

CSXT Customers,

On October 1, 2009, CSX Transportation (CSXT) will launch a change to our demurrage billing for some of our warehouse customers. This change will help us succeed in our ongoing mission to achieve efficiency in our operations and improve customer service while avoiding confusion about these charges.

Our records indicate that you have either not incurred demurrage or refused to pay demurrage on the basis that you are an agent for the consignee. Unless you advise CSXT in writing, before September 30, 2009, we will assume that you are acting as an agent for your customers who receive railcars at your facility and begin to bill those customers for their accrued demurrage. In the future, if you will be acting as the consignee's agent, please try to ensure that you are designated as the "care-of" party on the bill of lading. The CSXT 8100 contains the rules for demurrage. It calls for CSXT to bill the consignee for demurrage that accrues on cars held at destination. To the extent you are listed as consignee in your own name, you will be billed for demurrage.

Please work with your rail customers to explain these changes to help minimize any adverse impacts on your customers. As the agent for the consignee, CSXT will still require you to order cars in to your facility, but the demurrage that results from delays in your releasing those cars will accrue in the name of your customer, the consignee. Further details and all legally applicable terms and conditions are provided in the CSXT 8100 Tariff on the CSX Web site. ***As before, any warehouse wishing to take responsibility for paying all demurrage accruing on cars delivered to their facility will be able to do so by entering into a signed contract with CSXT. Please contact XXXXXX at XXXXX or XXX-XXX-XXXX.***

Many of CSXT's supplemental charges, including demurrage can be minimized through careful planning and coordination with CSXT. CSXT has prepared a Supplemental Services Guide that contains a brief explanation of the most commonly used supplemental services, and helpful strategies to plan for, or even eliminate, the need for those services and related expenses. There is also a Guide to Managing Demurrage to help specifically with demurrage. The guides are available on the CSX Web site at http://www.csx.com/?fuseaction=customers.pricing_tariffs.

If you have any questions about these changes, please contact your sales representative, visit us online at csx.com, or e-mail us at Rail_Logistics_Svcs@CSX.com