.
- gg. Used household goods, furnishings, or furniture. Use STCC 41-116-15.
- hh. Used machinery (STCC 41-114-45, 41-115-30), equipment (STCC 41-112-NN), auto parts (STCC 41- 114-74); assembled or in components. All fluids must be completely drained. The lading must be properly packaged to prevent any residual fluids from leaking out of packaging and into and/or out of Container or Trailer. Additionally, all machinery or equipment with a battery is required to have the battery completely disconnected and the battery terminals insulated to prevent accidental operation, arcing, or any short circuit while in-transit.
- ii. Used tires. Use STCC 40-261-25.
- jj. Any LTL (Less than Truckload) Shipment lot.

kk. United States Mail of any kind.

ll. Packages and/or parcels of any kind moving over the lines of UP that are consigned to UP by any private expedited courier service.

mm. Shipments of commodities defined in Bureau of Explosives Tariff BOE-6000-series as Division 1.1 and 1.2 Explosives (HazMat Codes 4901).

nn. Shipments of new auto parts, or components, (STCC 37-14N-NN, 41-114-65 or 41-114-71), moving as a full Container or Trailer configuration, in either Private Equipment or railroad owned, controlled, or leased Container or Trailer of any length.

oo. Any Container or Trailer Shipment of food for animal or human consumption that is (i) not shipped in completely enclosed packaging; (ii) sealed with a minimum 3/16" cable or bolt seal; and (iii) when submitting billing to UP, is not correctly identified in the N9 segment, (N9 01 = 2K, N9 02 = FDA, N9 03 = FSMA), will be considered a restricted article when moving over the lines of UP.

3. **Liability.** With respect to Shipments of any of the articles set forth in Sections C.1 or C.2 above, UP will not be responsible for any cargo loss or Damage (\$0 for any cargo loss or Damage) associated with any such article, and Customer agrees to indemnify, defend and hold UP harmless from and against any Damages resulting from or arising out of the Customer's transportation of any such article(s). UP reserves the right to refuse Commodities in addition to those listed in this Section C at its sole discretion. Restricted articles will not be permitted under FAK rates. If restricted articles are found to be moving under FAK rates, such articles will be considered contraband, and UP will not be liable for any Damages to any such articles. All restricted articles must use the correct STCC.

D. **HAZARDOUS MATERIALS.**

1. **Compliance Requirements.** All Shipments of Hazardous Materials must comply with all applicable Governmental Regulations. Failure to disclose to UP the presence of a Hazardous Material, hazardous substance, or hazardous waste, or failure to comply with any applicable UP requirements or Governmental Regulations, shall make the Customer liable for all loss and Damage sustained by UP, its employees, or by third parties resulting in whole or in part from such failure to comply. Customer will also be held responsible for the cost, if any, incurred by UP of decontamination and/or rehabilitation of the Intermodal Unit or any other shipping conveyance with regard to Customer's failure to comply with UP requirements or Governmental Regulations. CUSTOMER SHALL FURTHER INDEMNIFY AND SAVE UP HARMLESS FROM THE COST OF ANY RESPONSE, MITIGATION, CLEAN-UP, AND ULTIMATE DISPOSAL RESULTING FROM ANY HAZARDOUS MATERIALS.
2. **Packaging and Leaks.** If a Shipment requires transfer, adjustment, or re-packing while enroute, Customer will be required to pay all associated costs. Units discovered leaking at the UP's destination Intermodal Terminal will not be allowed to leave the premises until the Receiver or Customer arranges for the leak to be repaired or agrees to reimburse UP for an expense incurred in remediation of the Intermodal Terminal.
3. **Shipping Documents.** Shipments containing Hazardous Materials will not be accepted without shipping papers containing proper Hazardous Material descriptions. Customers Tendering Intermodal Units that are not placarded as containing Hazardous Materials, but are later determined by UP or any other entity to contain Hazardous Materials, will be considered by UP to be inaccurately identified and subject to, at UP's sole discretion, [a surcharge](#) (in addition to any other charges).
4. **Surcharge.** Each Intermodal Unit containing Hazardous Materials will be [subject to a per Intermodal Unit charge](#). This charge is not applicable on ISO tanks moving under rates and provisions in SCQ 28
5. **Non-Accident Release of Hazardous Material.** A per occurrence [charge](#) will be assessed to the Shipper or Consignee identified on the Waybill when a Non-Accident Release (NAR) of Hazardous Material is caused by, or is the result of, the acts or omissions of such Shipper or Consignee, while an Intermodal Unit is in UP's possession and/or is on UP's property.

E. **EXPLOSIVES.** Shipments of Commodities defined in Bureau of Explosives Tariff BOE-6000-series as Division 1.1 and 1.2 Explosives (HazMat Codes 4901) will be handled by UP only when Shipments are for the U.S. military. These Shipments are prohibited from moving over the lines of UP in commercial intermodal service.

F. METAL PRODUCTS.

1. **General Application.** Certain metal products shall be considered restricted Commodities, and UP must provide prior approval before any such metal products may be Tendered by Customer to UP. CUSTOMER, OR ANY PARTY TENDERING COILED METAL PRODUCTS ON BEHALF OF CUSTOMER, SHALL DEFEND, INDEMNIFY, AND HOLD UP HARMLESS FROM AND AGAINST ANY ACTS OF NEGLIGENCE OR DAMAGES OF WHATSOEVER KIND RESULTING FROM A PARTY'S FAILURE TO FOLLOW THE PROVISIONS OF THE INTERMODAL TERMS AND CONDITIONS (INCLUDING THESE SPECIFIC COMMODITY PROVISIONS). Any Shipment that fails to comply with the terms of the Intermodal Terms and Conditions, these Specific Commodity Provisions, or any other term required by UP, shall be removed from transportation and placed in Storage. The person Tendering any such removed Commodity will be [assessed a surcharge](#).
2. **Special Blocking and Bracing Requirements.** Shipments of coils, rolls, reels, or spools must be palletized or on the prescribed load roll Pallet or an equivalent weight distribution device. Maximum weight of coils, rolls, reels, or spools is 12,500 lbs. or 5,681.8 kg. All Commodities must be Blocked and Braced with two inch by six inch (2x6) laminated (two high independently nailed) dimensional lumber in the lateral and longitudinal direction with 16 penny nails applied in a staggered nailing pattern spaced four to five inches apart. When loading heavy or concentrated weight Commodities, no more than 25,000 lbs. may be uniformly distributed over any ten linear feet within the Intermodal Unit. In lading with small supporting bases, no more than 3,500 lbs. may be on a floor area of less than 25 square inches (minimum dimension 3.1 inchx8 inch) with such areas no closer than 35 inches to one another. Coil strips (slits) must be unitized in stacks not to exceed 45 inches high and secured to the Pallet.
3. **Insurance Requirements.** Unless otherwise approved by UP, the party Tendering the cargo can provide written verification that the Tendering party and every party that has shipped, loaded, or arranged transportation of the metal coils, reels, rolls, or spools has in force a policy of insurance covering its business activities and expressly covering the shipment of or the handling of metal coils, in the amount of \$5,000,000.00 (Five Million Dollars), which names UP as additional insured.

G. TEMPERATURE CONTROLLED, REFRIGERATED AND/OR FROZEN SHIPMENTS.

1. **General.** UP will only accept Shipments moving in privately owned or controlled Containers with operating temperature controlled devices that are accompanied by complete shipping instructions and other applicable requirements. Shipping lanes for transporting Shipments of temperature controlled Containers are limited. Customers shipping temperature controlled, refrigerated and/or frozen shipments must include a mechanical protective service flag on the Bill of Lading.
2. **Liability.** Customer assumes all liability for Damage and spoilage due to incorrect thermostat setting, or malfunction of any temperature controlled devices, units, recorders, or gauges on the Container(s).
3. **Container Requirements.** Customers of temperature controlled Containers must meet the following standards:
 - a. Portable heaters are prohibited.
 - b. Fuel tanks for operating temperature controlled Containers may only contain diesel fuel. Containers with a broken or missing fuel tank cap will not be accepted.
 - c. Fuel gauges, temperature gauges, and thermostat controls, when present, must be visible and readable for inspections that may be conducted while the Containers are mounted on a railcar.
 - d. Customer furnished Intermodal Units with mechanical refrigeration units must have an appropriate notice stenciled adjacent to the fuel intake in lettering not less than one (1) inch specifying the type of fuel to be used and the capacity of the fuel tank. The type of refrigerant used in the mechanical refrigeration unit must be shown on a tag or other appropriate notice affixed securely to the unit.
 - e. Containers containing temperature controlled devices must be a standard width, length, and height that will allow the Containers to be loaded onto railcars suitable for transport of Intermodal Units over rail lines.
4. **Inspections.** UP may allow for inspections of Containers upon UP property upon prior approval. UP will not: (a) permit any inspection, repair or refueling that will delay the movement of the train; (b) be responsible for performing

any inspections of fuel gauges, temperature gauges or thermostat controls; or (c) be responsible for any charges accruing as a result of an inspection or repair service. UP reserves the right, but is not obligated, to inspect, check, or monitor any devices, such as thermostats, temperature gauges or recorders, fuel gauges or recorders, devices, or any other operations of temperature controlled Containers.

- H. **WOOD PACKAGING MATERIALS.** Federal regulations (7 CFR Part 305) require that all wood packaging material ("WPM") used for Blocking, Bracing, crating, dunnage, Pallets or packaging of Shipments imported into or exported from the U.S. be heat-treated to 56 degrees C (133 degrees F) for a minimum of 30 minutes or fumigated with methyl bromide. The treated status of the WPM must be confirmed by a stamp of the applicable logo of the International Plant Protection Convention ("IPPC") Secretariat, a part of the Food and Agriculture Organization of the United Nations. In the event UP is advised by any governmental agency that a Shipment is not compliant with the International Standards of Phytosanitary Measures ("ISPM") developed by the IPPC, and regulations relating thereto, UP will handle the railcar or Container containing the WPM in accordance with section 4.6 of the ISPM, or as UP is directed to handle the Shipment by a governmental agency. Customer is solely responsible for reimbursing UP for any Damages incurred by or assessed against UP resulting from the presence of any non-compliant WPM in a Shipment. In addition to the freight charges, UP will bill Customer for payment of any other such Damages assessed against UP pertaining to the presence of the non-compliant WPM.