



## Intermodal Coiled Metal Products Policy

***The acceptance of “Coiled Metal Products” by CN, will be subject to the following conditions. These conditions as amended from time to time are necessary to help ensure a safe rail environment for our employees, the general public, and to protect the best interests of our customers.***

1. CN will accept coiled metal products for transportation movements in containers on flat cars only when loaded by a party (“the Loader”) who has executed the Letter of Agreement which is included in this document. If the shipper is also the loader of Coiled Metal Products, the shipper shall execute the Letter of Agreement. If the shipper is not the loader of Coiled Metal Products, the shipper shall ensure that the Loader execute the Letter of Agreement. Letters of Agreement may be provided to CN by mail or by fax to:

Pierre Leblanc  
Manager – Metal Facilities  
CN  
935 rue de la Gauchetiere West, 9th Floor  
Montreal, QC  
H3B 2M9

Fax: (514) 399-5983

2. The shipper shall ensure that the transportation movement takes place between points on CN only and does not include other interline or switching carriers.
3. The Loader is responsible for:
  - (1) Securing the load within the Intermodal unit, such that it will prevent coils from shifting during the stresses of rail/road transportation or when being lifted to/from railcars by Intermodal lift equipment.
  - (2) Ensuring Coiled Metal Products must not be loaded in Intermodal units that are more than five (5) years old determined on the basis of the date of shipment and the date of the construction of the intermodal unit.
  - (3) Ensuring maximum gross weight will not exceed 75% of the rated capacity of the Intermodal unit. Maximum individual coil weight will not exceed 12,500 lbs per coil – including bracing and support material.
  - (4) Ensuring that multi-packs of coils in individual stacks are unitized in such a manner as to maintain vertical alignment. In addition, these multi-packs must be properly secured to a skid or pallet in such a manner as to ensure they do

not slide or change position on the skid or pallet during transportation. Maximum allowable weight in any single spot location must not exceed 12,500 lbs.

- (5) Ensuring that Coiled Metal Products are shipped on skids and/or pallets designed to distribute weight over a larger floor contact area than the actual coil loaded upon such skid/pallet. The skid and/or pallet must be of sufficient dimension as to limit the load to 312 lbs per square foot of bearing surface. The skid/pallet length/width must be equal or greater to the diameter of the coils. The construction of the pallet or skid must be able to support the weight of coil without failure.
- (6) Ensuring that when loaded on the vehicle floor **without use of an LRP/Sled**, Coiled Metal Products must be loaded in a vertical orientation (i.e. "eye-to the sky") as long as they are in compliance with item No. (5) (above). Coils loaded on their sides must be placed on weight distributing runners or skids which keep the apex of the coil from directly contacting the container floor.
- (7) Ensuring that AAR or CN-approved blocking and bracing methods will be considered the minimum for securement of Coiled Metal Products. In addition, the weight of the Coiled Metal Product is evenly distributed over the floor, sills, and cross-members.
- (8) Ensuring that it signs the CN Intermodal Coiled Metal Products Letter of Agreement prior to the first shipment. By signing the Letter of Agreement, the Loader assumes responsibility for **"ALL COSTS"** associated with any incident resulting from non-compliance with the conditions noted above, and will hold CN and all of its affiliated companies harmless with respect to any claims or costs arising from any breach of these conditions.
- (9) Agreeing to provide to CN prior to tendering any load of Coiled Metal Products for shipment a current Certificate of Insurance, at its expense, evidencing insurance coverage in an amount of not less than \$20 Million securing Loader's indemnity obligations set forth herein.
- (10) Accepting that all containers must be visually inspected, inside and out, by a certified CN WorldWide North America agent prior to be tendered to CN. Loads may only be released to CN following this CN certification. All inspection costs to be borne by Loader. This inspection process does not absolve the Loader from any responsibility or liability in the event of failure resulting from non-compliance with this tariff, supplements thereto or reissue thereof.
- (11) Agreeing that all containers and boxcars are subject to CN audit. If any non-compliant units are tendered to CN, the Loader will be charged \$25,000, and unit will not be accepted for transportation on the railroad. Two failures to comply with the Coiled Metal Products Policy will lead to revocation of ability to ship on the CN network. This revocation will remain applicable until the Loader demonstrates to CN's satisfaction that it has

implemented this tariff, supplements thereto or reissue thereof and any additional specific measures identified by CN.

- (12) Ensuring compliance with this tariff, supplements thereto or reissue thereof available on CN's Web Site at [www.cn.ca](http://www.cn.ca).

**(13) Load and Roll Pallet (LRP), Holland Sled, or similar AAR/CN-approved device**

Following are optional requirements allowing coils to be shipped. This is applicable **only** to products using a supplemental weight distribution system such as a **Load and Roll Pallet (LRP), Holland Sled, or similar AAR/CN approved device** that evenly distributes weight over the entire floor of the container in which the coils are shipped:

1. Coils exceeding 3,500 pounds must be loaded on a Load and Roll Pallet, Sled, or similar type of weight distribution system that evenly distributes weight over the entire floor of the container.
2. Intermodal equipment used to ship this product must not be any older than 10 years.
3. Coils up to 24,500 pounds may be shipped when using this type of weight distribution device.
4. Coils may be loaded on their sides if Weight Distribution device is designed to accommodate such loading and the manufacturers' requirements for securement of those coils loaded as such are met.
5. All other terms of this tariff remain in effect. The Loader is required to comply with all provisions of the Coiled Metal Products Letter of Agreement.
6. Gross weight of product and weight distribution device (i.e. LRP, Sled or Similar AAR/CN-approved Device) must not exceed the weight capacity of the container in which the product is shipped.
7. Securement must be applied in such a manner as to use the doorpost slots for restricting movement. If device is so equipped with attachments this will suffice. If not so equipped, then Double laminated 2" x 4" x 18" hardwood must be placed in such a manner as to extend into the doorpost slots. Each application of blocking must use a minimum of 9 – 12d (3 ¼") Nails. A single double laminated 2" x 4" x 24" hardwood block must be placed at the center of the rear of the LRP/Sled/Load Distribution Device. This block must be nailed to the floor with 10 – 12d (3 ¼") nails. The combined use of the doorpost slots and 28 – 12d nails (applied as described above) will hold the lading in place. At the rear corner blocking a 2"x4" Piece of hardwood lumber 18" long must be nailed to the corner blocks with a minimum of 5 12d (3 ¼") long nails. These 2"x4" members must be placed vertically and inserted into the doorpost slots.

8. Use of the LRP or Holland Sled Weight Distribution Systems will allow coils to be loaded on their side as long as they are secured to the Weight Distribution device in accordance with AAR Standards.
9. Coils must be secured to the LRP/Sled/Weight Distribution Device, with a minimum of 3 tiedown devices. These tiedown devices must consist of either, 2" x 0.44" Steel Strap, 3/8" Steel Chains and binders, or AAR Approved Web Strapping.
10. In the event that the LRP/Holland Sled or Other Weight Distribution Device allows any lateral space in the container, it must be secured against lateral movement with minimum three applications of 2" x 4" x 18" Hardwood Lumber using seven - 12d Nails per application.

### **Bill of Lading**

The Bill of lading shall identify the shipment as "COILED METAL PRODUCTS", along with proper Standard Transportation Commodity Code (STCC). CN will not accept shipments using "Freight All Kinds" (FAK) commodity code (STCC 46-110-1- & 49-501-50) for product description. The bill of lading must be accompanied by, or include, the following certification:

***"The Intermodal unit is not more than five (5) years old and has been loaded by \_\_\_\_\_, a Loader who has executed and provided CN with a letter of Agreement consistent with CN Tariff 6800-B, supplements thereto and reissues thereof."***

### **Exceptions:**

This Policy does not apply to:

- (a) Fiber optic cable, wire rope, electrical cable or similar commodities on reel and spools.
- (b) Coiled metal weighing less than 3,500 lbs.



## Coiled Metal Products Letter of Agreement

Effective \_\_\_\_\_, \_\_\_\_\_ ("the Loader") agrees to comply with the following conditions for Intermodal domestic and international shipments of metal plates, sheets, rods and strips, in coils, ("Coiled Metal Products") shipped in trailers or containers on CN's railway. This agreement applies solely on CN lines and does not apply on shipments moving interline between other railroads or switching carriers.

1. The Loader understands that the following procedures are being implemented to help ensure a safe rail environment for all CN employees, the general public, and shippers while protecting CN customers' best interests. No metal coils will be transported unless this Letter of Agreement has been signed by the Loader and is on file at CN, indicating the shipper's awareness and acceptance of the requirements for shipping Coiled Metal Products in trailers or containers on CN.
2. The Loader acknowledges having received and reviewed a copy of CN Tariff 6800-C, including Item 4000 respecting Intermodal Coiled Metal Products. When tendering Coiled Metal Products, the Loader is fully responsible for ensuring compliance with CN Tariff 6800-C supplements thereto and reissues thereof, for using equipment in suitable condition to carry concentrated weights, and for properly distributing the weight of the load over the flooring, sills, and cross-members of the Intermodal unit.
3. CN will not accept Coiled Metal Products unless loaded in accordance with CN Tariff 6800-C supplements thereto and reissues thereof.
4. In no event will the Loader exceed 75% of the intermodal unit manufacturer's cargo weight limitation.
5. CN will not accept Coiled Metal Products in a trailer/container that is more than five (5) years old determined on the basis of the date of shipment and the date of construction the trailer/container.
6. If the Loader provides the Bill of Lading, Coiled Metal Products must be designated by commodity description, "COILED METAL PRODUCTS", and proper Standard Transportation Commodity Code ("STCC") on the shipping instructions. The Loader must not use a "Freight All Kinds", FAK STCC Commodity Description. If container contains multiple commodities, in addition to Coiled Metal Products, a Coiled Metal Product STCC must be used.
7. If the Loader provides the Bill of Lading, the Loader shall provide a printed and signed bill of lading accompanied by or including the following certification:

**"The Intermodal unit is not more than five (5) years old; has been inspected; is structurally sound; is in proper condition for transport**

**of coiled metal product; and is blocked and braced to AAR and CN-approved standards for safe rail transport & handling at Intermodal terminals.”**

8. At the request of CN, the Loader agrees to provide a pre-loading inspection certificate of the equipment referring to all structural members, i.e. stacking/corner posts, top/bottom rails, door and/or nose header, with comprehensive inspection of undercarriage, including cross-member/bottom rail junctions for cracks or failed welds and deterioration of the interior, and the undercarriage inspection of the floor will be conducted for suitability, as well as tunnel bolster components.

9. The Loader also agrees to load the shipment in compliance with AAR loading regulations including weight distribution, blocking and bracing. Loader agrees to properly block and brace shipments to prevent any occurrence of longitudinal or lateral movement during the entire transport cycle when using this method. Loader agrees that Coiled Metal Products will not exceed and imposed weight restriction of 12,500 lbs per coil including bracing and support material. If the Loader uses a LRP, a Holland Sled, or a similar device approved by the AAR/CN, the weight restriction will be 24,500 lbs per coil. Gross weight of product and weight distribution device (i.e. LRP, Sled or Similar AAR/CN-approved Device) must not exceed the weight capacity of the container in which the product is shipped.

10. All containers must be visually inspected by CN prior to being tendered to CN. CN will reject all non-compliant containers and refuse to transport any such container over the CN network. The Loader tendering the non-complying shipment will be responsible for any additional charges.

11. Acceptance for transportation of an Intermodal unit of Coiled Metal Products that is not in compliance with this letter of agreement or CN Tariff 6800-C supplements thereto and reissues thereof shall not release Loader from its obligations.

12. The Loader agrees to indemnify, defend and hold CN harmless from any and all claims, liabilities, fines, penalties, costs, losses, liens, causes of action, suits, demands, judgements, expenses, and damages (including, without limitation, court costs and attorneys' fees) resulting, in whole or in part, from:

- a. the improper blocking and bracing or loading of Coiled Metal Products;
- b. the use of a container or trailer that is for any reason unsuitable for the movement of Coiled Metal Products; or
- c. the failure of the floor, walls, or doors in the trailer or container.

13. Insurance:

- a. The Loader will procure and maintain throughout the term of this Agreement, commercial general liability insurance including bodily injury, death, property damage, cross liability and Environmental Impairment Coverage on a Sudden and Accidental coverage basis, with liability coverage in an amount of not less than \$20,000,000 per occurrence. It is understood that the employees of the Loader shall not be considered

employees of CN and its affiliated companies. The insurance coverage shall have CN and its affiliated companies as additional insured.

- b. Upon the written request of CN, the Loader shall provide to CN evidence of such insurance having been obtained and maintained in the form of a certificate of insurance, and such insurance shall not be subject to cancellation and/or alteration in a manner material to this Agreement except after at least thirty (30) days prior written notice to CN. If the Loader fails to comply with the requirements hereof to obtain insurance, CN may, but need not, obtain such insurance and keep the same in effect and the Loader shall pay to CN the premium cost thereof upon demand.
- c. CN shall not be responsible for the payment of any premiums with respect to such insurance, and shall not be responsible for notifying the insurers of any occurrence or accident.
- d. The Loader agrees that the insurance provided herein does in no way limit the Loader's liability pursuant to the Indemnity provisions of this Agreement.

14. In the event that the terms of this Letter of Agreement are not met, or the certification given to CN is not accurate, the Loader agrees to release CN from any and all claims it could otherwise assert against CN for loss or damage to Loader's shipments or their contents. In addition, the visual inspection performed by CN's agent, CN WorldWide North America, does not absolve the Loader from any responsibility or liability in the event of failure resulting from non-compliance with CN Tariff 6800-C supplements thereto and reissues thereof.

**This executed Letter of Agreement must be returned by mail or fax to:**

Pierre Leblanc  
CN, Manager – Metal Facilities  
935 rue de la Gauchetiere West, 9th Floor  
Montreal, QC  
H3B 2M9

15. This Letter of Agreement may at any time be amended, cancelled, or revoked by CN, if CN considers for any reason, in its sole discretion, that such amendment, cancellation, or revocation is appropriate in light of the requirement for safe railway operations. CN will honor its agreement to transport the remaining shipments that are in transit only. The Loader will provide CN with all pertinent details, such as container numbers, origin and final destination.

The undersigned Loader agrees to the terms and conditions set forth above.

Name of  
Loader: \_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_ Title: \_\_\_\_\_

