

HONDO RAILWAY, LLC
(HRR)

FREIGHT TARIFF HRR 2011
(CANCELS ALL PRIOR FREIGHT TARIFFS)

CONTAINING
LOCAL SWITCHING AND ACCESSORIAL
CHARGES AT LOCATIONS ON
THE HONDO RAILWAY

APPLICABLE ON INTERSTATE TRAFFIC AND INTRASTATE TRAFFIC
IN THE STATE OF TEXAS

LOCAL FREIGHT TARIFF

ISSUED: DECEMBER 6, 2010

EFFECTIVE: JANUARY 1, 2011

ISSUED BY:
HONDO RAILWAY, LLC
9901 IH-10 WEST, SUITE 795
SAN ANTONIO, TEXAS 78230

(210) 690-1956

**HONDO RAILWAY, LLC
FREIGHT TARIFF HRR 2011**

METHOD OF ADDING, CHANGING, OR DELETING ITEMS IN THIS TARIFF

Changes to this tariff will be made by supplement or by restating the tariff in its entirety.

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**SECTION 1
GENERAL RULES**

ITEM 1.1 - LIST OF CONNECTING LINES AND INDUSTRY SERVED

CONNECTING LINES:

BNSF Railway
Union Pacific Railroad

POINTS OF CONNECTION:

Hondo, Texas
Hondo, Texas

INDUSTRY SERVED:

South Texas Liquid Terminal, Inc. - corn syrup & corn starch rail to truck transloader
915 Carter Avenue
Hondo, Texas 78861
South Texas Ethanol Terminal, Inc. - ethanol rail to truck transloader
917 Carter Avenue
Hondo, Texas 78861
Rail Transloading Resources, Inc. - fracsand rail to truck transloader
1035 Carter Avenue
Hondo, Texas 78861

ITEM 1.2 - CAR DELIVERY

Delivery of car(s) to consignor/consignee shall be at the HRR's ordinary operating convenience. Ordinary operating convenience is defined as the time that is most advantageous to HRR in relation to its coordinated, efficient, and effective switching activities.

ITEM 1.3 - HOLIDAYS

Whenever reference is made to "holidays" it shall mean only the days listed below:

New Year's Day - January 1
Independence Day - July 4
Labor Day - First Monday of September
Thanksgiving Day - Last Thursday in November
Christmas Day - December 25

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ITEM 1.4 - HAZARDOUS MATERIALS

Hazardous materials, substances or waste as described in HAZARDOUS MATERIALS REGULATIONS of the U.S. Department of Transportation will only be handled upon request and upon approval by HRR.

ITEM 1.5 - MILEAGE ALLOWANCE ON PRIVATELY OWNED CARS

HRR will not pay mileage charges on privately owned cars while cars are on this line.

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**SECTION 2
SWITCHING**

ITEM 2.1 - SWITCHING OF LOADED CARS

HRR will assess a charge of \$350.00 per car for the switching of a loaded car from one location on the HRR to another location on the HRR.

ITEM 2.2 - SWITCHING OF EMPTY CARS

HRR will assess a charge of \$350.00 per car for the switching of an empty car not related to a prior or subsequent loaded movement switched by HRR from one location on the HRR to another location on the HRR.

ITEM 2.3 - RECIPROCAL/INTERCHANGE SWITCHING

HRR will perform reciprocal/interchange switching between industries on its line and interchange with BNSF and UP at Hondo, Texas at a charge of \$350.00 per car.

Billing: (1) HRR will direct bill the following industries:

South Texas Liquid Terminal, Inc.
915 Carter Avenue
Hondo, Texas 78861

South Texas Ethanol Terminal, Inc.
917 Carter Avenue
Hondo, Texas 78861

(2) HRR will bill the interchanging carrier on traffic for the following industry:

Rail Transloading Resources, Inc.
1035 Carter Avenue
Hondo, Texas 78861

ITEM 2.4 - INTRA-PLANT SWITCHING

HRR will assess a charge of \$150.00 per car for the switching of loaded or empty cars after initial placement for unloading, loading, storage or constructive placement.

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**SECTION 3
DEMURRAGE**

ITEM 3.1 - GENERAL APPLICATION

The demurrage rules and charges published in this section apply at all points on the HRR.

ITEM 3.2 - CARS SUBJECT TO DEMURRAGE RULES AND CHARGES

Railroad, railroad controlled, and private cars held for or by consignors and consignees for any purpose are subject to demurrage rules and charges in this section (see Exception).

Exception: Demurrage rules and charges will not apply on empty or loaded private cars while held on private tracks.

ITEM 3.3 - ACTUAL PLACEMENT

Actual Placement is made when a car is placed in an accessible position for loading or unloading or at a point previously designated by the consignor or consignee.

ITEM 3.4 - CONSTRUCTIVE PLACEMENT

When a car cannot be actually placed because of a condition attributable to the consignor or consignee, such car will be held at available hold point and notice shall be sent or given the consignor or consignee that the car is being held and that this railroad is unable to effect placement; however, if car is placed on private track, industrial interchange track or other-than-public delivery track serving the consignor or consignee, the car will be considered constructively placed without notice.

ITEM 3.5 - FREE TIME

Forty-eight (48) hours free time will be allowed for loading and unloading. Free time will be computed from time of placement or time of notification, where required.

ITEM 3.6 - DEMURRAGE CHARGES

On cars subject to demurrage charges, after expiration of free time, a charge of \$75.00 per car per day will be assessed until the car is released.