BEFORE THE
SURFACE TRANSPORTATION BOARD

235301

TTX Company – Application for Approval of Pooling of Car Service With Respect to Flatcars

ENTERED
Office of Proceedings
January 16, 2014
Part of
Public Record

Finance Docket No. 27590 (Sub-No. 4)

APPLICATION FOR REAUTHORIZATION OF THE TTX FLATCAR POOL

VOLUME I OF II

NARRATIVE AND PROPOSED AGREEMENT

PATRICK B. LOFTUS
ANNE E. TREADWAY
SHANNON K. BAGATO
TTX Company
101 North Wacker Drive
Chicago, Illinois 60606
(312) 984-3838

MICHAEL L. ROSENTHAL
DEREK LUDWIN
ANNE Y. LEE
SPENCER F. WALTERS
Covington & Burling LLP
1201 Pennsylvania Avenue, NW
Washington, DC 20004
(202) 662-6000

DAVID L. MEYER
ROBERT M. NICHOLS
Morrison & Foerster LLP
2000 Pennsylvania Avenue, NW
Washington, DC 20006
(202) 887-1519

Attorneys for Applicants

FEE RECEIVED
January 16, 2014
Surface Transportation Board

FILED
January 16, 2014
Surface Transportation Board

January 16, 2014

Contains Color Images

TABLE OF CONTENTS

EXHIBITS

VOLUME II

SUPPORTING STATEMENTS

TAB

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 27590 (Sub-No. 4)

APPLICATION FOR REAUTHORIZATION OF THE TTX FLATCAR POOL

TTX Company ("TTX") and the railroad companies that participate in TTX's flatcar pool submit this application for reauthorization of the TTX flatcar pooling agreement, pursuant to 49 U.S.C. § 11322.

INTRODUCTION AND SUMMARY

The Interstate Commerce Commission ("ICC") approved TTX's flatcar pool in 1974, and over the ensuing four decades, the pool has become one of the great success stories of American railroading. Recognizing the significant efficiencies and other benefits the flatcar pool provides the railroad industry and its customers, and the lack of any offsetting harms to competition, the ICC and the Surface Transportation Board ("Board") have repeatedly extended TTX's pooling authority—in 1989, 1994, and, most recently, in 2004 for a ten-year period that expires in 2014. *See TTX Co. – Application for Approval of Pooling of Car Service With Respect to Flatcars*, 7 S.T.B. 778 (2004) ("*TTX-2*"); *TTX Co. – Application for Approval of the Pooling of Car Service With Respect to Flat Cars*, FD 27590 (Sub-No. 2) (ICC served Aug. 31, 1994) ("*TTX-1*"); *Trailer Train Co. – Pooling – Car Service*, 5 I.C.C.2d 552 (1989) ("*Trailer Train*"); *see also American Rail Box Car Co. – Pooling*, 347 I.C.C. 862 (1974) ("*Railbox Pool*").

The railroad participants in TTX's flatcar pool have unanimously agreed to extend the TTX flatcar pooling agreement for another 15 years.[1] By this application, TTX and its railroad participants seek Board approval and authorization of the proposed amended agreement (the "Pooling Agreement")[2] and the related car contracts between TTX and its participating railroads.[3]

TTX is filing this application because the flatcar pool requires regulatory authorization. Under the law, "pooling" of railroad services may not be undertaken unless the Board concludes that it "will be in the interest of better service to the public or of economy of operation" and "will not unreasonably restrain competition." 49 U.S.C. § 11322. Throughout its 40-year regulatory history, the TTX flatcar pool has consistently met this statutory test, as confirmed by the ICC's and Board's decisions reauthorizing TTX's activities. The result has been an unbroken span of service to the public that TTX's participants wish to continue.

---

[1] The railroads that participate in TTX's flatcar pool are: BNSF Railway Company; Canadian National Railway Company, through its U.S. affiliates Illinois Central Railroad Company and Grand Trunk Western Railroad Company; Canadian Pacific Railway Company, through its U.S. affiliate Soo Line Railroad Company; CSX Transportation, Inc.; Ferromex; The Kansas City Southern Railway Company; Norfolk Southern Railway Company; Pan Am Railways; and Union Pacific Railroad Company.

[2] The proposed Pooling Agreement is set forth at Exhibit A. It is substantively identical to the prior TTX flatcar pooling agreement, except that it (a) provides for an initial term of 15 years, instead of a ten-year term; and (b) makes a handful of minor changes to the previous agreement to modernize the language. Exhibit B is a redlined version showing changes from the agreement currently in force. The participating railroads' assents to the proposed pooling agreement and the filing of this application are set forth at Exhibit D.

[3] Those contracts are TTX's Form A Car Contract (Exhibit F), which governs such matters as charges for use of TTX equipment, and TTX's Form D Special Devices Contract (Exhibit G), which addresses various matters pertaining to TTX cars that railroads have equipped with special devices, such as autoracks, not owned by TTX.

This agency's decisions reauthorizing TTX's flatcar pool bespeak the pool's special role in the railroad industry and the benefits it provides to all industry participants. The Board's most recent decision reauthorizing the flatcar pool summarized the record well:

> TTX has adapted and consistently has produced significant, undeniable benefits to railroads and shippers that could not have been achieved as easily, if at all, in the absence of the TTX flatcar pool. *TTX-2*, 7 S.T.B. at 786.

Even just a small sampling of the Board's specific findings underscores the breadth and importance of the benefits provided by the flatcar pool:

- "TTX has served an important role in satisfying the growing demand for railroad cars." *Id.*
- The pool "permits TTX's member railroads to spread the risk of investment in equipment." *Id.*
- TTX "produces substantial capital savings by maximizing the efficient use and distribution of pooled equipment." *Id.*
- TTX "permits standardized fleet repair and maintenance to reduce costs." *Id.*
- TTX "promotes research and development of new and innovative equipment." *Id.*

These benefits flow not only from TTX's ownership of an extensive fleet of intermodal flatcars, but also from TTX's ownership of many other types of flatcars that are used to carry a wide array of commodities, ranging from lumber and building materials to heavy electrical equipment to military impedimenta, pipe, and wind power components. As the Board found:

- "TTX spreads the risk of specialized flatcar investment, particularly for those flatcar types that experience highly fluctuating demand, such as chain tie-down flatcars." *Id.* at 789.
- "Pooling specialized flatcars results in improved asset utilization, largely because of TTX's understanding of railroad network operations, its extensive experience in fleet management, and its direct relationship with its railroad members." *Id.*
- "TTX's non-intermodal flatcar fleet benefits from TTX's whole-network approach to repair and maintenance, which lowers operating costs and increases equipment reliability." *Id.*

- "[S]pecialized flatcar pooling also fosters innovation and promotes reconfiguration and redeployment of equipment to meet changing flatcar demands." *Id.*
- "[Pooling of specialized flatcars] clearly results in lower equipment costs to railroads and ultimately lower prices to the consumers of railroads' services." *Id.*

This agency's 40-year regulatory experience with the TTX flatcar pool has proven that "the full array of benefits achieved through flatcar pooling cannot be achieved through any other means." *Id.* at 787; *see also id.* at 789 ("Consistent with … past findings, we find that these benefits could not be obtained as thoroughly or as well in the absence of a pool.").

By reducing the risks of acquiring new equipment, increasing operational efficiency, lowering repair and maintenance costs, and investing in innovation, TTX's flatcar pool enhances competition in every dimension. Whenever the Board has addressed TTX's flatcar pool, it has found no harm to competition to offset the pool's considerable public benefits. *See, e.g.*, *id.* at 787 ("[W]e find that an extension of TTX's flatcar pooling authority, as encompassed in the Pooling Agreement described in this decision, will not unreasonably restrain competition.").

TTX has always lived up to the Board's high expectations. In the Board's most recent evaluation of TTX's performance in 2010, the Board found no basis for concern about TTX's activities and concluded that the flatcar pool was "operating as the Board expected." *TTX Co. – Application for Approval of Pooling of Car Service With Respect to Flatcars*, FD 27590 (Sub-No. 3), slip op. at 4 (STB served Aug. 17, 2010) ("*TTX Monitoring*").

TTX's benefits have stood the test of time. They have been sustained during a period of tremendous change in the regulatory environment, significant and ongoing evolution in the mix of traffic railroads handle, and numerous developments affecting virtually every other facet of railroading.

TTX's experience over the last ten years in particular has illustrated the pool's resilience and its value to the railroad industry during times of change. In the first years after TTX's 2004 reauthorization, record-setting intermodal growth challenged the ability of railroads to invest in capacity—but the availability of intermodal flatcars was never a constraint, thanks to TTX's investments and the efficient utilization fostered by the flatcar pool. That traffic boom was interrupted by the Great Recession, which brought the first decline in intermodal traffic in years. The TTX pool was instrumental in helping the railroad industry weather this challenge, affording relief from usage charges, facilitating storage of excess equipment, redeploying assets to efficient uses, and then, as domestic intermodal traffic emerged as the new engine of growth, investing heavily in new equipment so the railroads could keep pace with demand.

Through its history, TTX has proven that sharing commonly owned equipment—the very essence of TTX's pooling activities—not only makes sense as a conceptual matter, but can be made to function exceptionally well in practice. TTX's flatcar pool *works*. TTX's long track record means the Board may rest assured that continuing TTX's authority will benefit the railroad industry without entailing any adverse competitive consequences.

In its most recent decision reauthorizing the TTX flatcar pool, the Board recognized that TTX's extensive and unblemished track record strongly supported extending TTX's regulatory authority: "[T]o depart now from the status quo—especially in the absence of a clear showing that adverse competitive impacts would flow from continuing TTX's pooling authority largely as it now exists—would deprive the railroad industry of many of the benefits of flatcar pooling." *TTX-2*, 7 S.T.B. at 787. The Board was correct, and its conclusion applies with even greater force now that TTX has another decade of success under its belt.

The Board should reauthorize TTX's flatcar pool, this time for a period of 15 years. A 15-year term would be commensurate with the period of time between TTX's original regulatory authorization and its first reauthorization, and it is more than warranted by the evidence submitted with this application and TTX's track record over the past 40 years.

* * *

This application is divided into seven sections. Section I sets forth the governing legal standard. Section II summarizes the relevant background facts, including the ICC's and Board's repeated findings concerning the significant benefits achieved by TTX, culminating in the 2004 decision extending TTX's pooling authority until 2014; the results of the Board's subsequent monitoring process; and an overview of the significant developments in the decade since the 2004 reauthorization that underscore the importance of renewing TTX's pooling authority. Section III explains why reauthorization of the TTX flatcar pool is in the public interest. In Section IV, we demonstrate the lack of any countervailing competitive harms arising from the authority TTX requests. Section V describes the broad-based support for reauthorization from shippers and other parties that benefit from the high-quality flatcars enabled by TTX's flatcar pool. In Section VI, we show why the Board should approve the flatcar pooling agreement for a 15-year period. Finally, in Section VII, we propose a schedule for the proceeding initiated by this application.

This application is verified by Thomas F. Wells, TTX's President and Chief Executive Officer. Accompanying the application are the following materials: (1) the proposed amended TTX Pooling Agreement, which applicants will execute to become effective October 14, 2014, if approved by the Board;[4] (2) the proposed amendment to extend the term of TTX's Form A Car

---

[4] The proposed Pooling Agreement is attached as Exhibit A; a redline showing changes to the agreement currently in force is Exhibit B.

Contract;[5] (3) assents by each participant in the TTX flatcar pool to the proposed new agreement, as required by 49 U.S.C. § 11322(a);[6] (4) a proposed Federal Register Notice pertaining to this application, which TTX requests be published within 30 days;[7] (5) supporting verified statements from TTX witnesses and other parties who support reauthorization of the TTX flatcar pool (in Volume II);[8] (6) current versions of TTX's Form A Car Contract and Form D Special Devices Contract, provided as background;[9] and (7) photographs illustrating TTX's many flatcar types.[10]

---

[5] The proposed amendment is Exhibit C.

[6] The assents are Exhibit D.

[7] The proposed Federal Register Notice is Exhibit E.

[8] Volume II of this application contains (at Tabs I thorough P) the supporting statements of Thomas F. Wells, TTX's President and CEO ("Wells VS") (Tab I); Patrick J. Casey, TTX's Vice President of Fleet Management ("Casey VS") (Tab J); Sharon L. Harmsworth, TTX's Vice President of Equipment ("Harmsworth VS") (Tab K); William J. Rennicke of Oliver Wyman and an expert on railroad strategic planning and operations ("Rennicke VS") (Tab L); Thomas R. Brown, President of Streamline, a Union Pacific Railroad Company subsidiary, and a well-respected expert on intermodal transportation matters ("Brown VS") (Tab M); Professor Joseph P. Kalt, Ford Foundation Professor of Political Economy at Harvard's John F. Kennedy School of Government and one of America's leading economists ("Kalt VS") (Tab N); George C. Woodward of Clouds Hill Capital Group, Inc., and President of the University of Denver Intermodal Transportation Institute's Board of Directors ("Woodward VS") (Tab O); and other supporters (Tab P).

[9] The Form A Car Contract is Exhibit F; the Form D Special Devices Contract is Exhibit G. TTX is not making any changes to these contracts other than as necessary to extend the term of the Form A contract, as set forth in Exhibit C.

[10] The photographs are Exhibit H.

I. The Governing Legal Standard

The standard governing this proceeding is straightforward. The Interstate Commerce Commission Termination Act authorizes the Board to approve a pooling of railroad traffic, service, or earnings if it finds that pooling:

> (1) will be in the interest of better service to the public or of economy of operation; and
>
> (2) will not unreasonably restrain competition.

49 U.S.C. § 11322(a). In evaluating a pooling application, the Board therefore assesses "whether any anticompetitive effects flowing from the arrangement are outweighed by the efficiencies or other public benefits flowing therefrom." *TTX-2*, 7 S.T.B. at 786.

II. Background: TTX's Role in Efficient Flatcar Supply

A. What Is TTX's Flatcar Pool?

TTX's mission in operating the flatcar pool is to provide a fleet of reliable, high-quality flatcars and related services to meet the needs of its railroad participants and the shippers they serve.[11] TTX's predecessor, Trailer Train, was formed in 1955. It began operations in March 1956, pursuant to a series of bilateral contacts, with a fleet of 500 75-foot flatcars designed for intermodal use. By 1973, when it sought authority to engage in pooling operations, its fleet had expanded to 67,468 cars, including flatcars to carry automobile racks. Today, TTX's flatcar fleet consists of 128,500 railcars. The fleet includes 47,500 intermodal flatcars, which provide the

---

[11] In addition to its flatcar pool, TTX also owns and operates pools of boxcars and gondolas. *See Railbox Pool*, 347 I.C.C. 862 (approving Railbox pool); *Railgon Co. & Trailer Train Co. – Pooling of Car Service Regarding Gondola Cars*, FD 29121 (ICC served Mar. 17, 1980) (approving Railgon pool). TTX also operates the national autorack reload pool as an agent for the railroad participants, and a pool of railroad-owned boxcars. *See The Baltimore & Ohio R.R. – Pooling of Car Service Regarding Multi-Level Cars*, FD 29653 (ICC served Aug. 19, 1981); *Railroad Car Service Pooling Application (Boxcars)*, FD 30969 (ICC served Oct. 9, 1987).

capacity to carry approximately 227,400 40- to 53-foot trailers or containers;[12] 48,800 autorack flatcars, which are used along with attached racks (usually supplied by railroads) to transport finished vehicles; and 32,200 general service flatcars, which are used to carry such products as lumber, pipe, structural steel, agricultural and military vehicles, and heavy equipment.[13]

To ensure that the needs of the marketplace are met, TTX acquires flatcars for the pool using its own capital, without any financial guarantee by any railroad. TTX can acquire a large number of cars because it reduces the risks and costs of investing in new equipment. It reduces the risks because it takes a market-wide view of the future need for cars, its distribution protocols maximize productive use of cars, and it invests in modifying and redeploying equipment to meet the changing demands of shippers, thus extending the economic life of its assets. TTX reduces the costs because it maintains a solid credit rating, the "free-running" nature of its fleet reduces unproductive switching and empty returns, and it achieves substantial maintenance efficiencies.

TTX's flatcars form a "free-running" fleet that is "not encumbered"[14] by adherence to the Association of American Railroads ("AAR") car service rules or the parochial incentives that often apply to cars owned or leased by individual railroads. TTX pool cars flow efficiently across the entire North American rail network to satisfy needs for equipment wherever they arise. Participating railroads have access to TTX cars on terms that encourage efficiency. TTX cars can be loaded anywhere and to any destination. When the normal flow of equipment does not result in enough empty cars in the places where they are needed, TTX's management of the

---

[12] This capacity is referred to as an intermodal "platform," a statistic that TTX uses because of the differences among intermodal cars. Many of TTX's intermodal flatcars are multi-unit double-stack cars, some of which carry as many as ten containers.

[13] Illustrative photographs of many of TTX's flatcar types are set forth at Exhibit H.

[14] *Railbox Pool*, 347 I.C.C. at 865.

pool enables cars to be directed from railroads that have excess capacity to railroads that are short of cars. TTX cars incur low usage charges, thereby avoiding incentives for inefficient movements aimed at getting high-cost cars off-line as quickly as possible. TTX's participating railroads are assured of access to the fleet when they need it, but they are not burdened by excess cars. Rather, participants can "turn back" pool cars when they are not needed—that is, after cars have been idle for five days, participants can cease paying usage charges without the need to move the cars off-line.

TTX is responsible for the repair and maintenance of pool equipment. Maintenance is performed at TTX's own facilities in Florida, South Carolina, California, and Michigan, and at selected independent shops. TTX also performs repairs and inspections using a network of Field Maintenance Operations located at major intermodal facilities and other strategically located sites. TTX also uses Mobile Repair Operations to work on flatcars that do not normally pass through a location with a Field Maintenance Operation. TTX develops and implements highly efficient maintenance practices, taking advantage of state-of-the-art information technology, to optimize maintenance for the overall benefit of the railroad network. TTX works to reduce the total costs associated with maintaining cars, including not only the costs of the repair itself, but also the costs associated with disruptions to the network when cars fail in service.

TTX also engages in research and development focused on improving the new cars it acquires, as well as cars in its existing fleet. TTX has invested in building a strong engineering staff and equipping them with state-of-the-art tools that they use to model car and component performance. TTX works closely with railroads, flatcar builders, and component suppliers to design new car types and develop and test improvements to existing cars.

In terms of service to the public and economy of operations, TTX provides substantial benefits to its participating railroads and the shippers they serve. TTX efficiently provides the flatcar equipment its participants need to offer transportation services in a dynamic marketplace, without requiring them to make long-term commitments of financial resources to new cars. TTX can supply cars at low cost because its equipment is used efficiently, carrying loads anywhere in the country; can be repositioned in response to shifts in market demand; is maintained using optimally efficient practices; and can be redeployed to address evolving marketplace needs. Because TTX cars are used more efficiently than railroads could use separately owned equipment, TTX can justify acquiring more cars, and make them available at lower costs, than could its individual participants. TTX's flatcar pool thereby expands its participants' market opportunities and justifies TTX's acquisition of still more equipment to help its participants provide the transportation service shippers demand.

B. The ICC and the Board Have Repeatedly Recognized the Important Public Benefits of the TTX Flatcar Pool and the Lack of Competitive Harms

The ICC authorized TTX's flatcar pooling in 1974 and reauthorized those operations in 1989 and again in 1994. The Board reauthorized TTX's pooling operations in 2004. On each occasion, this agency recognized the important public benefits that flow from TTX's pool.

1. The 1974 Decision

TTX and its railroad participants first sought pooling authority in response to railroad difficulties in meeting the growing demand for flatcars. They anticipated that the proposed pool would result in an overall increase in flatcar supply nationwide, an increase in car utilization, and more flexibility of car movement than could be achieved under the existing system. *See Railbox Pool*, 347 I.C.C. at 865.

In its decision approving the pooling application, the ICC found "considerable evidence" that pooling would improve service to the public by leading to an "expansion of the freight car fleet" and "increased car utilization." *Id.* at 900. It explained that "pool flatcars have the potential to maximize total loaded miles to achieve a significant increase in productivity over that shown by comparable railroad-owned cars." *Id.* It observed that both participating and nonparticipating railroads would benefit from the pooling arrangement. The participating railroads would "have access to a larger fleet of freight cars without expenditure of large amounts of cash and without incurring heavy long-term financial obligations and at user charges maintained at the lowest reasonable level and levied only when the cars are on line." *Id.* at 900-01.[15] Nonparticipating railroads would benefit as a result of "the freedom of pool cars from any interchange restrictions anywhere in the United States." *Id.* at 901.

The ICC also found that the railroad applicants had presented "significant evidence of the economies" that would arise from the flatcar pool. *Id.* at 903. It recognized that "significant economies are attainable through development of standard car designs, savings in repair and maintenance costs, low car-hire charges, and centralized procurement under the proposed pooling plans." *Id.* at 905.

The ICC concluded that the "arrangement will be in the interest of better service to the public and of economy in operation and will not unduly restrain competition," and it approved the pooling arrangement. *Id.* at 908.

---

[15] In fact, as a result of its turn-back policies, TTX charges railroads to use its cars only when the cars are both on line *and* in use.

2. The 1989 Decision

In its 1989 decision, the ICC recognized that the TTX flatcar pool had in fact produced the benefits predicted in 1974. The ICC found that TTX's "general pooling functions, including management of the free-running fleet, research and development, and repair and maintenance, provide significant benefits in terms of better service to the public and economy of operation." *Trailer Train*, 5 I.C.C.2d at 569. It found, for example, that "savings in empty mileage and the increased productivity from [TTX's pooling] arrangement have been amply demonstrated." *Id.* at 562. It concluded that "the pool's management has resulted in substantial cost savings for the railroads, a fully adequate car supply, reasonable car hire rates, as well as other efficiency gains," and that the benefits "have been largely passed on to shippers." *Id.* at 602.

In the 1989 proceeding, certain parties challenged TTX's ownership of pool cars, as opposed to its management of cars owned by others, and asserted that TTX's acquisition of cars raised "monopsony" and "monopoly" concerns. The ICC rejected those contentions. It found that TTX's "ownership of pool cars has enabled it to achieve operating economies that have reduced the railroads' expenses significantly." *Id.* at 569. It concluded, in particular, that "efficiencies and savings from the pool's car research, development, standardization, and maintenance programs would not likely be realized if [TTX] did not own the cars but simply managed a fleet of cars owned by various railroads." *Id.* at 569-70 (footnote omitted).

Finally, the ICC concluded that the flatcar pool "produces documented efficiencies and operational benefits that are in the public interest and should be authorized," and it extended TTX's pooling authority for five years. *Id.* at 602.

3. The 1994 Decision

In 1994, the ICC reauthorized TTX for an additional ten years. The proceeding was uncontroversial. TTX's core benefits were universally acknowledged. Shippers testified that

"TTX's policy of furnishing modern cars, in adequate quantity at economic rates, is a major reason why intermodal traffic has dramatically grown," and that "without TTX, railroads would be hesitant to expand into intermodal operations as quickly as the market demands." *TTX-1*, at 3. They explained that because "TTX assumes the capital and ownership risks, expansion with new and modified equipment can occur faster to meet changing economic requirements." *Id.* Even Greenbrier, a car builder that had vigorously opposed TTX's reauthorization in 1989, agreed that "the TTX pool has worked well for car manufacturers, railroads, and shippers, and has contributed to the growth of intermodal freight business by providing a readily accessible supply of serviceable, well-managed freight cars." *Id.* at 4.

Based on such evidence, the ICC once again concluded that "TTX's basic pooling agreement will be in the interest of better service to the public and of economy of operations, and that it will not unreasonably restrain competition." *Id.* The ICC therefore approved a ten-year extension of the pooling agreement, but it directed the Office of Compliance and Enforcement to "prepare monitoring reports at the end of the third and seventh years of the 10-year extension." *Id.* at 6. In both the third and seventh years, the Board requested comments on whether any of TTX's activities required action or oversight by the Board. No comments were filed in either instance, and the Board discontinued further monitoring in 2001.[16]

4. The 2004 Decision

In its 2004 decision, the Board recognized TTX's long track record in serving "an important role in satisfying the growing demand for railroad cars." *TTX-2*, 7 S.T.B. at 786. It found that "TTX has adapted and consistently has produced significant, undeniable benefits to

---

[16] *See TTX Co. – Application for Approval of the Pooling of Car Service With Respect to Flat Cars*, FD 27590 (Sub-No. 2) (STB served Nov. 7, 2001).

railroads and shippers that could not have been achieved as easily, if at all, in the absence of the TTX flatcar pool." *Id.* It further found that "the many years of experience with the pool reflect that the full array of benefits achieved through flatcar pooling cannot be achieved through any other means." *Id.* at 787.

In the 2004 proceeding, certain parties urged the Board to limit the pool to intermodal flatcars only or to intermodal and autorack flatcars. However, the Board "[did] not see any merit to so limiting TTX's authority." *Id.* at 788. It explained that pooling specialized flatcars results in the same types of benefits as pooling intermodal and autorack flatcars—that is, TTX's pooling increases car supply by "spread[ing] the risk of specialized flatcar investment" and "improv[ing] asset utilization," provides the benefits of a "whole-network approach to repair and maintenance, which lowers operating costs and increases equipment reliability," and "fosters innovation and promotes reconfiguration and redeployment of equipment to meet changing flatcar demands." *Id.* at 789. The Board also rejected arguments that TTX should not be permitted to set flatcar usage rates because it sets rates *too low*. The Board found no evidence of any improper pricing and that "standardized pricing is an integral and critical aspect of the TTX pool." *Id.* at 790. In addition, the Board rejected arguments that TTX's pooling authority should not extend to flatcar repair and maintenance, concluding that "TTX's highly efficient car repair and maintenance practices" are "an integral part of the flatcar pooling activity in which it engages." *Id.*

Based on the record, the Board found "that an extension of TTX's flatcar pooling authority clearly will be in the interest of better service to the public or of economy of operation" and "will not unreasonably restrain competition." *Id.* at 787. The Board therefore approved an additional ten-year extension, this time with a single monitoring report "at the end of year 5 of the 10-year extension." *Id.* at 794.

5. The 2010 Monitoring Report

In 2010, the Board issued its decision in connection with the monitoring proceeding that it had established in 2004. In that proceeding, Greenbrier filed comments generally supporting TTX's activities. In addition, several private car lessors filed comments in which they argued that they should be allowed to place their cars in the TTX flatcar pool. The Board found that the lessors' comments were not within the scope of the proceeding, but that, in any event, they failed to show that the lessors had been harmed. *See TTX Monitoring* at 3.[17] The Board concluded that there was no reason to take any action because "the pooling agreement is operating as the Board expected." *Id.* at 4.

III. REAUTHORIZATION OF THE TTX FLATCAR POOL IS IN THE PUBLIC INTEREST

The TTX flatcar pool continues to be one of railroading's great success stories. In the ten years since its last reauthorization, TTX has continued to generate the kinds of efficiencies and other benefits that this agency has recognized in each of the prior proceedings. As TTX's witnesses discuss in detail, TTX's pooling activities enable participating railroads to achieve substantial improvements in the efficiency of their flatcar supply and thus their provision of transportation services to shippers. The TTX pool: ensures that participating railroads have access to an adequate and efficiently sized fleet of flatcars, improves equipment utilization, reduces the costs of equipment repair and maintenance, fosters innovation and continuous improvement in equipment that safely and efficiently meets customers' evolving needs, and

[17] The lessors argued that TTX had used its "monopoly power" during the Great Recession to put its cars "first in line for use," resulting in lower utilization rates for the flatcars owned by private lessors. *Id.* In response, TTX submitted data showing that the utilization rate for the lessor's cars had been approximately 98.6%, compared to TTX's utilization rates of 66.6% for intermodal flatcars and 44.5% for general service flatcars. *See id.*

allows participating railroads to devote their limited capital resources to capacity expansion projects and other pressing capital improvement needs.

The last ten years have confirmed the value and resilience of the flatcar pool, and TTX's important benefits are endorsed in this proceeding by nine applicant railroads eager to see the pool continue, as well as by a cross-section of other beneficiaries of TTX's flatcar pool.

A. TTX's Shared Pool of Flatcar Equipment Provides Important Benefits to Today's Interconnected Railroad Industry

North American railroads serve their customers using a single, interconnected network. Although each railroad operates its own portion of the network, railroad rolling stock has long known no boundaries. Each day, thousands of freight cars pass from one railroad to another at major gateways and other interchange points across the continent.

But interchanging railcars is not the same as sharing them. Sharing is hard because it requires surrendering some control in the short term to obtain larger rewards in the long term. Railroads have strong incentives to invest in equipment sufficient to handle current and future traffic and to operate the cars flowing across the rail network as efficiently as possible—that is, so they move under load as often as possible and are available when and where they are needed to handle customer loads. Yet, railroads understandably can be reluctant to bear the risks of investing in new equipment when there is a risk that traffic might fail to materialize or be lost to a competitor. Efficiency can suffer because railroads are understandably inclined to use their own equipment for loaded movements and send other cars off-line rather than pay for their use, especially when they have surplus cars. And, when equipment is in short supply, railroads are understandably inclined to hold cars on their lines, even if they have no immediate use for them.

The TTX flatcar pool has overcome these challenges through effective sharing. TTX's pool of jointly-acquired, jointly-owned, and jointly-managed equipment allows the participating railroads as a group to acquire more cars and operate them more efficiently than they ever could in the absence of pooling. TTX succeeds at sharing because it acts in the collective interest of its participants, applying its pooling expertise to identify and implement more cost-effective ways of meeting their collective needs for intermodal, automotive, and other flatcars.

TTX's acquisition and ownership of the flatcar fleet form the foundation of the pool's success. As the ICC recognized in 1989, "[t]he economies and better service from management of the free-running fleet . . . depend on centralized purchasing and joint ownership." *Trailer Train*, 5 I.C.C.2d at 562. This remains true today.

TTX's acquisition and ownership of cars in the flatcar fleet spreads the risk of investing in new equipment. This has been critical to the growth of intermodal traffic and has resulted in the acquisition of far more flatcars than would have been the case if railroads, which have many other demands on their capital resources, were left to fund investments in flatcars on their own. TTX's ownership of pool cars prevents the disruptions to efficient operations that could occur if individual railroads owned the cars and could withdraw them from the pool when demand is high and equipment supply is tight. It allows TTX to set uniform, low car usage rates that eliminate incentives to move empty cars off-line, maximizing the utilization of its cars and minimizing operating costs. It allows TTX to issue car movement directives, which maximize car utilization by allowing participants to send cars off-line secure in the knowledge that they can always obtain their fair share of cars. It allows TTX to implement its highly efficient and effective repair and maintenance practices to keep cars in excellent condition wherever they are moving on the rail network. And, it allows TTX to modify pool equipment to implement improvements and to redeploy the cars to their most efficient uses as markets evolve.

B. TTX's "Network-Wide/Total Life-Cycle" Perspective Generates Proven Benefits

TTX makes sharing work by taking a network-wide, total life-cycle perspective on flatcar operations. It acquires, manages, maintains, and redeploys pool cars in the long-run interests of the network as a whole, with the aim of reducing the overall system-wide costs of car ownership and use while at the same time fostering innovation and improving the rail industry's ability to meet customer needs. TTX acquires the right mix of cars to match overall demand; it manages those cars to maximize their utilization and avoid unproductive empty movements; it employs maintenance practices that not only seek the lowest-cost way of making a given repair, but also involve making the right kinds of repairs at the right time to minimize overall costs, including down-time and the operational disruption of stopping trains and setting out bad order cars; it invests in designs and components that will reduce overall costs over the life of the car; and it redeploys its flatcars to meet the evolving needs of railroads and their customers.

1. TTX's Car Acquisition Program Ensures an Adequate and Efficiently Sized Fleet

TTX draws on its experience, the forecasts of its individual railroad participants (which are treated confidentially), and other sources to develop state-of-the-art forecasts of future traffic growth and corresponding equipment needs. TTX then designs an acquisition program to ensure that those needs are met. Importantly, TTX is concerned only that the fleet as a whole will be adequate to satisfy market demand. Once sized adequately, TTX's shared pool of equipment is distributed to meet that demand. Casey VS at 5-6.

TTX's acquisition program has resulted in tremendous investment in flatcars throughout the pool's existence. From 2004 through 2013, TTX invested $3.67 billion in new and redeployed flatcars. Wells VS at 11. TTX spent $3.12 billion of this total adding to its fleet 81,200 new intermodal platforms and 9,700 other new flatcars. *Id.* TTX's investment levels are especially impressive when considering that the ten-year period since the prior reauthorization includes the Great Recession.

TTX's acquisitions over the past ten years demonstrate TTX's ability to respond to changes in market conditions. From 2004 through 2012, North American intermodal volumes grew only about 15 percent, reflecting the effects of the Great Recession and the slow recovery. Casey VS at 7. However, that figure masks three significant changes that affected demand for flatcars. First, over the same period, trailer volume dropped 38 percent, while container volume climbed 29 percent. *Id.* at 7-8. Second, the mix of domestic and international container volume shifted, especially during and after the Great Recession. Domestic traffic moving in 48- and 53-foot containers grew more rapidly than international traffic moving in 20- and 40-foot containers. *Id.* at 8-9. Third, the mix of domestic containers changed dramatically. In 2000, approximately 70 percent of containerized domestic traffic moved in 48-foot containers; by 2012, more than 99 percent of containerized domestic traffic moved in 53-foot containers. *Id.* at 9-10.

Despite the Great Recession, TTX invested substantial sums to address the changing nature of demand for intermodal equipment. In particular, TTX spent approximately $920 million to acquire new 53-foot double-stack cars and convert older, less desirable 48-foot cars into 53-foot cars, thereby increasing the capacity of its fleet of 53-foot double-stack cars by more than 46 percent between December 2010 and December 2013. Wells VS at 8.

TTX can invest in more equipment than railroads could invest through separate acquisition programs because the pool reduces investment costs by spreading risks. If TTX did not exist, each railroad participant would have to justify its flatcar expenditures based solely on expectations regarding its own, individual future traffic levels. The railroads individually would face much greater uncertainty in sizing their fleets. For many reasons—including the effects of rail-to-rail competition—any given railroad may not experience the same degree of growth as the market as a whole. This uncertainty increases the risks of an individual railroad's investment in new equipment and tends to lead to less investment. By investing to serve market-wide demand, TTX overcomes these risks. Wells VS at 13, 16; Casey VS at 6, 11.

In addition, utilization improvements achieved by TTX through its distribution rules and repair and maintenance practices allow railroads to get more productivity from pool equipment. This means that each dollar that TTX invests in new equipment allows railroads to provide more transportation service to their customers than if they were to acquire cars for their own separate fleets. TTX's higher productivity levels conserve capital resources and, by lowering railroad costs, also facilitate the expansion of intermodal and other transportation markets, thereby encouraging the acquisition of more equipment to meet market demand. Wells VS at 16-17; Casey VS at 5.

2. TTX's Management of a Free-Running Fleet Optimizes Utilization of Pool Equipment

TTX manages the flatcar pool to "maximiz[e] the efficient use and distribution of pooled equipment." *TTX-2*, 7 S.T.B. at 786. Under TTX's management, "free-running" pool cars flow efficiently over the North American rail network to meet participants needs for flatcars. If the flow of equipment becomes imbalanced, TTX can direct movements of empty cars to restore balance. TTX cars also incur low usage charges, which minimizes incentives for railroads to engage in inefficient movements of empty cars, and TTX allows railroads to "turn back" idle cars, thereby avoiding usage charges, without moving the cars off-line.[18] TTX's management

---

[18] TTX's Form A Car Contract provides that railroads may "turn back" cars to TTX on five days' notice. TTX can then redirect those cars to where they are needed or have the noticing carrier (continued...)

also encourages railroads to compete for new business by assuring them that they will have access to flatcars when they need them, and that they will not be burdened by the fleet when they do not.

The TTX fleet avoids empty miles through rules that allow participating railroads to use TTX flatcars of all types on their lines for loading and then direct them to any destination on any road.[19] TTX achieves additional efficiencies by directing the redistribution of flatcars when appropriate. As Mr. Casey explains, normal traffic flows periodically lead to imbalances of empty equipment. TTX has the expertise to identify these situations and facilitate effective solutions for them more efficiently than could railroads working independently. In this way, participating railroads can count on having access to a share of the TTX fleet that is roughly commensurate with their relative needs, and looming equipment shortages can be avoided. Casey VS at 18-20.

TTX also continues to explore opportunities to maximize utilization of pool cars as market conditions evolve. For example, in 2011 TTX implemented new distribution rules for double-stack intermodal cars that distinguish between cars with 40-foot wells and cars with 53-foot wells. TTX adopted the new rules to advance the efforts of participating railroads that were seeking to improve productivity of their intermodal services by better matching car sizes with container sizes. *Id.* at 23-24. TTX and its participants have also sought to improve efficiency by

---

store the cars on its lines without incurring further car hire charges. Casey VS at 18; *see also* Exhibit F.

[19] As discussed below, TTX has placed certain flatcars in "16(c) pools," which have special rules governing empty returns, where its participants have determined that the special rules will allow them to provide better service to their customers.

removing certain non-intermodal flatcars from so-called "16(c)" pools,[20] while retaining flexibility to use 16(c) pools where that approach is the most effective response to market conditions. *Id.* at 24.

The efficiencies associated with TTX's free-running fleet are quite significant. As Mr. Casey explains, TTX cars move empty less often than most other cars on the nation's railroads. In 2013, for example, TTX intermodal cars operated empty only 7.1 miles for each 100 miles they travelled. *Id.* at 20. As Mr. Rennicke explains, these efficiencies translate into large productivity savings: TTX's distribution methodology saves the rail industry approximately $345 million in annual operating expenses and annual capital carrying costs. Rennicke VS at 5, 23. TTX passes its efficiencies on to its participating railroads in the form of low usage charges. Casey VS at 32-33.

TTX's flatcar pool also fosters more efficient railroad operating practices, which in turn reduce transportation costs and improve service to shippers. By assuring its participants access to, and unrestricted use of, low-cost pooled cars, TTX encourages railroads to use equipment in ways that contribute to network-wide efficiency in circumstances where the sometimes parochial interests of individual railroads—facilitated by the AAR car service rules, a primary aim of which is to protect individual railroads' access to their assets—might produce inefficient behavior. For example, because TTX cars can be used inexpensively, loaded in any direction, and (if demand is slack) idled to avoid further usage charges, railroads need not switch TTX cars out of yards or terminals simply to avoid expensive car hire charges. Avoiding this unproductive

[20] The "16(c)" designation comes from an earlier version of AAR Car Service Rule 16, which allows cars to be placed into "pools" for routing instructions.

activity saves railroads significant operating costs and helps them maintain the fluidity of their mainlines, yards, and terminals. *Id.* at 19-21; Rennicke VS at 9-10.

In addition, because participating railroads can count on access to a share of TTX pool equipment commensurate with their relative needs, they have no incentive to hoard TTX cars. Instead, as Mr. Casey explains, they are relatively more willing to let TTX equipment move off their lines as part of efficient interline movements, secure in the knowledge that they will be able to gain access to other TTX equipment when they need it. Casey VS at 19-20.

The inherent ability of TTX's pool cars to change hands seamlessly in response to traffic shifts also encourages competition among railroads. With assured availability of TTX flatcars to meet customer shipping needs, participating railroads can bid on new business opportunities without having to worry about investing in new equipment to handle the customer's traffic. In fact, competitor railroads will be able to offer lower rates, because they do not need to worry about recovering investments in duplicative equipment. TTX's cars will be available to whichever railroad the customer chooses. *Id.* at 21-23; Brown VS at 5.

3. TTX's Efficient Repair and Maintenance of Pool Equipment Reduce Costs and Provide Better Quality Equipment

The TTX flatcar pool achieves a high degree of efficiency in the repair and maintenance of pool equipment. In part, these efficiencies result from the geographic scope and accumulated expertise of TTX's own maintenance facilities and forces. TTX's continent-wide network of repair shops, independent repair facilities, and Field Maintenance Operations ("FMOs") helps avoid inefficient and time-consuming empty movements of bad-ordered equipment, reducing operating costs and improving utilization of the fleet. TTX has also created Mobile Repair Operations to work on pool cars that might not normally pass through locations with FMOs. Harmsworth VS at 10-11. TTX's maintenance forces have valuable experience and expertise in diagnosing problems with TTX equipment and fixing them in the most efficient way possible. *Id.* at 4.

Equally important is TTX's basic approach to the maintenance of its equipment. Because TTX acts in the interest of its participating railroads, TTX's goal is not to keep its cars in service until something breaks and then make only the bare minimum repairs needed to get the car back into service. Rather, TTX takes a holistic approach that aims to minimize total costs for the rail network as a whole, including the costs of operational disruptions associated with unplanned train stops and the need to switch bad ordered cars on the mainline, in yards, and at terminals. TTX seeks to address conditions that warrant maintenance attention well before components reach the point where a car is deemed "bad-ordered" or "defective" under generally-applicable mechanical standards, or identified as such because it fails in service. *Id.* In addition, when TTX has one of its cars in the shop, it does not necessarily limit repairs to the bare minimum necessary to get the car back in service. Instead, it inspects the car and considers whether other repairs are warranted while the car is idle. This avoids the inefficiencies and loss of revenue associated with later taking the car back out of service to fix another problem that could have been identified and effectively addressed on the initial visit. *Id.*

TTX has pursued its approach to maintenance by investing heavily in technological resources that support the repair and maintenance process. TTX has always been an industry leader in implementing efficient predictive and preventive maintenance techniques. In 2013, TTX began implementing a state-of-the-art maintenance management and planning system based on a platform used in the aviation industry. When fully implemented, the new system will allow TTX to move beyond its preventive maintenance model, which involved scheduling maintenance at pre-determined car mileage intervals, to a "Reliability Centered Maintenance" approach, which involves using wayside detector data and statistical analysis tools to develop maintenance prescriptions tailored specifically for each car based on operating performance, and then implementing the prescription by sending instructions to an FMO along the car's route. The new system should generate significant cost savings because it will help ensure maintenance is performed when it is warranted, rather than too early or too late. *Id.* at 12-13.

TTX's maintenance operations also achieve efficiencies because of the commonality in design and componentry of TTX cars, as compared to the wide variety of cars and componentry that most shops must handle when repairing non-TTX cars. TTX's more standardized fleet allows TTX to reduce its inventories of parts (saving significant costs) and ensures that needed parts are readily available on a timely basis. *Id.* at 6.

TTX's efforts to keep its cars working productively and safely on the rail network have borne fruit. TTX works with its participating railroads to track and improve the performance of TTX equipment, taking advantage of the best available data on the performance of TTX cars in service, wherever they may be. And TTX has devoted extensive attention to reducing undesired operating events (and the associated network costs) caused by TTX equipment—including simple train stops and costly switching moves to cut out bad ordered cars. For example, TTX actively monitors the information on TTX flatcars from the railroads' nationwide network of truck hunting detectors, and proactively uses that information in three ways. First, it uses the alerts as the AAR Interchange Rules contemplate, to capture and repair poor-performing cars. Second, it uses the alerts to upgrade truck repairs to full truck rebuilds when appropriate. Third, TTX maintains statistics on alerted cars by mileage and truck type, and uses those statistics to rate the performance of the trucks and monitor for any anomalous behavior. Trucks that alert at lower-than-expected miles are monitored for additional alerts, and, if the alerts continue, the car is brought into a shop for thorough inspection and review of its repair history. TTX's proactive repair actions and detector data monitoring allow its cars to achieve truck performance levels that are significantly better than the national fleet average. *Id.* at 15-18.

4. TTX Is Uniquely Able to Redeploy Flatcars to Meet Evolving Needs of Railroads and Their Customers

TTX is uniquely positioned to modify and redeploy flatcars to new and more productive uses, enabling the use of these assets for their maximum physical life and providing new capacity to the industry without requiring substantial new capital investment. In response to shifting market demands, TTX has converted thousands of flatcars from the service for which they were originally designed to other uses. Casey VS at 26-29.

For example, TTX has redeployed thousands of its double-stack cars in response to shifts in intermodal markets. As domestic container markets shifted from the use of 48-foot containers to the use of 53-foot containers, TTX responded by redeploying many of its 48-foot double-stack cars to efficiently carry 40-foot international containers, through modifications that involve removing eight feet of length from each well. *Id.* at 26-27. This reduced TTX's need to acquire new 40-foot double-stack cars and allowed it to devote more of its capital spending to new 53-foot double-stack cars. Moreover, as demand for 53-foot double-stack equipment continued to grow, TTX embarked on a program to add length to 48-foot double-stack cars, allowing them to handle 53-foot containers. By the end of 2013, TTX had modified and redeployed 28,800 of its 48-foot double-stack units. *Id.* at 26-27; Harmsworth VS at 25-27.

TTX has also modified and redeployed thousands of other flatcars over the past ten years in response to shifting markets. TTX converted nearly 1,670 excess 89-foot flatcars to pipe service by equipping them with restraints and other appurtenances necessary to handle all major pipe diameters and lengths. Casey VS at 28. It also converted several hundred older 89-foot flatcars into cars for carrying wind power equipment. *Id.* In addition, working with Trinity Industries, TTX has modified thousands of 89-foot flatcars for use in auto service. These projects involved approximately 2,000 standard-level cars that were already in auto service, which were modified by lowering the car body so the cars could be paired with a newer bi-level autorack design, and more than 2,400 low-level cars, which were modified by applying a new deck on the existing floor to accommodate bi-level autoracks. *Id.* at 28-29; Harmsworth VS at 27-28. TTX has the unique blend of incentives and capabilities needed to facilitate the efficient redeployment of its flatcar fleet to keep pace with the evolving marketplace.

5. TTX Plays an Important Role in Research and Development

TTX plays an important role in the development and ongoing improvement of the flatcars used by North America's railroads. Because TTX acquires and manages large numbers of cars to meet the collective needs of participating railroads, it achieves significant economies of scale in its design, engineering, and maintenance workforce. It has assembled an unmatched body of expertise and resources devoted to the development and continuous improvement of railroad flatcars. It has also invested in state-of-the-art tools to model car and component performance. TTX uses these resources to work closely with railroads, shippers, component suppliers, and car builders to refine and improve equipment specifications, drawing on their collective experience to better meet evolving customer needs. TTX's role is especially important for traffic that demands high levels of speed, reliability, and ride quality, for which lowest-common denominator interchange specifications are not optimal. Harmsworth VS at 20-22.

TTX works with car builders and component suppliers to bring new ideas into actual practice in the flatcar fleet in ways that will best serve the needs of participating railroads and their shippers. When problems or issues with cars arise, TTX facilitates a swift diagnosis and implementation of appropriate solutions across the entire fleet. *Id.* at 20.

TTX has a proven track record of fostering the development and implementation of important new innovations in car design and maintenance. TTX engineers played a critical role in developing the designs and procedures used to shorten 48-foot double-stack cars to 40-foot cars and lengthen 48-foot cars into 53-foot cars while maintaining the structural integrity of these cars. TTX has used that expertise to perform the same modifications for other car owners. *Id.* at 27.

Much of TTX's development activity has taken place behind the scenes. The work has nevertheless brought continuing benefits to participating railroads and their customers by achieving incremental improvements in the performance of TTX's existing cars. Ms. Harmsworth describes many examples of TTX-sponsored improvements and innovations. They include TTX's development of innovative automated techniques for reconditioning the thousands of articulated connectors used in lieu of couplers on TTX's multiple-well double-stack cars. TTX's new technique allows reconditioning to be performed without requiring the wells to be inverted—which could only be done in heavy repair shops—and in the process allows cars to be returned to service faster, reduces repair costs, and improves worker safety. TTX's innovations also include the development and testing of manganese "bowl liners" as a replacement for expensive plastic liners used where double-stack intermodal flatcars rest on their trucks. And they include the development by TTX engineers of a new, patented design for standard couplers that, by taking advantage of advanced design and manufacturing techniques, is significantly less prone to fatigue-related failure, thereby reducing replacement-related costs and the risk that these parts will fail in service, resulting in costly train pull-aparts that disrupt rail operations. *Id.* at 20-33. All of these innovations further TTX's mission by promising substantial cost savings, life-cycle improvements, and enhanced safety to the TTX fleet.

C. TTX's Pooling Activities Yield Significant Capital Savings

The TTX flatcar pool generates significant capital savings. As discussed above, the TTX pool reduces the level of risk associated with investments in new equipment and achieves greater utilization from its flatcar assets. TTX is thereby able to justify greater investment than railroads acting individually and get more "bang for the buck" out of a given level of investment. Wells VS at 16-17; Casey VS at 5-7; Rennicke VS at 8-9.

In addition to allowing more efficient use of capital, the billions of dollars that TTX has spent on new and redeployed equipment have freed participating railroads' own capital dollars for investment in other pressing needs. Wells VS at 11; Casey VS at 13; Woodward VS at 9. Railroading is an extremely capital-intensive industry. Railroads invest an extraordinarily high percentage of their revenue to maintain and to grow and modernize their networks. AAR data show that they reinvest four times more than the average manufacturer. They spend capital on programmed replacement of their core network, adding mainline capacity where necessary to keep pace with traffic growth, building new intermodal and other terminals to meet evolving shipper needs, and acquiring new locomotives and rolling stock to serve numerous lines of business. Railroads routinely are unable to fund all of their potential capital projects.

TTX finances billions of dollars of equipment acquisitions independently, without any guarantee or capital infusion from participating railroads. TTX maintains its own excellent credit rating and thereby obtains funds inexpensively through medium- and long-term financing, in addition to its own cash flows from operations. Wells VS at 7. TTX thus allows participating railroads to remove "new flatcar capacity" from the list of priority projects competing for limited railroad funding sources, which permits other pressing projects to proceed. *Id.* at 11; Brown VS at 4-6; Woodward VS at 9.

Although some alternative mechanisms for acquiring new rolling stock—such as leasing arrangements—might avoid up-front expenditures of railroad capital, none achieve all of the capital benefits of the TTX pool. Those mechanisms do not achieve the utilization benefits of the pool, and thus entail greater-than-necessary outlays of funds. Moreover, lease obligations must be incurred directly by the railroads, burdening their financial statements. In addition, acquiring cars by lease requires that railroads commit over a term to a stream of future payments, which entails more risk than is associated with the TTX pool. The pool in essence allows railroads to "rent" cars at low rates for whatever period they want them—no matter how short—without having to make longer-term commitments (by lease or otherwise) to pay a stream of future rent for cars that might not be needed.

D. TTX's Pooling Activities Are Important in Times of Boom and Bust

TTX's experience over the ten years since the flatcar pool was reauthorized in 2004 demonstrates that the pool provides important benefits to railroads and their customers in all economic conditions. The flatcar pool's continuing value and resilience were confirmed as economic conditions shifted from boom, to bust, to recovery.

In the first years after TTX's 2004 reauthorization, record-setting rail traffic growth challenged railroad's ability to invest in capacity. However, flatcars were never a constraint on growth, thanks to TTX's investment and the efficient car utilization fostered by the pool. From January 2004 through December 2006, TTX expanded its fleet of double-stack intermodal cars from nearly 116,900 platforms to more than 160,700 platforms. In 2006, nearly 97 percent of the fleet was in service. During the same period, TTX expanded its general equipment fleet from more than 26,200 cars to more than 29,500 cars. In 2006, 99 percent of its bulkhead flatcars, 87 percent of its centerbeam cars, and 94 percent of its pipe cars were in service. TTX pool cars helped railroads meet their equipment needs and facilitated the movement of record levels of freight. Wells VS at 6.

Economic conditions then changed dramatically leading to the Great Recession of 2007, which produced extraordinary traffic reductions in the markets served by intermodal and other flatcars. North American intermodal traffic fell by nearly 20 percent from 2006 through 2009, and pool participants began exercising their ability to obtain relief from car usage charges by "turning back" pool equipment. During 2009, only 72 percent of the pool's double-stack fleet remained in service, and only 44 percent of bulkhead flatcars, 30 percent of centerbeam cars, and 50 percent of pipe cars. TTX absorbed the ownership costs of the out-of-service cars, saving railroads nearly $450 million in car usage costs from 2007 through 2009. *Id.* at 6-7.

TTX not only helped railroad participants weather the storm, but it remained in a position to resume investing in flatcars as the economy began to recover. Demand for certain equipment types remains slack, but domestic intermodal traffic has been a bright spot. From 2011 through 2013, TTX spent $920 million to increase the fleet's capacity to handle domestic double-stack traffic by 46 percent. *Id.* at 7. TTX was able to engage in this spending because its credit rating remained unchanged through the recession, thanks to its long record of consistent financial results. *Id.*

Changes in the rail industry over the past ten years have not dampened the benefits that TTX's flatcar pool generates. To the contrary, they demonstrate that TTX continues to play a critical role in the rail industry. Each of the benefits that the pool provides the rail industry is as important today as it was each time this agency authorized the pool. Railroads continue to have massive demands for capital investment, and thus they continue to depend on TTX's ability to invest more in flatcars than individual railroads could invest on their own. Railroads continue to interline a high percentage of their flatcar traffic with other railroads and to gain and lose traffic in competition with other railroads, and thus they continue to depend on TTX's management of a pool that facilitates the flow of equipment to wherever it is needed on the rail network. Railroads continue to be under pressure to reduce costs while improving service to shippers, and thus they continue to rely on TTX's role in reducing costs, improving utilization, and generally getting more productivity out of the dollars spent on equipment.

E. TTX's Benefits Extend to All of the Flatcar Types Owned by TTX

TTX is best known for its fleet of intermodal flatcars, but all the benefits of its pooling activities extend to all the flatcar types it owns. As the Board has recognized, "TTX spreads the risk of specialized flatcar investment, particularly for those flatcar types that experience highly fluctuating demand." *TTX-2*, 7 S.T.B. at 789. In addition, "[p]ooling specialized flatcars results in improved asset utilization," and those cars "benefit[] from TTX's whole-network approach to repair and maintenance, which lowers operating costs and increases equipment reliability." *Id.* "[S]pecialized flatcar pooling also fosters innovation and promotes reconfiguration and redeployment of equipment to meet changing flatcar demands." *Id.*

TTX's fleets of centerbeam and bulkhead flatcars illustrate the benefits of sharing the risks of acquiring and maintaining non-intermodal flatcars. These fleets provide participating railroads with a form of insurance—allowing them to have access to fleets of cars adequate to meet demand peaks that none would be prepared to acquire or maintain individually. As noted above, in the years immediately following the last reauthorization proceeding, 99 percent of TTX's bulkhead flatcars and 87 percent of TTX's centerbeam cars were in service, allowing railroads to meet customers' demands. However, as economic conditions changed, railroads exercised their ability to turn back these cars, thereby avoiding the ownership costs that they would have incurred had they bought the cars or leased them on a long-term basis.

TTX's centerbeam and bulkhead flatcars also benefit from TTX's understanding of network operations and its extensive experience in fleet management. As market conditions have changed, TTX has removed many of these cars from 16(c) pools in an effort to improve utilization—but even when cars remain in 16(c) pools, TTX can swap cars between pools when swapping would lead to greater efficiency. And, of course, these cars also benefit from TTX's centralized purchasing; its efficient maintenance and repair practices, which result in lower equipment costs and minimize disruptions to the network; and its research and development activities, which improve and extend the useful life of existing equipment. Casey VS at 29-30.

TTX's fleet of heavy duty flatcars also illustrates the benefits of sharing the risks of acquiring cars. These cars are used infrequently—typically, only 50 percent are in service at any one time—and it would not be economical for any one railroad to maintain a fleet large enough to meet its potential needs. TTX's pooling of heavy duty flatcars fosters competition among participating railroads for movements in heavy duty flatcars and thus improves choices available to shippers. Pooled heavy duty flatcars allow railroads to compete for business without facing the burdens of unnecessary and duplicative investment in specialized cars because TTX can and does shift cars seamlessly and on short notice from one railroad to another in response to shifts in demand. And, these cars also benefit from TTX's centralized purchasing, efficient maintenance and repair practices, and its research and development activities. *Id.* at 30.

TTX's chain tie-down flatcar fleet has also benefited from pooling activities. Using its extensive engineering expertise, TTX has been engaged in a program designed to extend the useful life of these cars, which reduces the cost of maintaining an adequate fleet to meet demand. TTX is also currently testing the use of composite materials in place of wood on its wood-deck chain tie-down fleet, which holds the promise of extending the serviceable life of that fleet.

Chain tie-down flatcars are particularly important for handling military shipments, but the sporadic and shifting nature of the demand makes it impossible for any railroad to justify investing in a fleet large enough to accommodate the military's needs. TTX's work to extend the life of its fleet is helping ensure that sufficient cars remain available to meet the military's needs. *Id.*

TTX's fleets of pipe cars and cars for handling wind power equipment also benefit from TTX's pool ownership and management. In recent years, there has been increased demand for shipments of pipe used in drilling and pipeline operations and equipment used to build wind-power turbines. The flatcars used in this service are almost all cars that were modified and redeployed from other uses. As the owner of the assets, TTX had the incentive to recognize the opportunity to extend the economic lives of the cars, and it had the engineering expertise to design and implement the necessary modifications. In addition, TTX's ownership and management of these fleets fosters competition and increases asset utilization. The demand for cars to ship pipe can shift substantially as drilling and pipeline projects begin and end around the country. TTX ownership helps ensure an efficiently-sized fleet that can move from region to region and railroad to railroad depending on the location of the project and which carrier wins the business. Wind power parts traffic is even more sporadic, and TTX's ownership of a fleet of cars allows railroads to compete for new opportunities with the assurance that they will have access to the cars necessary to handle the business. *Id.* at 30-31.

TTX's fleet of automotive flatcars also benefits from pooling. The development of the 89-foot autorack provided an efficient means of reusing TTX's standard 89-foot intermodal flatcars as that design fell out of favor with the shift towards more-efficient double-stack and spine-car equipment to move intermodal containers. These redeployments within TTX's fleet both extended the life of these cars and enabled low-cost capacity additions to automotive service. As automotive traffic has continued to grow, TTX has played a leading role in the development of new cars and the continuous improvement of ride quality to meet the needs of the automotive industry. TTX's automotive flatcars also achieve a very high degree of utilization efficiencies through intensive management of autorack distribution by the Multilevel Reload Pool. Although the Reload Pool's distribution functions are separate from TTX's flatcar pool, they could not function effectively unless the flatcars underlying the racks were regarded by the railroads as fungible, free-running cars. *Id.* at 31.

F. TTX's Pooling Activities Will Continue to be Critical in the Future

TTX's flatcar pool will continue to play a critical role in fostering the growth of rail traffic, especially intermodal traffic. One of TTX's most important contributions to modern railroading is its role in facilitating the continued growth of intermodal transportation. TTX has played a vital role in allowing railroads to develop and grow their intermodal business in the 40 years since the flatcar pool was first authorized. Intermodal transportation has grown more than 600 percent since 1975. Woodward VS at 4. TTX's investment in and efficient operation of intermodal flatcars has been an indispensable part of the railroads' successful efforts to expand this important source of traffic. *Id.* at 5.

Sustaining this growth in intermodal traffic is vital to the future of the North American rail network. As Mr. Woodward explains, there are tremendous opportunities for growth in rail intermodal shipments, as the amount of traffic that moves in rail intermodal service represents a small fraction of the long-haul intercity transportation market. *Id.* at 10-11. Especially in recent years, railroads have made substantial investments in their networks to improve their ability to compete for this traffic. For example, they have invested in new and expanded intermodal terminals and in increasing the vertical clearances on their routes to accommodate double-stacked containers. *Id.* at 9. But they will need TTX to continue to invest in new flatcars to provide efficient management of the fleet if they are to succeed in shifting traffic from truck to rail. *Id.* at 9-10.

Continued growth in intermodal traffic promises huge societal benefits. Our Nation's highways are already congested and problems are projected to keep growing worse. There are substantial challenges in simply maintaining existing roadway infrastructure, and the challenges of funding new capacity are even greater. Increased use of rail intermodal transportation is the sensible solution. And shifting traffic from truck to rail will have other collateral benefits, ranging from improved air quality and increased energy efficiency to reduced highway fatalities. *Id.* at 11-17. Reauthorization of TTX's flatcar pool will help allow railroad participants to meet the opportunities and challenges that will face the industry over the next fifteen years.

IV. REAUTHORIZING TTX WILL NOT "UNREASONABLY RESTRAIN COMPETITION"

Pursuant to 49 U.S.C. § 11322, in order to approve this application, the Board must find that the pool "will not unreasonably restrain competition." TTX's flatcar pool amply satisfies this standard based on the strongly procompetitive features of the pool addressed in detail above. TTX has consistently been found to be—and continues to be—a vital mechanism for enabling the *expansion* of carrying capacity across the commodities transported on flatcars, helping railroads compete with one another and with other transportation modes to grow their traffic base, in the process increasing their demand for flatcars as well.

In every prior proceeding, the Board has consistently found that the TTX flatcar pool will not restrain competition and instead offers important pro-competitive benefits to the rail industry. *See TTX-2*, 7 S.T.B. at 786-87 (concluding in 2004 that TTX "consistently has produced significant, undeniable benefits to railroads and shippers that could not have been achieved as easily, if at all, in the absence of the TTX flatcar pool" and that the pool "will not unreasonably restrain competition"); *TTX-I*, at 4 (affirming in 1994 that continued authorization of the pool "will not unreasonably restrain competition"); *Trailer Train*, 5 I.C.C.2d at 574, 585 (concluding in 1989 that the pool poses "no potential harm from monopsony" power and that TTX could not "act as a medium of monopolization of intermodal transportation markets even if the railroads so wished"); *Railbox Pool*, 347 I.C.C. at 905 (finding in 1974 "ample support in the evidence for a conclusion that the Trailer Train pooling agreement . . . will not unduly restrain competition between the participating railroads in the provision of car service").

TTX's track record since the Board's 2004 reauthorization proceeding confirms the validity of the Board's prior findings and supports renewing TTX's authority. Professor Joseph P. Kalt, one of America's leading industrial organization economists, has examined TTX's record and the competitive structure of the markets in which TTX operates. As he explains, there is no more basis for any conceivable concern about TTX's flatcar pool acting as a "restraint" on competition than there was in 2004, when the Board resoundingly rejected such concerns and found TTX to foster *increased* competition. Kalt VS at 18-28.

As Professor Kalt explains, the procompetitive nature of the TTX flatcar pool is assured both by the organic structure of the pool itself and TTX's associated mission and track record, as well as the structure of the highly competitive markets in which TTX and its owners operate.

First, although the TTX pool offers a wide array of benefits to the railroad industry and its customers, the pool is structured to be entirely optional. TTX's participants have no obligation to use TTX flatcars, much less to do so exclusively.[21] At all times, participating

[21] *See* Pooling Agreement § 7.11(c) ("No Railroad Participant shall by reason of participation in this flat car pooling plan, be required to modify its individual car ownership program or to load pool cars preferentially to its own.").

railroads retain the option of turning back TTX flatcars (with no penalty) and choosing to obtain equipment by purchase, lease, or from other sources. And, in fact, TTX's participants avail themselves of this option when it better serves their needs. Casey VS at 33. The availability of these alternative channels for the supply of railroad flatcars—even more well-established today than in the past with the continuing growth and vitality of the railcar financing and leasing businesses—ensures that TTX will not engage in anticompetitive conduct, as either a buyer or seller of flatcar services. Thus, even in the unlikely event that TTX deviated from its role as a consistently efficient and low-cost provider of flatcar services, individual railroads can and would turn to one of the many other available options for flatcar services. *Id.* at 33-34. As Mr. Wells explains in his statement: "TTX's goal is to make its service more attractive than other options, and its future success hinges on being able to continue the benefits that have characterized the pool for more than 40 years." Wells VS at 9; *see also* Brown VS at 10.

Second, the highly-competitive transportation markets within which the railroads operate further ensure that the TTX flatcar pool will continue to play a purely pro-competitive role. Shippers in these markets are highly sensitive to cost, speed, and reliability, and railroads face vigorous competition with other transportation options such as steamship lines and trucks. These pressures provide TTX with strong incentives to offer efficient and low-cost equipment so as to foster greater efficiency and competitiveness on the part of the railroads who use TTX equipment in the transportation markets they serve.

This intensely competitive environment, combined with the lack of any obligation on any TTX participant to use TTX's flatcars, rules out any risk of competitive harm. As TTX is well aware, whether TTX's fleet remains an important part of the railroads' flatcar supply turns on its ability to continue generating efficiencies and providing benefits to its participants and their customers. The railroads' continuing participation in and support of the pool is a testament to its pro-competitive benefits and the lack of adverse effect on competition.

Third, the alignment of TTX's interests with that of its railroad owners has parallel implications for TTX's role in the *acquisition* of railcars: Far from serving as a force restraining the demand for new railcars, TTX increases demand by driving down the risk of investing in new cars and increasing the effective value of those investments through fleet efficiency improvements and life-cycle extensions. Mirroring the collective interest of its owners, moreover, TTX has a strong interest in an efficient, healthy base of railcar suppliers and has neither incentive nor ability to artificially constrict demand in a manner that harmed these vital suppliers.

Leaving aside TTX's incentives to expand rather than restrict the purchase of flatcars, TTX could not exercise monopsonistic purchasing power even it tried. As the chart below illustrates, TTX's share of flatcar manufacturers' total production continues to remain at low levels. As shown in Table 1 below, since 2004 TTX's share of freight car purchases has never exceeded 20 percent of total purchases in the market, far below any threshold that could conceivably raise competitive concerns. Kalt VS at 24-26.

TABLE 1

TTX'S SHARE OF FREIGHT CAR PURCHASES

	TTX Share of ALL Freight Car Purchases (excluding tank cars)
2004	32.5%
2005	17.7%
2006	8.5%
2007	5.9%
2008	3.1%
2009	0.0%
2010	0.1%
2011	19.6%
2012	16.7%

Moreover, the ongoing consolidation and diversification within the railcar manufacturing industry has made any "monopsony" concern even more implausible. Consolidation among those manufacturers has diversified their product lines and thus strengthened their ability to shift output to other car types in the event of an attempted suppression of demand, and technical advances in car production have enabled greater versatility in production line substitution. And in recent years, fueled by a resurgence in domestic energy production and an increased demand for petroleum transportation services, these manufacturers have dramatically expanded their production capabilities to include an even wider array of car types, including tank cars. Kalt VS at 27-28.

V. THERE IS BROAD-BASED SUPPORT FOR REAUTHORIZATION OF TTX'S FLATCAR POOL

TTX is submitting with this Application an initial group of support letters from more than 50 shippers and other parties who—like the railroad participants sponsoring this application—benefit from the efficient supply of high-quality flatcars enabled by TTX's flatcar pool. These letters, which are collected at Tab P in Volume II, manifest a broad-based endorsement of the many benefits of the pool recounted by the witnesses supporting this application and explicit support for reauthorizing the pool for a term of 15 years.

A. Supporters Represent a Broad Cross-Section of Stakeholders

The support represented in these letters reflects the diversity of stakeholders who benefit from TTX's flatcar pool.[22] A core group of TTX's supporters are shippers whose freight moves on flatcars including: intermodal shippers like Home Depot, Lowe's, and Canadian Tire; steamship lines like APL, Hapag-Lloyd, Hyundai Intermodal, "K" Line, Maersk, and MOL (America); automotive shippers like General Motors, Nissan, and Toyota; forest products shippers like Georgia-Pacific, Plum Creek, and Roseburg Lumber; manufacturers of tractors and other heavy machinery like Deere & Company; pipe and steel shippers like American Cast Iron Pipe Company and EVRAZ; shippers of power transformers like SPX Transformer Solutions; and the trade association representing wind energy shippers, American Wind Energy Association. They also include numerous intermediaries who represent shippers that depend on efficient flatcar supply, including: trucking companies like J.B. Hunt and Swift; intermodal marketing companies like C. H. Robinson and Hub Group; transloaders like Universal Warehouse; arrangers of heavy-duty shipments like Mammoet USA, Maritime World Logistics, and BNSF Logistics; and arrangers of wind turbine shipments like Logisticus. They also include some of the largest container ports in the United States, including: New York/New Jersey, Long Beach, Los Angeles, Tacoma, and the Alameda Corridor Transportation Authority. And they

---

[22] In addition to users of flatcars, TTX's supporters include numerous suppliers of flatcar equipment and componentry and the Transportation Communications Union.

also include East Coast ports—like Miami and Savannah—that are relying on rail intermodal to support anticipated increases in throughput resulting from the expansion of the Panama Canal.

B. Supporters Confirm the Broad Array of Benefits from TTX's Flatcar Pool

The supporters speak to the full array of benefits described in the application, including the pool's contribution to ensuring that the railroads have access to an adequate supply of flatcars that can be deployed when and where needed, the pool's benefits from efficient utilization and maintenance of pooled flatcars, and the pool's role in fostering improvements in railcar and component design.

TTX's investments in railcar capacity are a consistent theme. The Port of Long Beach explains that "TTX facilitates continuing investment in the U.S. railroad industry in intermodal equipment supply, so that this vital need is not underserved in eras of high demand on railroad capital." The American Wind Energy Association cites how "TTX nearly doubled the size of its wind energy fleet to ensure adequate capacity would be available to handle [an] incredible surge in demand for wind energy shipments." J.B. Hunt lauds TTX for having "kept [its] promise of providing high-quality, well-maintained flatcars in sufficient supply," and particularly highlights TTX's investments in stretching "many of its 48-foot well cars to 53-feet, enabling us to become more efficient and better serve our customers."

Users of flatcars recount their firsthand experience with the efficiencies unlocked by TTX's efficient management of a pooled fleet. APL Logistics notes TTX's geographic flexibility, which ensures that cars "can be distributed to handle any need that we might have throughout the U.S., Canada, and Mexico." Similarly, Hyundai observes that the pool "ensures that capacity can move freely across the rail network, and be available for shipments on all railroads and in all lanes."

Flatcar users also appreciate TTX's maintenance expertise. American Iron Pipe Company cites "TTX's proactive and efficient maintenance practice" that "makes [TTX] equipment more dependable and allows the rail network to operate more reliably." Deere & Company finds "TTX equipment more dependable," which "allow[s] rail networks to operate more reliably, lowering [Deere's] costs from delays due to malfunctioning equipment."

C. Supporters Confirm that Pooling Benefits Extend to All of TTX's Flatcar Types

The initial group of support letters accompanying the application also confirms that users of all of the flatcar types in TTX's pool will benefit from a reauthorization of the flatcar pool. Not surprisingly, many of the supporters rely on the efficient supply of intermodal flatcars that is a core goal of the TTX pool. The Port Authority of New York/New Jersey, for example, states that TTX "has supported the annual growth of Port Authority intermodal business, which for the last decade has averaged 4.8%," and failing to reauthorize TTX would "cause disruption to international trade and commerce that would have negative consequences to the regional as well as the national economy."

Automotive shippers such as Toyota also "rely and depend on the smooth functioning of the TTX flatcar pool for . . . continued growth and success." Toyota uses "a shared multi-level fleet that is managed by TTX" as well as TTX-owned "pooled flatcars on which is mounted a railroad-owned auto rack." This enables Toyota to move 70 percent of its vehicles by rail, saving money and minimizing impacts on the environment. Toyota supports reauthorization of the TTX flatcar pool "as it will serve to maintain the current rail transportation system" upon which Toyota relies.

Heavy duty shippers like Mammoet also "rely on . . . the TTX flatcar pool for the growth and success of our business and for [its] customers." Mammoet notes that "TTX facilitates investment in equipment that is vital to [its] business but might get overlooked by railroads given relatively infrequent use of heavy duty flatcars and other pressing investment needs."

Numerous shippers who use the many other types of flatcars in TTX's fleet for shipments of such commodities as pipe, forest products, wind-energy equipment, and steel similarly derive significant value from the flatcar pool. Major home improvement retailer Lowe's confirms that "the TTX centerbeam fleet has consistently been there to help us move lumber in an especially volatile market" and ensures that Lowe's "will have access to a supply of railcars that are tailored to [its] needs." And the American Wind Energy Association writes that the wind energy industry "require[s] railcars that can move across the railroad network without restrictions," which when supplied by TTX permit "capital avoidance, less cost, and shared risk."

In short, the supporters include shippers and logistics businesses in multiple industries that rely on flatcars to move their freight shipments. They represent the diversity of flatcar types in TTX's fleet and the range of commodities handled by those cars. They include the beneficial owners of freight and shipping intermediaries. And they include both private sector businesses and governmental agencies who share an interest in efficient flatcar supply and transportation. Taken as a whole, they reinforce the many public benefits of the pool that TTX itself highlights in this Application – its investment in the railroad industry, its emphasis on efficiency and the high quality of the equipment, and its commitment to research and development.

VI. THE BOARD SHOULD APPROVE THE TTX POOLING AGREEMENT AS MODIFIED FOR 15 YEARS

This application seeks Board authority to continue TTX's pooling of flatcars on the same terms and under the same regulatory framework that have applied for at least the past forty years. The proposed Pooling Agreement, the related Form A Car Contract, and the Form D Special Devices Contract for which TTX seeks Board approval are substantively identical to those that are currently in force. TTX proposes only two changes that bear on its authority. First, TTX requests approval of its participants' decision to adopt a 15-year term for their pooling agreement, rather than the ten-year term authorized in 2004. Second, TTX seeks approval of a variety of technical changes to the language of the Pooling Agreement.

A. The Board Should Reauthorize the Flatcar Pool for a 15-Year Term

TTX seeks a 15-year reauthorization of the flatcar pooling agreement because a longer term will promote certainty and stability for TTX, participating railroads, and shippers that use pool equipment. A longer term will also reduce regulatory burdens on TTX and participating railroads. TTX now has a 40-year track record before this agency. Each time the agency has examined TTX's pooling activities, it has found the flatcar pool to be in the interest of better service to the public or of economy of operations, and that an extension of TTX's pooling authority will not unreasonably restrain competition. TTX has proven its value to the rail industry time and again, in all economic conditions, and its experience conclusively demonstrates that past rationales for imposing shorter terms are no longer valid.

The TTX flatcar pooling agreement originally approved by the ICC in 1974 provided for an initial term of 15 years, followed by automatic renewals until the parties concluded that they wished to terminate the agreement. The ICC approved those provisions, consistent with its practice of approving railroad equipment pools that had similarly indefinite terms.[23] In 1987, however, TTX sought ICC approval for certain amendments to the pooling agreement. In that proceeding, which concluded in 1989, the agency reauthorized the flatcar pool for a period of

---

[23] *See, e.g.*, *The Baltimore & Ohio R.R. – Pooling of Car Service Regarding Multi-Level Cars*, FD 29653 (ICC served Aug. 19, 1981); *Railroad Car Service Pooling Application (RBL Pool)*, FD 30607 (ICC served Sept. 26, 1983); *AAR Boxcar Pool*, FD 30969 (ICC served Sept. 30, 1987).

only five years. The ICC explained that a shorter term of approval was appropriate because the "current market and regulatory climate in which [TTX] operates is so dynamic," particularly with regard to the evolution of equipment lessors and the then-ongoing reassessment of the ICC's car hire rules. *Trailer Train*, 5 I.C.C.2d at 603. In 1994, the ICC extended TTX's authority for an additional ten years, explaining that TTX operated in a "market and regulatory climate that [were] still, as they were 5 years ago, dynamic and changing." *TTX-1* at 5. In 2004, the Board extended TTX's authority for another ten years, explaining that it had "balanc[ed] the clear benefits of a longer extension against the competing considerations voiced by other parties." *TTX-2*, 7 S.T.B. at 794.

The Board now has another ten years of experience with the flatcar pool, and that experience justifies a longer reauthorization period. The regulatory and market conditions that were "dynamic and changing" in 1989 and 1994 are now far more settled. The concerns raised by TTX's competitors in 2004 have not materialized. The Board concluded in 2010 that TTX's operations had not raised any cause for concern and that the flatcar pool was "operating as the Board expected." *TTX Monitoring* at 4. TTX has shown that intermodal and other important rail transportation services continue to depend on TTX's role in acquiring and managing flatcars, that TTX has continued to innovate and invest to maximize utilization and minimize costs and usage fees, that TTX provides significant benefits and other efficiencies under the full range of economic conditions, and that TTX does this all without restraining competition.

TTX's proposed 15-year term would reduce the burdens on TTX and its participants of participating in Board reauthorization proceedings and provide greater certainty to the railroad industry. The Board would still "retain continuing jurisdiction over TTX's pooling activities," and thus it could "revisit any element of the Pooling Agreement or TTX's pooling authority at any time upon proper showing." *TTX-2*, 7 S.T.B. at 794. Particularly in light of the Board's oversight jurisdiction, there is no sound justification for imposing a shorter limit on the term of the TTX flatcar pool than the term to which the parties have assented.

B. The Proposed Technical Changes in the TTX Flatcar Pooling Agreement Are in the Public Interest

In connection with the proposed extension of the TTX flatcar pool, the participating railroads have updated the language of the Pooling Agreement. The updates are all technical in nature and do not alter the substance of the agreement.[24]

First, the amended agreement eliminates an obsolete reference to "the trustees of certain railroad companies." Second, it eliminates references to the "Shareholders' Agreement" and substitutes references to the "Restrictive Stock Transfer Agreement" which is essentially an updated version of the "Shareholders' Agreement" (in Article II and section 7.4). Finally, it updates the factual recitation in the provision regarding the agreement's duration (in Article IX).

VII. THE BOARD SHOULD ACCEPT TTX'S APPLICATION AND ESTABLISH A PROCEDURAL SCHEDULE

TTX respectfully requests that, as soon as reasonably possible, the Board publish a notice of this application in the Federal Register.[25] A suggested form of Notice is attached as Exhibit E. TTX suggests that comments on the application (including argument and evidence supporting or opposing the application) be due 60 days later, with applicants' rebuttal in support of the

---

[24] Although non-substantive changes such as these likely do not require Board approval, *see Railbox Pool*, 347 I.C.C. at 883-84, we are presenting them here so that the Board has before it a full understanding of the Pooling Agreement.

[25] The pooling statute provides that the Board may commence a proceeding "on application." 49 U.S.C. § 11322(c).

application (if any) due 30 days thereafter. TTX does not anticipate that formal hearings will be necessary.

The proposed schedule provides interested persons a full and fair opportunity to comment on TTX's application. The application is straightforward. It seeks the continuation of a Board-approved pool that has been subject to regulatory oversight for 40 years. The proposed schedule is consistent with the schedule the Board ultimately adopted in the 2004 reauthorization proceeding.

The proposal presented in this application and the actions to be taken pursuant to a Board order approving it do not constitute a major Federal action within the meaning of the National Environmental Policy Act, 42 U.S.C. §§ 4332 *et seq.*, as defined by 40 C.F.R. § 10508.18 and applied by the Board in 49 C.F.R. § 1105.5. Nor does the requested action by the Board constitute a major regulatory action within the meaning of the Energy Policy and Conservation Act, 42 U.S.C. § 6362(b) or the Board's regulations in 49 C.F.R. Part 1105.

CONCLUSION

The TTX flatcar pool has created substantial benefits and other efficiencies for the North American rail network over the past four decades during which it has been subject to regulation. As this application demonstrates, there are compelling justifications for continuing TTX's pooling activities into the future, as requested by the nine railroads that participate in TTX and a broad cross-section of the shippers and others that benefit from the pool's operation. In order to allow TTX to continue providing the substantial public benefits of the TTX flatcar pool, TTX and its participating railroads request that the Board expeditiously (1) commence a proceeding and establish a procedural schedule for considering this application, and (2) approve the proposed pooling arrangement as reflected in the proposed amendments to the TTX Pooling Agreement and TTX's related Form A Car Contract and Form D Special Devices Contract.

Respectfully submitted,

Michael L Rosenthal

MICHAEL L. ROSENTHAL
DEREK LUDWIN
ANNE Y. LEE
SPENCER F. WALTERS
Covington & Burling LLP
1201 Pennsylvania Avenue, NW
Washington, DC 20004
(202) 662-6000

DAVID L. MEYER
ROBERT M. NICHOLS
Morrison & Foerster LLP
2000 Pennsylvania Avenue, NW
Washington, DC 20006
(202) 887-1519

PATRICK B. LOFTUS
ANNE E. TREADWAY
SHANNON K. BAGATO
TTX Company
101 North Wacker Drive
Chicago, Illinois 60606
(312) 984-3838

Attorneys for Applicants

January 16, 2014

VERIFICATION

STATE OF ILLINOIS	)	
	)	**ss**
COUNTY OF COOK	)	

THOMAS F. WELLS, President and Chief Executive Officer of TTX Company, being duly sworn, deposes and says that he has read the foregoing statement, knows the contents thereof, and that the same are true as stated therein.

T. F. Wells
THOMAS F. WELLS

Sworn to and subscribed before me
this 15th day of January, 2014

Elizabeth G. Flores
Notary Public

OFFICIAL SEAL
ELIZABETH G. FLORES
NOTARY PUBLIC STATE OF ILLINOIS
My Commission Expires 04/25/2017

My commission expires 4-25-17.

TAB
A

EXECUTION

TTX POOLING AGREEMENT

THIS AGREEMENT, dated as of the 1st day of October, 2014, by and among the railroad companies, signatories hereto (hereinafter collectively called the "Railroad Participants"), and TTX Company (formerly known as Trailer Train Company and hereinafter called "TTX"), 101 North Wacker Drive, Chicago, Illinois 60606.

In consideration of their mutual and reciprocal undertakings, the Railroad Participants agree with each other and with TTX as follows:

ARTICLE I - THE PARTIES

1.1. All of the Railroad Participants are common carriers engaged in the transportation of property by railroad in interstate commerce, between points in the United States, or between points in the United States and places in a foreign country, subject to the provisions of Part A of Title 49 of the United States Code. In such operations, they transport freight in railroad cars, including flat cars, and compete with one another in providing such transportation service.

1.2. TTX was incorporated under the laws of the State of Delaware on November 9, 1955. Currently, 100% of its capital stock is owned directly or indirectly by Railroad Companies as hereinafter defined or by their affiliates for the benefit of said Railroad Companies. It presently is a car owning company furnishing flat cars to Railroad Companies under individual contracts with each and provides related procurement, financing and management services with respect thereto.

ARTICLE II - DEFINITIONS

2.1. "Railroad Company" means a common carrier by railroad as defined in Section 10102(5), of the Act.

2.2. The "Act" means Title 49 of the United States Code, including the Interstate Commerce Commission Termination Act and the "STB" means the Surface Transportation Board.

2.3. "Car service" means those functions defined in Section 10102(2) of the Act, including the design, acquisition, financing, utilization, maintenance and accounting for the use of freight cars.

2.4. "Form 'A' Car Contract" and "Form 'D' Special Devices Contract" mean the forms of the instruments with those captions entered into individually between TTX and Railroad Companies, both as amended and supplemented.

2.5 "Restrictive Stock Transfer Agreement" means the instrument with that caption dated as of July 7, 1987, among TTX and its stockholders, as supplemented.

ARTICLE III - SURFACE TRANSPORTATION BOARD APPROVAL

3.1. This agreement is subject to approval by the STB of an application to be filed under the provisions of Section 11322 of the Act. The effective date of the agreement shall be 10 days after the STB's order expressly approving it shall have become final and legally effective.

ARTICLE IV - PURPOSE

4.1. The purpose of this TTX Pooling Agreement is to provide a means by which the Railroad Participants (including Railroad Companies not now signatories which shall later become participants), together with TTX, may lawfully agree to and jointly provide for the pooling of car service and the divisions of gross or net earnings as affected thereby with respect to railroad flat cars to the end that there shall be a pool or pools of such cars to be acquired, financed, managed, maintained, and accounted for by TTX so as to enlarge the flat car fleet and accomplish better service to the public and better utilization and economy.

ARTICLE V - THE BASIC UNDERTAKING

5.1. The Railroad Participants and TTX agree to pool car service of the Railroad Participants as provided herein, and to the divisions of their gross or net earnings as affected thereby, in the manner and subject to the terms, conditions and limitations hereinafter set forth.

5.2. To accomplish the pooling referred to in Section 5.1 hereof and to achieve the purpose expressed in Article IV hereof, the parties agree through the instrumentality of TTX:

(a) To seek standardization of flat car types of improved utility and economy through the pooling of experience, information and services used or useful in the research, development, engineering and design of such cars;

(b) To pool information concerning the present and estimated future requirements for such cars and car service of the individual Railroad Participants and thereby to develop programs for the joint purchase of a pool of such cars of particular types found to be needed;

(c) To purchase the number of flat cars of types found to be needed so as to achieve all available economies through such purchase programs;

(d) To obtain favorable equipment financing in the purchase of such cars through cooperative actions;

(e) To accomplish pooled management, control and accounting for the use of such cars and car service in order to obtain maximum utilization and better service to the public; and

(f) To pool the cost of the ownership, operation, and maintenance of such cars and to assess user charges which divide such cost equitably among the Railroad Participants, with due regard for return on investment and with provision for user adjustment refunds, as appropriate.

5.3. The parties expressly acknowledge that the agreement, undertakings and plans set forth herein will mutually benefit each of them and will enable them to improve car service to the members of the shipping public without any undue restraint on competition between them, or between them or any of them, and any other person.

ARTICLE VI - STUDIES OF FLAT CAR TYPES

6.1. Pursuant to this TTX Pooling Agreement, the Railroad Participants herewith undertake and agree to conduct through TTX studies, from time to time, and to consider the application of the terms of this agreement to particular types of flat cars.

ARTICLE VII - THE FLAT CAR POOLING PLAN

7.1. There shall be established a pool of general and special purpose flat cars of a standardized design or designs to be controlled and managed by TTX in accordance with the purpose of this TTX Pooling Agreement.

7.2. Railroad Companies which are now stockholders of TTX shall be Railroad Participants in this TTX Pooling Agreement. Any other Railroad Company which meets the participation requirements set forth herein shall be authorized to become a party to this agreement.

7.3. TTX shall be the instrumentality through which this agreement and pooling plan shall be carried out and the board of directors of TTX shall be vested with the authority necessary to accomplish that purpose.

7.4. Participation in this flat car pooling plan by any Railroad Company not as of the date hereof a stockholder of TTX shall be dependent upon compliance by each such Railroad Company desiring to participate with the following requirements:

(a) Being a signatory to this TTX Pooling Agreement and included within the scope of an order of the STB approving an application under Section 11322 of the Act with respect thereto;

(b) Becoming a stockholder of TTX through the purchase and continued ownership thereafter of not less than 100 shares of the capital stock of TTX (except to the extent to which the stockholders or the board of directors of TTX shall determine that ownership of a lesser number of shares shall be required);

(c) Being a signatory to such Form "A" Car Contract and such Form "D" Special Devices Contract, as is defined herein, each as amended and supplemented, as the board of directors of TTX shall from time to time have established; and

(d) Being a signatory to the Restrictive Stock Transfer Agreement, as defined herein, or any other duly approved Shareholders Agreement.

7.5. Any Railroad Company which desires to become a party hereto and which is not as of the date hereof a stockholder of TTX shall, if it desires to purchase the required number of shares of capital stock from TTX, be afforded the opportunity, on application therefor, to purchase said shares from TTX at a reasonable, nondiscriminatory and competitive price and upon such terms and conditions of payment as shall be fixed by the stockholders or the board of directors of TTX.

7.6. Each Railroad Company signatory agrees with each other signatory to comply with the terms and conditions of this agreement.

7.7. The board of directors of TTX shall determine, from time to time, the number, type, and design characteristics of the flat cars to be acquired by TTX and other matters pertaining to their design, purchase, financing, utilization, maintenance, accounting and methods to be employed for the division of gross or net earnings.

7.8. Each Railroad Participant, without limitation upon its right to secure any or all of its requirements for flat cars by other means, shall:

(a) Furnish to TTX such information relative to the types of flat cars under consideration for purchase by TTX as TTX may reasonably request; and

(b) Furnish to TTX such other information as it may reasonably request concerning utilization of the type of flat cars to which this agreement relates, including such Railroad Participant's anticipated requirements of such car types.

7.9. Flat cars to be included in the pool shall be purchased and owned or leased by TTX, using such methods of financing as shall be available to it.

7.10. Rates and charges and orders and regulations relative to cars in the flat car pool shall be fixed, from time to time, by the board of directors of TTX in accordance with the following principles:

(a) It shall be the policy of TTX to maintain per diem, mileage and other charges at the lowest level required to meet TTX's ordinary and necessary costs and expenses, including, as appropriate, return on investment, to maintain a financial position enabling it to finance flat car acquisitions on reasonable terms and to keep the cars in proper condition for operation at the highest point of efficiency and to accumulate retained earnings adequate to support continued reasonable enlargement of the number of cars in the pool, to that number found to be needed. It is the intention of the parties to the TTX Pooling Agreement that the total compensation paid to TTX by Railroad Participants shall be no greater than consistent with the foregoing policy;

(b) Rates and charges, orders and regulations shall be observed by all Railroad Participants in the flat car pooling plan;

(c) With such exceptions as the board of directors of TTX may from time to time prescribe, all detention and movement of cars on a Railroad Participant's line will be subject to rental charges;

(d) Charges shall include a per diem charge and/or a rate or rates for each mile of movement of such car, whether loaded or empty, on the line of a Railroad Participant; and

(e) To the extent that per diem, mileage and other charges exceed the criteria set forth in subparagraph (a) hereof, such charges may be subject to adjustment, referred to as an "adjustment refund", as provided in this subparagraph (e). An adjustment refund for any year may be determined at the beginning of the following year by the board of directors of TTX and be expressed as a percentage of the amount by which all car-hire compensation earned by TTX during such prior year shall exceed the ordinary and necessary expenses of operation, together with the net earnings to be retained by it, for such year. In determining the amount of any such adjustment refund, said board of directors may take into account such other factors as in their judgment shall be appropriate. The adjustment refund, if and to the extent declared by the board and approved by the STB, shall be paid to Railroad Participants as an adjustment of per diem, mileage and other charges paid by them for the use of TTX cars during such prior year, such amount to be divided among them on the basis of proportionate car utilization by each. For the purposes of this paragraph, proportionate car utilization shall be the ratio which the total amount paid by each Railroad Participant as car-hire compensation shall bear to the total received by TTX from all Railroad Participants as car-hire compensation.

7.11. The management of the pool flat cars will be under the direction of TTX and administered under the following general rules as more particularly set forth in the Form "A" Car Contract, as amended and supplemented:

(a) No one Railroad Participant shall have any preferred right as compared with any other Railroad Participant to the use of any pool flat cars, except subject to special arrangements approved by TTX or as a consequence of car movement directives by TTX;

(b) Any Railroad Participant having possession of a pool flat car may use it for loading to any point on any line in the national rail system in the United States and such other points as may be approved by TTX; and

(c) No Railroad Participant shall, by reason of participation in this flat car pooling plan, be required to modify its individual car ownership program or to load pool cars preferentially to its own.

ARTICLE VIII - COUNTERPARTS

8.1. This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each counterpart shall be signed by TTX and by one or more Railroad Participant.

ARTICLE IX - DURATION

9.1. This Agreement, which initially took effect on October 1, 1974, and was subsequently renewed thereafter until at the earliest October 1, 2014, shall continue in effect for an additional term of fifteen (15) years from October 1, 2014 and thereafter shall remain in effect, provided that an application seeking renewal or modification of TTX's and the Railroad Participants' authority to pool flatcars under Section 11322 of the Act is pending before the STB, until 180 days after the STB has issued a final decision and all appeals from that decision have been exhausted or the time to appeal has expired. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the Railroad Participants and TTX have caused this Agreement to be signed by their duly authorized officers as of the day and year first above written.

TTX COMPANY

By
Title

Attest:

____

____
Railroad Participant

By ________________________

Attest:

______________________________ Title: ______________________

TAB
B

EXECUTION

TTX POOLING AGREEMENT

THIS AGREEMENT, dated as of the 1st day of October, ~~2004~~ 2014, by and among the railroad companies~~, the trustees of certain railroad companies~~, signatories hereto (hereinafter collectively called the "Railroad Participants"), and TTX Company (formerly known as Trailer Train Company and hereinafter called "TTX"), 101 North Wacker Drive, Chicago, Illinois 60606.

In consideration of their mutual and reciprocal undertakings, the Railroad Participants agree with each other and with TTX as follows:

ARTICLE I - THE PARTIES

1.1. All of the Railroad Participants are common carriers engaged in the transportation of property by railroad in interstate commerce, between points in the United States, or between points in the United States and places in a foreign country, subject to the provisions of Part A of Title 49 of the United States Code. In such operations, they transport freight in railroad cars, including flat cars, and compete with one another in providing such transportation service.

1.2. TTX was incorporated under the laws of the State of Delaware on November 9, 1955. Currently, 100% of its capital stock is owned directly or indirectly by Railroad Companies as hereinafter defined or by their affiliates for the benefit of said Railroad Companies. It presently is a car owning company furnishing flat cars to Railroad Companies under individual contracts with each and provides related procurement, financing and management services with respect thereto.

ARTICLE II - DEFINITIONS

2.1. "Railroad Company" means a common carrier by railroad as defined in Section 10102(5), of the Act.

2.2. The "Act" means Title 49 of the United States Code, including the Interstate Commerce Commission Termination Act and the "STB" means the Surface Transportation Board.

2.3. "Car service" means those functions defined in Section 10102(2) of the Act, including the design, acquisition, financing, utilization, maintenance and accounting for the use of freight cars.

2.4. "Form 'A' Car Contract" and "Form 'D' Special Devices Contract" mean the forms of the instruments with those captions entered into individually between TTX and Railroad Companies, both as amended and supplemented.

~~2.5. "Shareholders' Agreement" means the instrument with that caption dated as of October 25, 1960, among TTX and its stockholders, as supplemented.~~

2.5 "Restrictive Stock Transfer Agreement" means the instrument with that caption dated as of July 7, 1987, among TTX and its stockholders, as supplemented.

ARTICLE III - SURFACE TRANSPORTATION BOARD APPROVAL

3.1. This agreement is subject to approval by the STB of an application to be filed under the provisions of Section 11322 of the Act. The effective date of the agreement shall be 10 days after the STB's order expressly approving it shall have become final and legally effective.

ARTICLE IV - PURPOSE

4.1. The purpose of this TTX Pooling Agreement is to provide a means by which the Railroad Participants (including Railroad Companies not now signatories which shall later become participants), together with TTX, may lawfully agree to and jointly provide for the pooling of car service and the divisions of gross or net earnings as affected thereby with respect to railroad flat cars to the end that there shall be a pool or pools of such cars to be acquired, financed, managed, maintained, and accounted for by TTX so as to enlarge the flat car fleet and accomplish better service to the public and better utilization and economy.

ARTICLE V - THE BASIC UNDERTAKING

5.1. The Railroad Participants and TTX agree to pool car service of the Railroad Participants as provided herein, and to the divisions of their gross or net earnings as affected thereby, in the manner and subject to the terms, conditions and limitations hereinafter set forth.

5.2. To accomplish the pooling referred to in Section 5.1 hereof and to achieve the purpose expressed in Article IV hereof, the parties agree through the instrumentality of TTX:

(a) To seek standardization of flat car types of improved utility and economy through the pooling of experience, information and services used or useful in the research, development, engineering and design of such cars;

(b) To pool information concerning the present and estimated future requirements for such cars and car service of the individual Railroad Participants and thereby to develop programs for the joint purchase of a pool of such cars of particular types found to be needed;

(c) To purchase the number of flat cars of types found to be needed so as to achieve all available economies through such purchase programs;

(d) To obtain favorable equipment financing in the purchase of such cars through cooperative actions;

(e) To accomplish pooled management, control and accounting for the use of such cars and car service in order to obtain maximum utilization and better service to the public; and

(f) To pool the cost of the ownership, operation, and maintenance of such cars and to assess user charges which divide such cost equitably among the Railroad Participants, with due regard for return on investment and with provision for user adjustment refunds, as appropriate.

5.3. The parties expressly acknowledge that the agreement, undertakings and plans set forth herein will mutually benefit each of them and will enable them to improve car service to the members of the shipping public without any undue restraint on competition between them, or between them or any of them, and any other person.

ARTICLE VI - STUDIES OF FLAT CAR TYPES

6.1. Pursuant to this TTX Pooling Agreement, the Railroad Participants herewith undertake and agree to conduct through TTX studies, from time to time, and to consider the application of the terms of this agreement to particular types of flat cars.

ARTICLE VII - THE FLAT CAR POOLING PLAN

7.1. There shall be established a pool of general and special purpose flat cars of a standardized design or designs to be controlled and managed by TTX in accordance with the purpose of this TTX Pooling Agreement.

7.2. Railroad Companies which are now stockholders of TTX shall be Railroad Participants in this TTX Pooling Agreement. Any other Railroad Company which meets the participation requirements set forth herein shall be authorized to become a party to this agreement.

7.3. TTX shall be the instrumentality through which this agreement and pooling plan shall be carried out and the board of directors of TTX shall be vested with the authority necessary to accomplish that purpose.

7.4. Participation in this flat car pooling plan by any Railroad Company not as of the date hereof a stockholder of TTX shall be dependent upon compliance by each such Railroad Company desiring to participate with the following requirements:

(a) Being a signatory to this TTX Pooling Agreement and included within the scope of an order of the STB approving an application under Section 11322 of the Act with respect thereto;

(b) Becoming a stockholder of TTX through the purchase and continued ownership thereafter of not less than 100 shares of the capital stock of TTX (except to the extent to which the stockholders or the board of directors of TTX shall determine that ownership of a lesser number of shares shall be required);

(c) Being a signatory to such Form "A" Car Contract and such Form "D" Special Devices Contract, as is defined herein, each as amended and supplemented, as the board of directors of TTX shall from time to time have established; and~~;~~

(d) Being a signatory to the Restrictive Stock Transfer ~~of the Shareholders'~~ Agreement, as defined herein, or any other duly approved Shareholders Agreement.

7.5. Any Railroad Company which desires to become a party hereto and which is not as of the date hereof a stockholder of TTX shall, if it desires to purchase the required number of shares of capital stock from TTX, be afforded the opportunity, on application therefor, to purchase said shares from TTX at a reasonable, nondiscriminatory and competitive price and upon such terms and conditions of payment as shall be fixed by the stockholders or the board of directors of TTX.

7.6. Each Railroad Company signatory agrees with each other signatory to comply with the terms and conditions of this agreement.

7.7. The board of directors of TTX shall determine, from time to time, the number, type, and design characteristics of the flat cars to be acquired by TTX and other matters pertaining to their design, purchase, financing, utilization, maintenance, accounting and methods to be employed for the division of gross or net earnings.

7.8. Each Railroad Participant, without limitation upon its right to secure any or all of its requirements for flat cars by other means, shall:

(a) Furnish to TTX such information relative to the types of flat cars under consideration for purchase by TTX as TTX may reasonably request; and

(b) Furnish to TTX such other information as it may reasonably request concerning utilization of the type of flat cars to which this agreement relates, including such Railroad Participant's anticipated requirements of such car types.

7.9. Flat cars to be included in the pool shall be purchased and owned or leased by TTX, using such methods of financing as shall be available to it.

7.10. Rates and charges and orders and regulations relative to cars in the flat car pool shall be fixed, from time to time, by the board of directors of TTX in accordance with the following principles:

(a) It shall be the policy of TTX to maintain per diem, mileage and other charges at the lowest level required to meet TTX's ordinary and necessary costs and expenses, including, as appropriate, return on investment, to maintain a financial position enabling it to finance flat car acquisitions on reasonable terms and to keep the cars in proper condition for operation at the highest point of efficiency and to accumulate retained earnings adequate to support continued reasonable enlargement of the number of cars in the pool, to that number found to be needed. It is the intention of the parties to the TTX Pooling Agreement that the total compensation paid to TTX by Railroad Participants shall be no greater than consistent with the foregoing policy;

(b) Rates and charges, orders and regulations shall be observed by all Railroad Participants in the flat car pooling plan;

(c) With such exceptions as the board of directors of TTX may from time to time prescribe, all detention and movement of cars on a Railroad Participant's line will be subject to rental charges;

(d) Charges shall include a per diem charge and/or a rate or rates for each mile of movement of such car, whether loaded or empty, on the line of a Railroad Participant; and

(e) To the extent that per diem, mileage and other charges exceed the criteria set forth in subparagraph (a) hereof, such charges may be subject to adjustment, referred to as an "adjustment refund", as provided in this subparagraph (e). An adjustment refund for any year may be determined at the beginning of the following year by the board of directors of TTX and be expressed as a percentage of the amount by which all car-hire compensation earned by TTX during such prior year shall exceed the ordinary and necessary expenses of operation, together with the net earnings to be retained by it, for such year. In determining the amount of any such adjustment refund, said board of directors may take into account such other factors as in their judgment shall be appropriate. The adjustment refund, if and to the extent declared by the board and approved by the STB, shall be paid to Railroad Participants as an adjustment of per diem, mileage and other charges paid by them for the use of TTX cars during such prior year, such amount to be divided among them on the basis of proportionate car utilization by each. For the purposes of this paragraph, proportionate car utilization shall be the ratio which the total amount paid by each Railroad Participant as car-hire compensation shall bear to the total received by TTX from all Railroad Participants as car-hire compensation.

7.11. The management of the pool flat cars will be under the direction of TTX and administered under the following general rules as more particularly set forth in the Form "A" Car Contract, as amended and supplemented:

(a) No one Railroad Participant shall have any preferred right as compared with any other Railroad Participant to the use of any pool flat cars, except subject to special arrangements approved by TTX or as a consequence of car movement directives by TTX;

(b) Any Railroad Participant having possession of a pool flat car may use it for loading to any point on any line in the national rail system in the United States and such other points as may be approved by TTX; and

(c) No Railroad Participant shall, by reason of participation in this flat car pooling plan, be required to modify its individual car ownership program or to load pool cars preferentially to its own.

ARTICLE VIII - COUNTERPARTS

8.1. This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each counterpart shall be signed by TTX and by one or more Railroad Participant.

ARTICLE IX - DURATION

9.1. This Agreement, which initially took ~~shall take~~ effect on October 1, 1974, and was subsequently renewed thereafter until at the earliest October 1, 2014 shall continue in effect for an additional ~~initial period of fifteen (15) years. Thereafter, this agreement shall continue in effect for a first additional term of five (5) years from October 1, 1989, a second additional term of ten (10) years from October 1, 1994, and a third additional term of ten (10) years from October 1, 2004~~term of fifteen (15) years from October 1, 2014 and thereafter shall remain in effect, provided that an application seeking renewal or modification of TTX's and the Railroad Participants' authority to pool flatcars under Section 11322 of the Act is pending before the STB, until 180 days after the STB has issued a final decision and all appeals from that decision have been exhausted or the time to appeal has expired. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the Railroad Participants and TTX have caused this Agreement to be signed by their duly authorized officers as of the day and year first above written.

TTX COMPANY

By
Title

Attest:

____

____
Railroad Participant

By ________________________

Attest:

______________________________ Title: ______________________

TAB
C

PROPOSED AMENDMENT TO THE FORM A CAR CONTRACT

Amend Paragraph 21 of the Form A Car Contract to read as follows:

"21. This Agreement shall take effect on October 1, 2014, and shall continue in effect for an initial period of fifteen (15) years, and thereafter shall remain in effect, provided that an application seeking renewal or modification of TTX's and the Railroad Participants' authority to pool flatcars under Section 11322 of the Act is pending before the STB, until 180 days after the STB has issued a final decision and all appeals from that decision have been exhausted or the time to appeal has expired. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns."

TAB
D

APPROVAL OF
TTX'S APPLICATION TO THE
SURFACE TRANSPORTATION BOARD
FOR REAUTHORIZATION OF THE TTX FLATCAR POOL
BEYOND OCTOBER 1, 2014

TTX's flatcar pool operates under authority granted by the Surface Transportation Board ("STB"). Under the Decision of August 31, 2004, authority to operate the pool continues until October 1, 2014.

Management recommends applying in early 2014 for an extension of TTX's pooling authority. Management recommends asking the STB to authorize amendments to the Pooling Agreement and Form A Car Contract (the Company's operative documents) to extend their terms for an additional period of 15 years from October 1, 2014. No other material changes to the Company's operative documents are contemplated at this time. A draft of the Application was sent to each Board member.

A Resolution to authorize the filing of an Application and related changes to the operative documents is attached. The Participant Railroads need to Assent to TTX filing the Application on their behalf. Proposed forms of Assent will be provided directly to Stockholder/Pool Participants following approval of the attached Resolution by the Board.

TTX COMPANY
RESOLUTION OF THE BOARD OF DIRECTORS
ADOPTED DECEMBER 5, 2013
TO EXTEND POOLING BEYOND OCTOBER 1, 2014

WHEREAS, The terms of the Pooling Agreement and the Form A Car Contract were extended for 10 years beginning October 1, 2004; and

WHEREAS, The Board of Directors has determined that the Company should seek to amend the Pooling Agreement and Form A Car Contract so as to extend their terms for a period of 15 years beginning October 1, 2014, and that each Director will recommend that his or her respective Stockholder/Pool Participant join the Company in applying to the Surface Transportation Board ("STB") for approval and authorization of such amendments;

NOW, THEREFORE, Be it

RESOLVED, That subject to approval and authorization by the STB, the Company be, and hereby is, authorized to enter into agreements amending the Pooling Agreement and the Form A Car Contract, so as to, inter alia, extend the terms thereof for a period of 15 years from October 1, 2014; and

RESOLVED FURTHER, That the President be, and hereby is, authorized and directed (a) to take all such action as may be necessary and desirable to obtain the Assent of each Participant in such Application; and (b) to file on behalf of the Company and its Railroad Participants an Application to the STB for approval of the amendments described in this Resolution; and

RESOLVED FURTHER, That the President is authorized in the name and on behalf of the Company to take all such further action and to do or cause to be done all acts and things as may be necessary or appropriate to carry out and make effective the transactions authorized and contemplated herein.

# # # # #

ASSENT

The undersigned hereby assents to the filing and prosecution of an Application on its behalf to the Surface Transportation Board (the "Board") for approval of an updated TTX Company Pooling Agreement and Amendment to the Form A Car Contract extending their terms for an additional fifteen (15) years from October 1, 2014; and further authorizes TTX Company to take all steps necessary on behalf of the undersigned in filing and prosecuting such Application.

BNSF RAILWAY COMPANY

By: Judy [signature]

Title: Assistant Secretary

Date: December 10, 2013

ASSENT

The undersigned hereby assents to the filing and prosecution of an Application on its behalf to the Surface Transportation Board (the "Board") for approval of an updated TTX Company Pooling Agreement and Amendment to the Form A Car Contract extending their terms for an additional fifteen (15) years from October 1, 2014; and further authorizes TTX Company to take all steps necessary on behalf of the undersigned in filing and prosecuting such Application.

GRAND TRUNK WESTERN RAILROAD COMPANY &
ILLINOIS CENTRAL RAILROAD COMPANY
(CANADIAN NATIONAL RAILWAY COMPANY)

By: Sean Finn

Title: Executive VP + Chief Legal Officer.

Date: Dec 31, 2013

ASSENT

The undersigned hereby assents to the filing and prosecution of an Application on its behalf to the Surface Transportation Board (the "Board") for approval of an updated TTX Company Pooling Agreement and Amendment to the Form A Car Contract extending their terms for an additional fifteen (15) years from October 1, 2014; and further authorizes TTX Company to take all steps necessary on behalf of the undersigned in filing and prosecuting such Application.

SOO LINE RAILROAD
(CANADIAN PACIFIC RAILWAY COMPANY)

By: ______________________

Title: Chief Legal Officer

Date: 15 December, 2013

ASSENT

The undersigned hereby assents to the filing and prosecution of an Application on its behalf to the Surface Transportation Board (the "Board") for approval of an updated TTX Company Pooling Agreement and Amendment to the Form A Car Contract extending their terms for an additional fifteen (15) years from October 1, 2014; and further authorizes TTX Company to take all steps necessary on behalf of the undersigned in filing and prosecuting such Application.

CSX TRANSPORTATION, INC.

By: Paul R. Hilthunt

Title: CORPORATE SECRETARY

Date: 3 JANUARY, 2014

ASSENT

The undersigned hereby assents to the filing and prosecution of an Application on its behalf to the Surface Transportation Board (the "Board") for approval of an updated TTX Company Pooling Agreement and Amendment to the Form A Car Contract extending their terms for an additional fifteen (15) years from October 1, 2014; and further authorizes TTX Company to take all steps necessary on behalf of the undersigned in filing and prosecuting such Application.

FERROCARRIL MEXICANO S.A. DE C.V.

By: Rogelio Vélez

Title: DIRECTOR GENERAL

Date: Dec. 13, 2013

ASSENT

The undersigned hereby assents to the filing and prosecution of an Application on its behalf to the Surface Transportation Board (the "Board") for approval of an updated TTX Company Pooling Agreement and Amendment to the Form A Car Contract extending their terms for an additional fifteen (15) years from October 1, 2014; and further authorizes TTX Company to take all steps necessary on behalf of the undersigned in filing and prosecuting such Application.

KANSAS CITY SOUTHERN RAILWAY COMPANY

By: ______________________

Title: President + CEO

Date: 12/12/13, 2013

ASSENT

The undersigned hereby assents to the filing and prosecution of an Application on its behalf to the Surface Transportation Board (the "Board") for approval of an updated TTX Company Pooling Agreement and Amendment to the Form A Car Contract extending their terms for an additional fifteen (15) years from October 1, 2014; and further authorizes TTX Company to take all steps necessary on behalf of the undersigned in filing and prosecuting such Application.

CENTRAL OF GEORGIA RAILROAD COMPANY &
NORFOLK SOUTHERN RAILWAY COMPANY

By: Deborah H Butler

Title: Vice President

Date: December 13, 2013

ASSENT

The undersigned hereby assents to the filing and prosecution of an Application on its behalf to the Surface Transportation Board (the "Board") for approval of an updated TTX Company Pooling Agreement and Amendment to the Form A Car Contract extending their terms for an additional fifteen (15) years from October 1, 2014; and further authorizes TTX Company to take all steps necessary on behalf of the undersigned in filing and prosecuting such Application.

BOSTON & MAINE CORPORATION
(PAN AM RAILWAYS)

By: [signature]

Title: Secretary

Date: December 13, 2013

ASSENT

The undersigned hereby assents to the filing and prosecution of an Application on its behalf to the Surface Transportation Board (the "Board") for approval of an updated TTX Company Pooling Agreement and Amendment to the Form A Car Contract extending their terms for an additional fifteen (15) years from October 1, 2014; and further authorizes TTX Company to take all steps necessary on behalf of the undersigned in filing and prosecuting such Application.

UNION PACIFIC RAILROAD COMPANY

By: Diane K Duren

Title: Executive Vice President & Corporate Secretary

Date: December 13, 2013

TAB

E

PROPOSED

NOTICE

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 27590 (Sub-No. 4)]

TTX Company – Application for Approval of Pooling of Car Service With Respect to Flatcars

[__________, 2014]

AGENCY: Surface Transportation Board, Transportation

ACTION: Notice of pooling application and request for public comments.

SUMMARY: On January 16, 2014, TTX Company ("TTX") and certain participating railroads filed an application to extend for 15 years TTX's flatcar pooling authority, which the Board's predecessor, the Interstate Commerce Commission ("ICC"), originally granted in 1974 and extended in 1989 and 1994, and the Board again extended in 2004. TTX's pooling authority under the Board's 2004 order would otherwise expire October 1, 2014 (subject to continuation beyond that date provided that an application seeking renewal or modification of TTX's pooling authority is pending before the Board).

DATES: Any comments on the application must be filed by _____________, 2014 [60 days from publication]. If comments are filed, applicants' rebuttal is due by ____________, 2014 [90 days from publication]. A decision on the merits of the application is due to be issued by September 1, 2014.

ADDRESSES: All filings may be submitted either via the Board's e-filing format or in the traditional paper format. Any person using e-filing should attach a document and otherwise comply with the instructions at the ''E–FILING'' link on the Board's Web site at ''www.stb.dot.gov.'' Any person submitting a filing in the traditional paper format should send an original and 10 copies of the filing to: Surface Transportation Board, Attn: Docket No. FD 27590 (Sub-No. 4), 395 E Street SW., Washington, DC 20423-0001. In addition, send one copy of comments to Applicants' representatives: (1) Michael L. Rosenthal, Covington & Burling, 1201 Pennsylvania Avenue, NW, Washington, DC 20004; (2) David L. Meyer, Morrison Foerster, 2000 Pennsylvania Avenue, NW, Suite 6000, Washington, DC 20006-1888; and (3) Patrick B. Loftus, TTX Company, 101 North Wacker Drive, Chicago, IL 60606.

FOR FURTHER INFORMATION CONTACT: [______], (202)-___-____. Federal Information Relay Service (FIRS) for the hearing impaired: 800-877-8339.

SUPPLEMENTARY INFORMATION: TTX and the railroad applicants seek the Board's approval of a 15-year extension of their pooling of flatcar service. Under 49 U.S.C. 11322(a), the Board may approve a pooling agreement if it finds that the proposal: (1) will be in the interest of better service to the public or of economy of operation, and (2) will not unreasonably restrain competition. The proposed pooling agreement was originally approved by the ICC, in *American Rail Box Car – Pooling*, 347 I.C.C. 862 (1974). The ICC approved a five-year extension in TTX's pooling authority in *Trailer Train Co. – Pooling – Car Service*, 5 I.C.C.2d 552 (1989), and a 10-year extension in *TTX Company – Pooling*, ICC Finance Docket No. 27590 (Sub-No. 2) (ICC served Aug. 31, 1994). The Board subsequently approved a 10-year extension in *TTX Company, et al. – Application for Approval of Pooling of Car Service With Respect to Flatcars*, STB Finance Docket No. 27590 (Sub-No. 3) (STB served Aug. 31, 2004). Under the terms of the Board's approval, TTX's pooling agreement will be allowed to remain in effect at the expiration of the 10-year period (October 1, 2014) if an application seeking renewal or modification of the pooling authority is pending before the Board, until 180 days after the Board has issued a final decision on the request and all appeals of that decision have been exhausted or the time to appeal has expired.

The application seeks to extend TTX's authority to continue the flatcar pool under substantively the same pooling agreement – with certain technical updates – for an additional 15 years.

In addition to TTX, the applicants are:

BNSF Railway Company;
Grand Trunk Western Railroad Company & Illinois Central Railroad Company (Canadian National Railway Company);
Soo Line Railroad (Canadian Pacific Railway Company);
CSX Transportation, Inc.;
Ferrocarril Mexicano S.A. de C.V.;
Kansas City Southern Railway Company;
Central of Georgia Railroad Company & Norfolk Southern Railway Company;
Boston & Maine Corporation (Pan Am Railways); and
Union Pacific Railroad Company.

Copies of the application are on file and may be examined at the offices of the Surface Transportation Board, Washington, DC, or may be viewed on, and downloaded from the Board's Web site at www.stb.dot.gov. Copies may also be obtained free of charge by contacting applicants' representative, Michael L. Rosenthal, (202) 662-6000. A copy of this notice will be served on the Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, NW, Washington, DC 20530.

Applicants contend that, because the proposed transaction does not involve any changes in rail operations or service to shippers, no environmental documentation is required, see 49 CFR 1105.6(c)(2)(ii), and no historic report is required, see 49 CFR 1105.8(b)(2).

Comments must be in writing, and are due by ________________, 2014 [60 days from publication]. Comments must contain the basis for the party's position either in support or opposition, and must contain the name and address of the commenting party. Applicants must be concurrently served with a copy of each comment. Any rebuttal by applicants must be filed with the Board by _________________, 2014 [90 days from publication].

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

Filings and Board decisions and notices are available on the Board's Web site at www.stb.dot.gov.

Decided: _________________, 2014.
By the Board, Rachel D. Campbell, Director, Office of Proceedings

TAB
F

A10012 SS

CAR CONTRACT
Between
TRAILER TRAIN COMPANY
and
THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY

(Railroad Member)

THIS AGREEMENT, made as of July 15, 1960 between THE ATCHISON, TOPEKA AND SANTA FE ~~RAILWAY COMPANY~~, a Kansas corporation, hereinafter called "Carrier," and TRAILER TRAIN COMPANY, a Delaware corporation, hereinafter called "Trailer Train,"

WITNESSETH THAT,

WHEREAS, Trailer Train owns or leases a pool of railroad flat cars, bearing the mark "TTX" for identification and being of varying lengths or categories as indicated in the Appendices hereto, which are equipped for the movement of highway trailers by rail; and

WHEREAS, Carrier is a stockholder of Trailer Train and is desirous of participating, together with others, in the use of said cars of Trailer Train; and

WHEREAS, Trailer Train and Carrier desire to enter into an agreement with respect to the furnishing by Trailer Train to Carrier of said cars for the movement of highway trailers (which for the purposes of this agreement shall include demountable containers used in lieu of highway trailers) on the lines of railroad now or hereafter operated by Carrier;

NOW, THEREFORE, in consideration of One Dollar ($1.00) by each to the other in hand paid, the receipt of which is hereby acknowledged, and of the mutual or respective promises hereinafter set forth to be kept and performed by each, said parties do agree as follows:

1. Trailer Train shall furnish Carrier, to the extent of cars owned by, or under lease to, and available to Trailer Train for that purpose, at junction points or other points on the lines operated by Carrier, sufficient suitably-constructed and suitably-equipped cars, including tie-down equipment, for the road haul movement of trailers on said lines; but Trailer Train is not required hereby to furnish said cars for moving traffic to be switched by Carrier for the account of a connecting railroad and on which Carrier does not receive a road haul.

2. Carrier shall give Trailer Train reasonable advance notice in writing, revising same from time to time as conditions may warrant, of its car requirements under this agreement, specifying in such notice, as far as possible, the railroads over which it prefers to receive such cars.

3. Carrier shall, with reasonable promptness, and without charge to Trailer Train for car movement or detention:

(a) Move, to, from and between connections or to the appropriate point, cars delivered to Carrier in process of being furnished to any railroad connecting with Carrier or being sent to a home point; and

(b) Perform all switching necessary for the movement of such cars.

* ~~The obligations, rights and privileges of The Atchison, Topeka~~ and Santa Fe ~~Railway~~ Company shall include and apply to the use of cars hereunder on the ~~lines of the~~ following Texas corporations:
Gulf, Colorado and Santa Fe Railway Company~~, and~~
~~Panhandle and Santa Fe Railway Company~~

For the purposes of this agreement, a home point shall be a point at which a Trailer Train shop or track is located or at which Trailer Train has arrangements for construction of, repairs to or storage of its cars.

Failure by Carrier in any of the foregoing respects shall relieve Trailer Train from all responsibility for loss, damages, or delay resulting therefrom, and Carrier agrees to indemnify Trailer Train against, and save it harmless from, any such loss or damages, or claim thereof, resulting therefrom.

4. It is agreed that cars furnished hereunder are to be loaded and unloaded promptly, and not used for storage.

5. Carrier shall, in the first instance, pay to Trailer Train amounts computed at the rates and in the manner specified in Paragraph 6 hereof. Such payments shall be tentative only and shall be subject to the adjustment provided for in Paragraph 16. It is agreed that the total amount due in any year by Carrier to Trailer Train shall be the amount computed under Paragraph 6, adjusted as provided in Paragraph 16.

6. (a) For each car owned by, or under lease to, Trailer Train and on lines operated by Carrier, Carrier shall pay Trailer Train a per diem charge, and also a rate for each mile of movement of such car, loaded or empty, on the lines of Carrier. Said per diem charge and mileage rate shall be as specified in the particular Appendix hereto which is applicable to the category to which that car belongs. The mileage rate for the cars in any given category shall be determined for each month according to the average number of miles of movement per car per day on Carrier's lines, during the month, of all Trailer Train cars, regardless of category.

(b) Upon certification by Carrier that a car owned by, or under lease to, Trailer Train was located at a particular point on Carrier's lines and not in transportation service during a particular day, Trailer Train will allow Carrier a reclaim of 50% of the per diem charge for that day. A car shall be deemed not to be in transportation service when it is neither under load nor in movement (loaded or empty) at any time during the day.

(c) When a car has been certified under paragraph (b) above for five (5) or more consecutive days, Carrier may request Trailer Train to advise it of disposition to be made of the car. Thereupon Trailer Train shall promptly advise Carrier, and Carrier shall promptly comply with such advice, to deliver the car to some specific connection at a specific junction point (or the nearest practicable point thereto on Carrier's lines), or to a specific home point on Carrier's lines. When a car has been so certified for fifteen (15) or more consecutive days, Trailer Train may advise Carrier, and Carrier shall promptly comply with such advice, to deliver the car to some specific connection at a specific junction point (or the nearest practicable point thereto on Carrier's lines), or to a specific home point on Carrier's lines.

It is expressly understood that, notwithstanding the provisions of this paragraph (c), all retention and movement of Trailer Train cars on Carrier's lines will be subject to the per diem and mileage charges (except where there is abatement of, or reclaim for, per diem under Paragraph 9 hereof) provided in this Paragraph 6, and without charge to Trailer Train.

(d) Where delivery of a car by Carrier to a road-haul connection involves movement by an intermediate switching railroad, Carrier shall be responsible to Trailer Train for per diem and mileage charges, provided in Paragraph 6 hereof, just as though such intermediate switching movement were to occur on Carrier's own lines, and in such event shall also be responsible for any charges made by the intermediate switching railroad; except that where an empty car is being transferred to a road-haul connection pursuant to Paragraph 6(c) (or by agreement in lieu of the procedures in Paragraph 6(c)), or pursuant to request to Trailer Train by such road-haul connection, or by one of its connections, for additional cars, Carrier's responsibility to Trailer Train shall terminate at the end of the lines operated by it and shall not extend to movement on the intermediate switching railroad. If Carrier, as the delivering line of empty cars, advances charges to an intermediate switching railroad when it is not responsible for such charges because of the exception in the preceding sentence, Carrier shall so certify to Trailer Train and shall be credited on Trailer Train's books with the amount of such advanced charges. Where Carrier requests additional cars from Trailer Train, however, and such cars are delivered to Carrier via an intermediate switching railroad, Carrier shall be responsible to Trailer Train for per diem and mileage charges provided in Paragraph 6 hereof, just as though such intermediate switching movement were to occur on Carrier's own lines, and in such event shall also be responsible for any charges made by the intermediate switching railroad. If Carrier is responsible under the preceding sentence for charges by an intermediate switching railroad but, because it is the receiving rather than the delivering railroad, is not required to pay the intermediate switching railroad, and instead, such charges are paid by the delivering railroad, Carrier shall be debited on Trailer Train's books with the amount of such charges.

(e) Per diem charges and mileage rates shall be applied, and amounts due Trailer Train shall be computed and paid, in the same manner as provided in the then prevailing Code of Per Diem Rules—Freight adopted and promulgated by the Association of American Railroads, to the extent not inconsistent with provisions of this agreement or with any governing law or applicable order of the Interstate Commerce Commission. It is expressly understood that any amounts paid by or charged against Carrier by Trailer Train under mileage rates provided in Rule 18, or any successor rule thereto, of said Code of Per Diem Rules are to be credited against, and are not in addition to, the amounts otherwise due Trailer Train by Carrier under this agreement. It is also expressly understood that any amounts paid to Trailer Train by any railroad or other person or company under said Rule 18, or successor rule thereto, are to be credited against the amounts due Trailer Train by Carrier under this agreement when and to the extent that such payments are with respect to miles of car movement for which Carrier is responsible to and charged by Trailer Train under some provision of this agreement.

(f) Per diem charges and mileage rates provided herein are subject to change, or supplementation for cars of varying design or length, by Trailer Train, pursuant to action of its Board of Directors, on 60 days' advance written notice to Carrier.

7. From the time that it accepts any car owned by, or under lease to, Trailer Train until redelivery of such car to Trailer Train or to some railroad having an effective agreement with Trailer Train for the use of Trailer Train cars (of which Trailer Train shall keep Carrier informed), Carrier shall be responsible to Trailer Train with respect to such car just as though the car is at all times on Carrier's lines, and as though any movements of it were on Carrier's lines, under this agreement, except as provided in the exception set forth in the first sentence of Paragraph 6(d). Carrier specifically agrees that it will make any contractual arrangements with other railroads which may be necessary in order for Carrier to meet its responsibility stated in the preceding sentence.

8. Responsibility for loss of, or destruction or damage to, cars, or parts thereof or appurtenances thereto, shall be as fixed by the then prevailing Code of Rules Governing the Condition of, and Repairs to, Freight and Passenger Cars for the Interchange of Traffic, promulgated by the Association of American Railroads, and said Rules shall establish the rights, obligations and liabilities of Trailer Train and Carrier in respect of all matters to which those Rules relate, except as otherwise provided in this agreement. Responsibility for tie-down and any similar appurtenance or accessorial equipment shall be determined as though such appurtenance or equipment is part of the car; except that, effective October 1, 1958, delivering line shall be responsible, both as between Carrier and Trailer Train and as between Carrier and any railroad having an effective agreement with Trailer Train for the use of Trailer Train cars, for any chains, jacks or other tie-down equipment missing from any car subject to this agreement.

9. Except where the responsibility therefor is placed upon others as provided in Paragraph 8 hereof, Trailer Train agrees to maintain the cars in good condition and repair, according to the Code of Rules referred to in Paragraph 8 hereof. No repairs other than ordinary running repairs

shall be made by Carrier for Trailer Train's account without Trailer Train's prior written consent. Abatement of, or reclaim for, per diem on cars unfit for service shall be governed by pertinent provisions of the then prevailing Code of Per Diem Rules—Freight referred to in Paragraph 6 (e) hereof.

10. Carrier agrees to furnish Trailer Train promptly with complete and accurate reports of all movements of the cars subject to this agreement, including origin and/or destination point, junction information on interline movements, mileage moved, days idle, whether loaded or empty, whether or not in revenue service, and any other information reasonably required for the efficient administration of this agreement.

11. Carrier agrees not to place any lettering or marking of any kind upon any of the cars without prior consent of Trailer Train.

12. Trailer Train agrees to bear all property taxes levied on the cars and to file all property tax reports relating thereto; provided, however, that Carrier will, in the first instance, comply with all laws requiring it to withhold taxes, and file appropriate reports, on amounts due Trailer Train as car hire, and will thereafter advise Trailer Train of all pertinent facts in connection therewith so that Trailer Train may appropriately reimburse or credit Carrier.

13. Trailer Train shall not be liable for any loss of or damage to trailers, containers, commodities in trailers or containers, or any other thing loaded on the cars, unless such loss or damage is caused by or results from negligent repairs of cars by Trailer Train, or negligent failure to make necessary repairs after actual notice of the need for such repairs and actual opportunity to make same. Carrier agrees to indemnify Trailer Train against, and save it harmless from, any such loss or damage or claim thereof occurring on Carrier's lines and for which Trailer Train is not responsible under the preceding sentence.

14. Trailer Train will make available to Carrier technical advice and assistance of persons experienced and well informed with respect to all aspects of trailer-on-flat-car service, including terminal facilities, loading and unloading methods and equipment, tie-down and release methods and equipment and operating procedures.

15. Carrier agrees that it will not sell or otherwise dispose of its Trailer Train stock without first offering same to Trailer Train for purchase at book value as shown on the balance sheet of Trailer Train as of the end of the month preceding the offer. Carrier further agrees that, in the event this agreement is terminated in any manner, it will promptly offer to sell to Trailer Train, at book value as shown on the balance sheet of Trailer Train as of the end of the month preceding termination, all Trailer Train stock then owned by Carrier. Trailer Train shall accept or reject any offer made to it under the provisions of this Paragraph 15 within thirty (30) days.

16. It shall be the policy of Trailer Train to maintain per diem, mileage and other charges at the lowest level required to meet Trailer Train's ordinary and necessary expenses and to establish for it a financial position enabling it to finance necessary car acquisitions on reasonable terms and to keep the cars in proper condition for operation at the highest point of efficiency. It is the intention of the parties hereto that the total compensation paid to Trailer Train by Carrier and all others having Trailer Train car contracts shall be no greater than consistent with the foregoing policy. To that end, the amounts paid by Carrier under Paragraph 6 shall be subject to an adjustment, referred to herein as the "adjustment refund." The adjustment refund for any year shall be determined at the beginning of such year by the Board of Directors of Trailer Train and shall be expressed as a percentage of the amount by which all car-hire compensation earned by Trailer Train during such year shall exceed the ordinary and necessary expenses of operation for such year. In determining the amount of any such adjustment refund, the Board of Directors shall take into account the amount by which, in their judgment, the total car-hire compensation for the year will exceed the expenses for such year, together with such other factors as in their judgment shall be appropriate. The adjustment refund shall be paid to Carrier and all others

having Trailer Train car contracts as an adjustment of per diem, mileage and other charges made to Carrier and such others for the use of Trailer Train cars, such amount to be divided among Carrier and such others on the basis of proportionate car utilization. For the purposes of this paragraph, proportionate car utilization by Carrier shall be determined on the ratio which the total amount paid by Carrier under this agreement as car-hire compensation shall bear to the total received by Trailer Train from Carrier and all others as car-hire compensation under agreements with Trailer Train.

17. Carrier understands that its rights hereunder, including its right to use of cars, are subject to all the terms and conditions of any conditional sale or other financing agreement relating to the cars. Carrier agrees that it will permit the cars to be used only on lines of railroad in the United States of America; provided, however, that the cars may be used in such provinces of Canada as may be agreed upon between Trailer Train and Carrier. Carrier can make no transfer or assignment of this agreement without the prior written consent of Trailer Train. No title, leasehold, or property interest of any kind in cars furnished hereunder shall vest in Carrier, or Carrier's successors or assigns, by reason of this agreement or by reason of delivery to or use by Carrier of the cars.

18. Any difference or dispute arising hereunder which cannot be settled by agreement between Carrier and Trailer Train shall be submitted to two arbitrators, one to be appointed by each party, and if those arbitrators do not agree they shall select a third disinterested and competent person to act with them, and the decision of the three arbitrators so chosen, or a majority of them, shall be final and conclusive upon and between the parties hereto.

If either party does not appoint an arbitrator as aforesaid within fifteen days after receipt of notice from the other party that it desires arbitration, which notice shall state the name and address of the arbitrator by such other party appointed, and does not within such period furnish to such other party the name and address of the arbitrator it has appointed, then the arbitrator appointed by such other party and named in such notice shall appoint a disinterested and competent arbitrator for the defaulting party, and the two arbitrators so appointed shall select and appoint a third to act with them as aforesaid and with like effect.

19. If Carrier shall fail to carry out and perform any of its obligations under this agreement or if a petition in bankruptcy, or for reorganization, or for a Trustee or a Receiver, is filed by or against Carrier, then Trailer Train shall have the right, on thirty (30) days' notice, to take possession of any of its cars then in possession of Carrier and to remove such cars from Carrier's service and also to terminate this agreement. If Trailer Train shall not terminate this agreement, Carrier's liability hereunder shall continue. The rights and remedies herein given to Trailer Train shall not in any way limit its rights and remedies given or provided by law or in equity.

20. This agreement is subject to all Federal, state and municipal laws, rules, regulations and ordinances which may now or hereafter affect, change or modify the terms or conditions hereof or render unlawful the performance of any of the provisions of this agreement.

21. This agreement shall take effect as of the day and year first above written and, except as specifically provided herein, shall inure to the benefit of and be binding upon each of the parties hereto, their respective successors, lessees and assigns, for the period of fifteen (15) years from said effective date and thereafter until terminated by twelve months' prior written notice given by either party to the other; provided, however, that at any time within three (3) years from the effective date hereof, either party may give the other party written notice of intention to terminate this agreement twelve (12) months after the date of such notice, and in such event the agreement shall so terminate. In the event Carrier terminates this agreement by notice given within three (3) years as provided herein, Carrier shall, if Trailer Train so elects, purchase from Trailer Train at appraised value as of the date of termination, but at not less than the aggregate amount

having Trailer Train car contracts as an adjustment of per diem, mileage and other charges made to Carrier and such others for the use of Trailer Train cars, such amount to be divided among Carrier and such others on the basis of proportionate car utilization. For the purposes of this paragraph, proportionate car utilization by Carrier shall be determined on the ratio which the total amount paid by Carrier under this agreement as car-hire compensation shall bear to the total received by Trailer Train from Carrier and all others as car-hire compensation under agreements with Trailer Train.

17. Carrier understands that its rights hereunder, including its right to use of cars, are subject to all the terms and conditions of any conditional sale or other financing agreement relating to the cars. Carrier agrees that it will permit the cars to be used only on lines of railroad in the United States of America; provided, however, that the cars may be used in such provinces of Canada as may be agreed upon between Trailer Train and Carrier. Carrier can make no transfer or assignment of this agreement without the prior written consent of Trailer Train. No title, leasehold, or property interest of any kind in cars furnished hereunder shall vest in Carrier, or Carrier's successors or assigns, by reason of this agreement or by reason of delivery to or use by Carrier of the cars.

18. Any difference or dispute arising hereunder which cannot be settled by agreement between Carrier and Trailer Train shall be submitted to two arbitrators, one to be appointed by each party, and if those arbitrators do not agree they shall select a third disinterested and competent person to act with them, and the decision of the three arbitrators so chosen, or a majority of them, shall be final and conclusive upon and between the parties hereto.

If either party does not appoint an arbitrator as aforesaid within fifteen days after receipt of notice from the other party that it desires arbitration, which notice shall state the name and address of the arbitrator by such other party appointed, and does not within such period furnish to such other party the name and address of the arbitrator it has appointed, then the arbitrator appointed by such other party and named in such notice shall appoint a disinterested and competent arbitrator for the defaulting party, and the two arbitrators so appointed shall select and appoint a third to act with them as aforesaid and with like effect.

19. If Carrier shall fail to carry out and perform any of its obligations under this agreement or if a petition in bankruptcy, or for reorganization, or for a Trustee or a Receiver, is filed by or against Carrier, then Trailer Train shall have the right, on thirty (30) days' notice, to take possession of any of its cars then in possession of Carrier and to remove such cars from Carrier's service and also to terminate this agreement. If Trailer Train shall not terminate this agreement, Carrier's liability hereunder shall continue. The rights and remedies herein given to Trailer Train shall not in any way limit its rights and remedies given or provided by law or in equity.

20. This agreement is subject to all Federal, state and municipal laws, rules, regulations and ordinances which may now or hereafter affect, change or modify the terms or conditions hereof or render unlawful the performance of any of the provisions of this agreement.

21. This agreement shall take effect as of the day and year first above written and, except as specifically provided herein, shall inure to the benefit of and be binding upon each of the parties hereto, their respective successors, lessees and assigns, for the period of fifteen (15) years from said effective date and thereafter until terminated by twelve months' prior written notice given by either party to the other; provided, however, that at any time within three (3) years from the effective date hereof, either party may give the other party written notice of intention to terminate this agreement twelve (12) months after the date of such notice, and in such event the agreement shall so terminate. In the event Carrier terminates this agreement by notice given within three (3) years as provided herein, Carrier shall, if Trailer Train so elects, purchase from Trailer Train at appraised value as of the date of termination, but at not less than the aggregate amount

of any outstanding indebtedness thereon, cars in which Trailer Train has a transferable interest and which were used solely or chiefly on the Carrier's lines during the six (6) months preceding the notice of termination. In the event Trailer Train terminates this agreement by notice given within three (3) years as provided herein, Trailer Train shall, if Carrier so elects, sell to Carrier at appraised value as of the date of termination, but at not less than the aggregate amount of any outstanding indebtedness thereon, cars in which Trailer Train has a transferable interest and which were used solely or chiefly on Carrier's lines during the six (6) months preceding the notice of termination.

22. This agreement shall supersede, replace and substitute for any prior agreement between the same parties which is in connection with the same subject matter and which also became effective as of the day and year first above written.

In Witness Whereof, the parties hereto have caused these presents to be executed, in duplicate, by their duly authorized officers as of the day and year first above written.

Attest:

R. B. Joseph
ASSISTANT SECRETARY

Date: JUL 15 1960

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY,

By [signature]

Title Vice President

Attest:

[signature]
Secretary

Date: July 15th, 1960

Trailer Train Company

By [signature]

Title President

Printed May 1, 1960

APPENDIX A
to
CAR CONTRACT
with
TRAILER TRAIN COMPANY

Cars 70 to 80 Feet in Length

Per Diem Charge..........$3.60
Mileage Rate..........As Below

Average Car Miles Per Car Day During The Month (All TTC Cars on Line)	Rate Per Mile for Every Mile of Movement on Line During The Month (Cents)
80 or Less	3.00
Over 80 but not over 85	2.88
Over 85 but not over 90	2.77
Over 90 but not over 95	2.66
Over 95 but not over 100	2.57
Over 100 but not over 105	2.49
Over 105 but not over 110	2.42
Over 110 but not over 115	2.34
Over 115 but not over 120	2.28
Over 120 but not over 125	2.22
Over 125 but not over 130	2.17
Over 130 but not over 135	2.12
Over 135 but not over 140	2.07
Over 140 but not over 145	2.02
Over 145 but not over 150	1.98
Over 150 but not over 155	1.94
Over 155 but not over 160	1.91
Over 160 but not over 165	1.88
Over 165 but not over 170	1.84
Over 170 but not over 175	1.81
Over 175 but not over 180	1.78
Over 180 but not over 185	1.75
Over 185 but not over 190	1.73
Over 190 but not over 195	1.70
Over 195 but not over 200	1.68
Over 200 but not over 205	1.66
Over 205 but not over 210	1.63
Over 210 but not over 215	1.61
Over 215 but not over 220	1.59
Over 220 but not over 225	1.57
Over 225 but not over 230	1.55
Over 230 but not over 235	1.54
Over 235 but not over 240	1.52
Over 240 but not over 245	1.50
Over 245 but not over 250	1.49
Over 250 but not over 255	1.47
Over 255 but not over 260	1.46
Over 260 but not over 265	1.44
Over 265 but not over 270	1.43
Over 270 but not over 275	1.41
Over 275 but not over 280	1.40
Over 280 but not over 285	1.39
Over 285 but not over 290	1.37
Over 290 but not over 295	1.36
Over 295 but not over 300	1.35
Over 300	1.34

APPENDIX B
to
CAR CONTRACT
with
TRAILER TRAIN COMPANY

Cars Under 70 Feet in Length

Per Diem Charge..........$2.40
Mileage Rate..........As Below

Average Car Miles Per Car Day During The Month (All TTC Cars on Line)	Rate Per Mile for Every Mile of Movement on Line During The Month (Cents)
80 or Less	1.80
Over 80 but not over 85	1.73
Over 85 but not over 90	1.66
Over 90 but not over 95	1.60
Over 95 but not over 100	1.54
Over 100 but not over 105	1.49
Over 105 but not over 110	1.45
Over 110 but not over 115	1.40
Over 115 but not over 120	1.37
Over 120 but not over 125	1.33
Over 125 but not over 130	1.30
Over 130 but not over 135	1.27
Over 135 but not over 140	1.24
Over 140 but not over 145	1.21
Over 145 but not over 150	1.19
Over 150 but not over 155	1.16
Over 155 but not over 160	1.15
Over 160 but not over 165	1.13
Over 165 but not over 170	1.10
Over 170 but not over 175	1.09
Over 175 but not over 180	1.07
Over 180 but not over 185	1.05
Over 185 but not over 190	1.04
Over 190 but not over 195	1.02
Over 195 but not over 200	1.01
Over 200 but not over 205	1.00
Over 205 but not over 210	.98
Over 210 but not over 215	.97
Over 215 but not over 220	.95
Over 220 but not over 225	.94
Over 225 but not over 230	.93
Over 230 but not over 235	.92
Over 235 but not over 240	.91
Over 240 but not over 245	.90
Over 245 but not over 250	.89
Over 250 but not over 255	.88
Over 255 but not over 260	.88
Over 260 but not over 265	.86
Over 265 but not over 270	.86
Over 270 but not over 275	.85
Over 275 but not over 280	.84
Over 280 but not over 285	.83
Over 285 but not over 290	.82
Over 290 but not over 295	.82
Over 295 but not over 300	.81
Over 300	.80

APPENDIX C
to
CAR CONTRACT
with
TRAILER TRAIN COMPANY

Cars Over 80 Feet in Length

Per Diem Charge $4.00
Mileage Rate . . . . As Below

Average Car Miles Per Car Day During The Month (All TTC Cars on Line)	Rate Per Mile for Every Mile of Movement on Line During The Month (Cents)
80 or Less	3.30
Over 80 but not over 85	3.17
Over 85 but not over 90	3.05
Over 90 but not over 95	2.93
Over 95 but not over 100	2.83
Over 100 but not over 105	2.74
Over 105 but not over 110	2.66
Over 110 but not over 115	2.57
Over 115 but not over 120	2.51
Over 120 but not over 125	2.44
Over 125 but not over 130	2.39
Over 130 but not over 135	2.33
Over 135 but not over 140	2.28
Over 140 but not over 145	2.22
Over 145 but not over 150	2.18
Over 150 but not over 155	2.13
Over 155 but not over 160	2.10
Over 160 but not over 165	2.07
Over 165 but not over 170	2.02
Over 170 but not over 175	1.99
Over 175 but not over 180	1.96
Over 180 but not over 185	1.93
Over 185 but not over 190	1.90
Over 190 but not over 195	1.87
Over 195 but not over 200	1.85
Over 200 but not over 205	1.83
Over 205 but not over 210	1.79
Over 210 but not over 215	1.77
Over 215 but not over 220	1.75
Over 220 but not over 225	1.73
Over 225 but not over 230	1.71
Over 230 but not over 235	1.69
Over 235 but not over 240	1.67
Over 240 but not over 245	1.65
Over 245 but not over 250	1.64
Over 250 but not over 255	1.62
Over 255 but not over 260	1.61
Over 260 but not over 265	1.58
Over 265 but not over 270	1.57
Over 270 but not over 275	1.55
Over 275 but not over 280	1.54
Over 280 but not over 285	1.53
Over 285 but not over 290	1.51
Over 290 but not over 295	1.50
Over 295 but not over 300	1.49
Over 300	1.47

SUPPLEMENTS NOS. 1 - 14

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 15.

SUPPLEMENT NO. 15
to
TRAILER TRAIN COMPANY FORM A CAR CONTRACT

(This Supplement supersedes Supplement No. 4 - see explanation below)

It is hereby agreed that effective as of February 1, 1968, the Form A Car Contract is amended as follows:

1. Trailer Train when requested by Carrier will accept, and will endeavor to collect, the amounts which are payable, in respect of Trailer Train cars under the terms of any agreement (hereinafter in this Supplement called "Agreement"), a copy of which has been furnished to Trailer Train, made by Carrier with another railroad which does not have an effective agreement with Trailer Train as to Trailer Train cars (hereinafter in this Supplement called "Railroad"). The amounts accepted or collected under each Agreement of Carrier with a Railroad shall be credited:

First, against the sums due to Trailer Train from Carrier under the terms of the Form A Car Contract in respect of Trailer Train cars delivered to or received by the Railroad; and

Second, any balance remaining shall be credited to the account of Carrier.

2. If the sum or sums accepted or collected by Trailer Train from Railroad under its Agreement with Carrier are not sufficient to pay the amounts due to Trailer Train from the Carrier under the Form A Car Contract, including paragraph 7 thereof, in respect of cars delivered to or received by Railroad, the deficiency or deficiencies shall be paid to Trailer Train by Carrier.

3. If a Railroad refuses, in whole or in part, to make payments to Trailer Train in accordance with the terms of it's Agreement with Carrier, Trailer Train will not be required to enforce the terms of the Agreement; and Carrier shall remain liable to Trailer Train for all amounts payable, in respect of cars under the terms of the Form A Car Contract, including paragraph 7 thereof.

(Supplement No. 4 will cease to be effective since the provisions of paragraph 1 of Supplement No. 4 are incorporated into Supplement No. 12; and the provisions of paragraph 2 of Supplement No. 4 are included in this Supplement No. 15.)

APPROVED:

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY

Date: FEB 29 1968

By ____________

Title VICE PRESIDENT

TRAILER TRAIN COMPANY

Date: FEB 12 1968

By ____________

Title PRESIDENT

SUPPLEMENTS NOS. 16 - 28

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 29.

SUPPLEMENT NO. 29

TO TRAILER TRAIN COMPANY FORM A CAR CONTRACT

Pursuant to action taken by the Board of Directors of Trailer Train Company on July 22, 1971, Supplement No. 8 is hereby amended, effective October 1, 1971, to read in full as follows:

"Paragraph 6 of the Form A Car Contract as heretofore modified is further modified as follows with respect to Trailer Train Company cars which have been equipped with automobile racks:

When Carrier A has an agreement with Carrier B — Carrier B being the owner of the automobile rack installed on a Trailer Train Company car — which provides that Carrier B will allow a reclaim to Carrier A for days that the rack equipped car is on the lines of Carrier A and not in transportation service, upon receipt of a copy of such agreement by Trail Train Company, Carrier A will be responsible for payment to Trailer Train Company of the net per diem charges payable to Trailer Train Company and Carrier B will be responsible to Trailer Train Company for the balance of the per diem charges payable to trailer Train Company for such car. Carrier B shall pay the balance of per diem charges for such car as billed by Trailer Train Company. Differences in respect of amounts reclaimed shall be resolved between Carriers.

If no reclaim agreement between Carriers is furnished to Trailer Train Company by the Carriers involved, or if any Carrier B refuses to honor its agreement to allow a reclaim to any Carrier A, or if any Carrier A shall fail to present its reclaim or notice of reclaim to Trailer Train Company within two months and ten days of the last day of the month in respect of which the reclaim accrued, then payments to Trailer Train Company for automobile rack cars will be made by such carriers in accordance with paragraph 6 of the Form A Car Contract, as modified and this Supplement No. 8 shall not be applicable.

TRAILER TRAIN COMPANY

By: C D Buford

C. D. Buford, President

Dated: July 30, 1971

SUPPLEMENTS NOS. 30 - 39

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 40.

SUPPLEMENT NO. 40
TO TRAILER TRAIN COMPANY FORM A CAR CONTRACT

It is hereby agreed that effective as of October 1, 1974, Section 16 of the Trailer Train Company Form A Car Contract, as amended and supplemented, is hereby amended in its entirety to read as follows:

> It shall be the policy of Trailer Train to maintain per diem, mileage and other charges at the lowest level required to meet Trailer Train's ordinary and necessary costs and expenses, including, as appropriate, return on investment, to maintain a financial position enabling it to finance flat car acquisitions on reasonable terms and to keep the cars in proper condition for operation at the highest point of efficiency and to accumulate retained earnings adequate to support continued reasonable enlargement of the number of cars in the pool, to that number found to be needed. It is the intention of the parties hereto that the total compensation paid to Trailer Train by Carrier and all others having Trailer Train car contracts shall be no greater than consistent with the foregoing policy. To the extent that per diem, mileage and other charges exceed the criteria set forth above, such charges may be subject to adjustment, referred to as an "adjustment refund", as provided herein. An adjustment refund for any year may be determined at the beginning of the following year by the Board of Directors of Trailer Train and be expressed as a percentage of the amount by which all car-hire compensation earned by Trailer Train during such prior year shall exceed the ordinary and necessary expenses of operation, together with the net earnings to be retained by it, for such year. In determining the amount of any such adjustment refund, said Board of Directors may take into account such other factors as in their judgment shall be appropriate. The adjustment refund, if and to the extent declared by the Board and approved by the Interstate Commerce Commission, shall be paid to Carrier and all others having Trailer Train car contracts as an adjustment of per diem, mileage and other charges paid by them for the use of Trailer Train cars during such prior year, such amount to be divided among them on the basis of proportionate car utilization by each. For the purposes of this paragraph, proportionate car utilization shall be the ratio which the total amount paid by Carrier as car-hire compensation shall bear to the total received by Trailer Train from Carrier and all others as car-hire compensation.

APPROVED
THE ATCHISON TOPEKA AND SANTA FE RAILWAY COMPANY
(Railroad)

ATTEST:
Assistant Secretary

Date: SEP 24 1974

By:

Title: VICE PRESIDENT-FINANCE

ATTEST:

Date: August 28, 1974

TRAILER TRAIN COMPANY

By:

Title: President

SUPPLEMENTS NOS. 41 - 68

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 69.

SUPPLEMENT NO. 69
TO TRAILER TRAIN COMPANY FORM A CAR CONTRACT

It is hereby agreed between the signatories hereto that effective January 1, 1983, in accordance with Paragraphs 6(f) and 8 of the Form A Car Contract between Carrier and Trailer Train that notwithstanding Paragraph 9 of said Contract, the following terms and conditions shall govern responsibility for the maintenance, in good condition, of Trailer Train cars bearing prefix TTLX and assigned to Carrier:

I. Trailer Train agrees to furnish Carrier with cars which are suitable for transportation service and which meet all of the then prevailing rules as contained in the Code of Rules Governing the Condition of and Repairs to Freight and Passenger Cars for Interchange of Traffic, promulgated by the Association of American Railroads ("Interchange Rules"). Carrier agrees that all cars so furnished for assignment to Carrier meet the conditions as defined above, unless Carrier, through Joint Inspection, takes exception to the condition of such car or cars at the time Carrier receives such car(s) for assignment.

II(a). Carrier shall be responsible for all Owner Responsibility maintenance, as defined by the Interchange Rules, including but not limited to all unfair usage damage, whether or not documented, as if Carrier were the car owner. In cases where undocumented unfair usage occurs, Trailer Train agrees to assist Carrier in its investigation to establish a responsible carrier.

(b). In the case of Extensive Owners Repairs, as defined by Rule 108 of the Interchange Rules, which are determined to be required either by a handling line railroad or at a Trailer Train authorized repair facility, Trailer Train agrees to provide estimates to, and secure approval of, Carrier prior to performance of the work.

III. Trailer Train agrees to accept billing from handling line carrier and Trailer Train authorized shops for those repairs identified in Paragraph II above. Trailer Train will pay such handling line carrier or authorized repair shop as billed, and Carrier agrees to reimburse Trailer Train for such charges upon presentation of billing as follows:

(a). Carrier agrees to accept a separate bill each month to cover Owners repairs for assigned TTLX cars under the provisions of this Supplement. Such billing will be presented once each month and will include:

(1). Billing received by Trailer Train for repairs performed and billed under the Interchange Rules. Trailer Train agrees to provide billing information to substantiate repairs performed by the handling line which are in the format outlined in AAR Interchange Rule 83.

(2). Billing which is presented by Trailer Train authorized shops for Owners work performed on assigned TTLX cars under this Supplement. Carrier will be provided documentation for these repairs at least as detailed as the AAR requires in its Rule 83. That documentation, however, need not be in the format shown in Rule 83, provided it meets all other requirements. The labor rate and material charges shall be the same as that paid by Trailer Train to the authorized shop for performance of Owner Responsibility maintenance. No mark-up on either of these rates or charges shall be received by Trailer Train on such work performed.

(b). Carrier agrees to make payment to Trailer Train, for the cost of Owners repairs to assigned TTLX cars covered under this Supplement, within thirty (30) days of presentation of such billing by Trailer Train to Carrier.

(c). Should disputes arise over the validity of specific repair charges, Carrier agrees to promptly reimburse Trailer Train in accordance with paragraph III(b) above. Carrier agrees to be reponsible for reconciliation of any differences with the billing carrier or authorized shop. Trailer Train, however, will make every reasonable effort to assist Carrier by providing any information Trailer Train has, or can reasonably develop, to assist Carrier in substantiating its claim.

IV. For the purpose of this Supplement, reasonable wear and tear shall be defined as that which occurs under normal operating conditions, but has not reached the limits as defined in Section A of each rule in the Field Manual of the AAR Interchange Rules.

APPROVED:

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY

By: ______________________

Title: President

ATTEST:

____

Title: ASSISTANT SECRETARY

Date: DEC 1 1987

TRAILER TRAIN COMPANY

By ______________________

Title: President

ATTEST:

____

Title: Secretary

Date: October 20, 1987

SUPPLEMENTS NOS. 70 - 75

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 76.

SUPPLEMENT NO. 76

TO TRAILER TRAIN COMPANY FORM A CAR CONTRACT
(Effective as of September 1, 1983)

Pursuant to action taken by the Board of Directors of Trailer Train on July 28, 1983, it is hereby agreed between the signatories hereto that effective as of September 1, 1983, paragraph 6(f) of the Form A Car Contract between Carrier and Trailer Train is amended and supplemented so as to provide in full as follows:

(f) Car hire charges provided herein are subject to change, or supplementation for cars of varying design or length, by Trailer Train, pursuant to action of its Board of Directors or the Executive Committee on 15 days' advance written notice to Carrier. Trailer Train's President, in his discretion, may reduce car hire charges 20% below the level otherwise approved by the Board of Directors or the Executive Committee of Trailer Train, or may increase rates (reduced by management action pursuant to the foregoing authority) back to the level most previously approved by the Board of Directors or the Executive Committee on 15 days' advance written notice to Carrier.

APPROVED:

ATTEST:	The Atchison, Topeka and Santa Fe Railway Company (Carrier)
T. M. McGovern	BY: [signature]
DATE: 8-12-83	TITLE: Executive Vice President

ATTEST:	TRAILER TRAIN COMPANY
D. H. Williams	BY: R. C. Brenton Jr.
DATE: July 29, 1983	TITLE: President

SUPPLEMENT NO. 77

HAS BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 78.

SUPPLEMENT NO. 78

TO TRAILER TRAIN COMPANY FORM A CAR CONTRACT
SUPERSEDING SUPPLEMENT NO. 71

It is hereby agreed between the signatories hereto that effective as of January 1, 1984, Supplement No. 71 to the Form A Car Contract between Carrier and Trailer Train is superseded and sub-paragraphs 3(c), (d), (e), (f), (g) and (h) of the said Contract, as supplemented, shall read in full as follows:

(c) Trailer Train shall pay Carrier a Basic Mileage Rate (BMR) and/or an Incremental Mileage Rate (IMR) per tariff mile for the movement of Trailer Train cars over Carrier's lines as shown below at the herein described rates when such movements are made in accordance with Trailer Train Car Movement Directives (CMD).

The BMR hereby established shall be the average nationwide cost per mile for the movement of an empty car and shall be calculated annually by Trailer Train in accordance with the then most currently available Interstate Commerce Commission Rail Form A costs for such elements as the cost per gross ton mile, inspection costs, train supplies costs, inter-train switching costs, interchange switching costs, and station clerical costs as reported to and summarized by the Interstate Commerce Commission and escalated by an appropriate inflation factor. Trailer Train shall notify Carrier annually of the BMR and any changes thereto. The IMR hereby established shall be Carrier's car hire cost per tariff mile for use of Trailer Train equipment calculated by dividing total car hire charges reported by Carrier for the preceding calendar year by total mileage reported by Carrier for the use of Trailer Train equipment during such year. The IMR so obtained shall be adjusted from time to time to reflect Trailer Train car hire rates in effect at the time of issuance by Trailer Train of applicable CMD. Payment to Carrier of charges based on the IMR as hereinafter provided shall be in lieu of car hire relief. Commencing with the date such a Trailer Train Company CMD(s) is issued, no car hire relief will be granted on such directed car(s) for which IMR or combined mileage rate payments become due the carrier.

The Combined Mileage Rate (CMR) as used hereinafter shall be defined as the total of the BMR and the IMR.

(1) Trailer Train shall pay Carrier the BMR per tariff mile for the movement of a new car from the point where such car was built to the lines of the Carrier to which such car is destined for service (including but not limited to, transportation to and from any place to which such new car is being moved for application of a superstructure or other special device), or to the point at which such car is loaded, if such be a lesser distance.

(2) Trailer Train shall pay Carrier the CMR per Tariff mile for the movement of a deracked car from the point of deracking to an authorized repair facility for refurbishing or modification for other service.

(3) Trailer Train shall pay the CMR per tariff mile for the movement by Carrier of a car to car builder or equipment manufacturer, for application of a rack or other special device, and the return of such car to rack or device owner, or to the initial loading point (whichever is the lesser distance) if the movement is made for the convenience of, and at the request of, Trailer Train.

(4) For the movement of a car withdrawn from service by Trailer Train for program maintenance, modification, inspection, or retirement, Trailer Train shall pay the CMR per tariff mile from the point where the car was taken out of service to the designated repair facility. (The IMR portion of the CMR shall be subject to a minimum of 150 miles per car). When such a car is delivered from the repair facility to a designated Carrier other than the Carrier physically serving the repair facility, Trailer Train shall pay Carrier involved in the movement at the Combined Rate per tariff mile for movement of the car from the repair facility to the Trailer Train designated junction of the receiving Carrier. (The IMR Portion of the CMR shall be subject to a minimum of 150 miles per car). In addition, Trailer Train shall pay a $10 switching allowance to the line haul Carrier physically serving the repair facility for inbound and outbound switching service except when serving Carrier performs only switching service within a switching district. When the Carrier physically serving the repair facility performs only

switching service within a switching district and cars are received from or delivered to another Carrier, Trailer Train shall pay such Carrier a 50-mile minimum per car at the CMR. If such car is directed to the Carrier physically serving the repair facility, no outbound mileage or switching allowance shall be paid. Mileage payments for line haul service to a Carrier physically serving a repair facility shall be subject to a 100-mile minimum at the CMR.

(d) (1) Trailer Train shall not be liable for any charges calculated at the BMR for movement of a car to or from a repair facility except as specifically provided hereinafter and in subparagraphs 3(c) (1), (2), (3) and (4). Trailer Train shall pay the IMR per tariff mile subject to a minimum of 150-miles per car, for movement over Carrier's lines of a car to or from a repair facility for the performance, at the expense of Trailer Train, of work not specifically described in subparagraph 3(c) (4). Trailer Train shall pay a switching allowance of $10 to a line haul Carrier physically serving the repair facility for a car received from another Carrier and moved to a designated on-line repair facility. In addition, Trailer Train shall pay a switching allowance of $10 to the Carrier physically serving the repair facility for the outbound movement of a car in line-haul service to another Carrier. When such Carrier performs only switching service within a switching district and cars are received from or delivered to another Carrier, Trailer Train shall pay to such Carrier a 50-mile minimum per car at the CMR. When Carrier requests disposition to a Trailer Train designated repair facility for repairs other than wreck damage, program maintenance, modification, inspection, or retirement of a Trailer Train owned car, Carrier shall pay the BMR per tariff mile to Trailer Train for disbursement to intermediate and repair facility serving Carriers participating in the move to the repair facility, and in the event such movement is over the lines of a nonparticipant to this agreement, Carrier shall reimburse Trailer Train for any transportation charges incurred in such movement. In addition, on all cars other than unassigned free-running cars, Carrier shall pay the BMR per tariff mile to Trailer Train for movement from the repair facility to the lines of the Carrier to which the car is destined for service or to the point at which such car is loaded, if such be a lesser distance, for disbursement to intermediate and repair facility serving Carriers participating in the move from the repair facility, and in the event such movement is over the lines of a nonparticipant to this agreement, Carrier shall reimburse Trailer Train for any transportation charges incurred in such movement. When, after being repaired, unassigned free-running cars are directed to a Carrier other than the repair facility serving Carrier, Trailer Train shall pay per tariff mile the CMR, as established hereinabove, until such cars reach the lines of the Carrier to which destined for service. In the event the repair facility serving carrier is a nonparticipant to this agreement, the Carrier which requested disposition for such car, as specified above, shall reimburse Trailer Train for any transportation charges incurred in such movement.

(2) Trailer Train shall not be responsible for any mileage payments for movement to a repair facility of a wreck damaged car, but shall pay the IMR per tariff mile subject to a minimum of 150-miles per car to Carriers participating in the movement of such cars from a repair facility to the lines of the Carrier other than the repair facility serving Carrier, to which it is destined for service or to the point at which such car is loaded, if such be a lesser distance. Carrier responsible for wreck damage on a car, other than an unassigned free-running car, shall pay to Trailer Train the BMR per tariff mile for the movement of such car from a repair facility to the lines of the Carrier other than the repair facility serving Carrier, to which such car is destined for service or to the point at which such car is loaded, if such be a lesser distance, for disbursement to intermediate and repair facility serving Carriers participating in the move from the repair facility. Trailer Train shall pay the BMR per tariff mile to Carriers participating in the movement of a wreck damaged unassigned free-running car from a repair facility to the lines of the Carrier to which such car is destined for service. In addition, Trailer Train shall pay a switching allowance of $10 to Carrier physically serving the repair facility for the outbound movement of such cars directed to another Carrier.

(3) Trailer Train shall not be liable for any charges calculated at the BMR for movement of a car to or from a repair facility when such movement originates on the lines of a Carrier which is not a signatory to this agreement.

(e) Carrier's prompt written notice to the repair facility of the availability of a car in the serving yard of such repair facility, with copy to Trailer Train's Controller, shall constitute compliance with applicable CMD on such car and shall constitute the date and time for commencement of car hire relief. To assist Carrier in maintaining a proper record of termination of car hire relief, Trailer Train shall arrange for prompt written notice to Carrier of any car released from a repair facility and available for movement.

(f) If Carrier orders a car for application of a superstructure or other special device, Carrier shall reimburse Trailer Train the average cost for such movement between all the then existing Trailer Train car supply sources and the fabricator selected by Carrier. In addition, Carrier shall reimburse Trailer Train for actual mileage payments and switching costs from such fabricator to lines of the Carrier to which the car is destined for service or to the point at which such car is loaded, if such be a lesser distance. Carrier shall be relieved of the payment of car hire charges otherwise applicable for the empty movement of a new car from a car builder and to or from a fabricator for application of a superstructure or other special device until such car reaches the lines of the Carrier to which the car is destined for service or to the point at which such car is loaded, whichever occurs first. Car hire relief for cars having superstructures or other special devices affixed at a fabricator shall be limited for each car order to the number of cars equipped times 20 days calculated from date of arrival to date of release from the fabricator.

(g) (1) If Carrier fails to comply with a Trailer Train CMD, Carrier shall pay to Trailer Train CMR or the IMR per tariff mile applicable to the movement of cars covered by such CMD for disbursement to Carrier's participating in such movement.

(2) Trailer Train shall not be liable for any bills for mileage payments or switching allowances for

car movements specified herein unless said bills are presented for payment to Trailer Train within 120-days of the end of the calendar month in which such car movements or switching occur.

ATTEST:

DATE: December 1, 1983

APPROVED:

ATSF

BY:

Title: Executive Vice President

ATTEST:

Vice President-General Counsel and Secretary

DATE: September 26, 1983

TRAILER TRAIN COMPANY

BY:

R.C. Burton, Jr.

TITLE: President

SUPPLEMENTS NOS. 79 - 98

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 99.

SUPPLEMENT NO. 99

TO TRAILER TRAIN COMPANY FORM A CAR CONTRACT
AMENDING AND SUPERSEDING SUPPLEMENT NO. 83
(Effective December 15, 1985)

Pursuant to action taken by the Board of Directors of Trailer Train Company on December 5, 1985, Supplement No. 83 to the Trailer Train Company Form A Car Contract is hereby amended, effective December 15, 1985, by adding the initials DTTX and RTTX thereto so as to read in full, as follows:

> "An additional charge of $100.00 per car per originated load is established effective December 15, 1985, for the use of DTTX GTTX, KTTX, LTTX, RTTX, STTX, TTX, TTAX, TTCX, TTFX, TTLX, TTUX, TTWX, UTTX, VTTX, WTTX, and XTTX cars for purposes other than transportation of trailers and/or containers unless prior written permission for such use is granted by the Company. Payment of such additional charge shall not relieve Carrier from responsibility for payment of charges for damage to or restoration of such car."

TRAILER TRAIN COMPANY

By: R C Burton Jr.
R. C. Burton, Jr., President
and Chief Executive Officer

DATED: December 6, 1985

SUPPLEMENTS NOS. 100 - 120

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 121.

SUPPLEMENT NO. 121

TO TRAILER TRAIN COMPANY FORM A CAR CONTRACT
SUPERSEDING SUPPLEMENT NO. 119
(Effective October 1, 1989)

It is hereby agreed between the signatories hereto that, effective October 1, 1989, Supplement No. 119 to the Form A Car Contract is hereby superseded to provide the following terms and conditions under which Carrier and others having a similar Form A Car Contract with Trailer Train may be relieved from the payment of car hire charges for cars on the lines of Carrier for which Carrier has no current need and has notified Trailer Train in accordance with the following procedures that such cars are no longer in transportation service:

I Except as otherwise provided below, Carrier shall be relieved of the payment of otherwise applicable car hire charges on cars bearing Trailer Train reporting marks after expiration of five days' notice from Carrier to Trailer Train, under the terms and conditions set forth below:

(A) Carrier's notice, if by telephone, must include car initial(s), number(s) and location(s) of those cars for which car hire relief is requested. Such telephone notice must be confirmed in writing and received by Trailer Train's Chief Transportation Officer within seven calendar days, such confirmation containing the car initial(s), number(s), location(s) and date of initial telephone notice, whereupon commencement of the five-day period will begin on the day following initial telephone notice. If written confirmation is not received on or before the seventh calendar day following initial telephone notice, then the five-day period will not begin until the fifth calendar day prior to actual receipt of written confirmation.

(B) If written notice, including those via telecommunication devices, is the first advice given Trailer Train of surplus cars, the five-day period will begin on the day such notice is received by Trailer Train's Chief Transportation Officer. Such written notice must contain the car initial(s), number(s) and location(s) of those cars for which car hire relief is requested.

(C) If at any time during or after the expiration of the five-day notice period Trailer Train has not issued a Car Movement Directive (CMD) and Carrier in possession of the car(s) develops a need for their use, Carrier may use any such car(s) by contacting Trailer Train by telephone and advising the Trailer Train Transportation Department of such use on the day of such use. If a need develops for such car(s) at a time when no one is on duty in the Transportation Department, Carrier can comply with the foregoing by furnishing the required information via telecopier, telex or other communications device on the next working day following the day of such use of the car(s).

(D) At any time subsequent to Carrier's notice of turnback, Trailer Train shall have the right to direct Carrier, and Carrier shall have the obligation to deliver any car or cars specified in the notice of Carrier to specific connections at specific junction points, or store any such car or cars free of charge to Trailer Train.

(E) If and when the number of cars, other than those covered by the storage provisions of Supplement No. 122, has become sufficient in the judgment of the Chief Transportation Officer of Trailer Train to so warrant Carrier shall be required to store, as directed by Trailer Train, up to that percentage of the total number of cars subject to storage which is equal to Carrier's percentage of utilization of the total number of cars in the previous calendar year as established by the Trailer Train Company Utilization Statement. Such storage requirement calculations shall be made separately for:

1. Double Stack Cars (DTTX)
2. Lumber Flats (TTPX, TTZX)
3. Chain Tie-Downs (OTTX, HTTX, ITTX, TTDX, TTHX)
4. Others (ATTX, JTTX, MTTX, PTTX, ZTTX, TTJX, TTMX)

II Carrier shall be relieved of car hire responsibility for cars bearing Trailer Train reporting marks and delivered and assigned to Carrier before October 1, 1989:

(A) At the time the minimum assignment term expires if such occurs on or after October 1, 1989, or

(B) No later than April 1, 1990 for assigned intermodal cars, TTJX, TTMX, TTPX and TTZX cars and from October 31, 1989 to April 1, 1990 for all other assigned cars, if the minimum assignment term had expired prior to October 1, 1989.

(Supplement No. 121)

(C) Upon completion of assignments as specified in Paragraphs II (A) and (B) above such cars become subject to the car hire relief procedures in Paragraph I herein.

III Carrier shall not be eligible for car hire relief under the provisions of this Supplement unless and until any racks or other equipment or special devices or securement, not owned by Trailer Train, shall have been removed from the car and the car has either been restored to its original condition*, less reasonable wear and tear, or Carrier has made arrangements reasonably satisfactory to Trailer Train to reimburse Trailer Train for the cost of restoring the car to such condition.

* "Original condition" as used herein shall include removal of all equipment, racks, securement or other devices, except chains and associated tie-down equipment owned by Trailer Train and originally furnished as part of the car.

APPROVED:

The Atchison, Topeka & Santa Fe Railway Co.
(Carrier)

ATTEST: [signature]

DATE: October 19, 1989

By: [signature]

Title: President & COO

ATTEST: [signature]

DATE: SEPTEMBER 28, 1989

TRAILER TRAIN COMPANY

By: [signature]

Title: President & Chief Executive Officer

SUPPLEMENTS NOS. 122 - 127

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 128.

SUPPLEMENT NO. 128

TO TRAILER TRAIN COMPANY FORM A CAR CONTRACT
(Effective May 1, 1991)

It is hereby agreed between the signatories hereto that the Form A Car Contract between Carrier and Trailer Train is amended and supplemented to provide the procedures relating to the operation of the Trailer Train Heavy Duty Flatcar Fleet (QTTX). These cars will carry the AAR mechanical designation of FM and FD.

REPORTING REQUIREMENTS

Carrier will furnish abbreviated waybill information showing origin, final destination and routing as a minimum to allow the effective control of subject cars.

Carriers requesting cars will order cars from Trailer Train Distribution Services and furnish the following information:

1. Type of car needed: FD and FM
2. Date of shipment.
3. Weight, length, width and height of shipment.
4. Capacity of car requested.
5. Maximum permissible length of loading platform above the top of rail.
6. Shipper and Consignee.
7. Origin and Destination.
8. Complete routing.

Carrier agrees to furnish Trailer Train a Loading/Unloading Report on the cars subject to this agreement within five (5) days of the occurrence. Data listed below will be required:

LOADING REPORT (Origin Carrier)

1. Car initial and number
2. Date car arrived loading station or constructive placement at point short of loading station
3. Date and time placed for loading (actual or constructive)
4. Date and time released by shipper
5. Waybill date and number
6. Name of shipper
7. Origin
8. Consignee
9. Destination
10. Complete routing, including carrier placing car for unloading if such carrier is a switch carrier.

UNLOADING REPORT (Destination Carrier)

1. Date car arrived at unloading station or constructive placement at point short of loading station
2. Date and time placed for unloading (actual or constructive)
3. Date and time released by consignee

The carrier requesting the car shall furnish Trailer Train Company a Loading Report if the cars are given to non-participants to be loaded. The last delivering participant carrier will be responsible for furnishing the Unloading Report if car is unloaded by a non-participant.

In lieu of these reports carriers' TRAIN records may be used; these records relate to the arrival, placement and release of cars.

CHARGES

CAR HIRE

For each car owned by or under lease to Trailer Train on lines operated by Carrier, Carrier shall pay Trailer Train a car hire and mileage charge as specified in Supplement 129, or any subsequent supplements. Carrier agrees that if it is the originating roadhaul carrier of a load in these cars and any portion of the roadhaul route or the destination of such car is over or upon the lines of a carrier or carriers not party to this agreement, Carrier shall be responsible for any deficiency that may arise in payment of the aforementioned charges while car is off the lines of parties to this agreement.

OTHER CHARGES

The use charge is applied to the loading carrier. The detention charges are applied at origin and destination and are the responsibility of the origin and destination carrier. If the origin or destination carrier is a non-participant, these charges will be the responsibility of the originating roadhaul carrier.

Detention charges will start 24 hours after car is placed for loading (origin) and 48 hours after car is placed for unloading (destination). These times will be furnished Trailer Train in the aforementioned Loading/Unloading Reports.

When subject cars are ordered by carrier and movement directives issued by Trailer Train, a cancellation charge will be applied for cancelled orders. Additionally, this cancellation charge will be applicable to cars placed and released without being used, along with any applicable detention charges, unless the cancellation was necessitated by a defect in the car.

BILLING PROCEDURES

All billing for use detention and cancellation charges will be done on a monthly basis and will include all charges which are identified as to having occurred between the first and last working day of the month. These bills will be issued on the last working day of the month and will be payable by the carrier in the next Car Hire Report. Supporting documentation will be included with the bill and may consist of loading/unloading reports furnished by the origin/destination carriers or other records reported by the carriers.

CAR DISTRIBUTION AND MOVEMENT PROCEDURES

Subject cars will be controlled by Trailer Train's Distribution Services Department. Because of the limited size of this fleet, car orders will be filled based on a combination of criteria:

1. Location and availability of car.
2. Time cars needed.
3. Time order placed.

Destination carrier agrees to be responsible for costs incurred to remove any dunnage or blocking that was not removed by the consignee. Origin and destination carrier will be governed by compliance with the "General Rules Governing Loading of Commodities on Open Type Cars."

CHARGES PAID ON EMPTY MOVEMENTS

All empty movements will be made by directives issued by Trailer Train. Cars being distributed for next loading will be moved at no cost to Trailer Train on carrier originating the empty car (or in case of non-participant the delivering carrier) and will be moved at no cost to Trailer Train on the carrier requesting the car. Trailer Train will make attempts to move empties across carriers that participate in the loaded movement of the cars. If the use of intermediate carriers is necessary, intermediate carriers will be paid the incremental mileage rate. The IMR shall be carrier's car hire cost per tariff mile for use of Trailer Train equipment calculated by dividing total car hire charges reported by carrier by total mileage reported by carrier for the use of the Heavy Duty Fleet.

In addition, it will be the responsibility of the terminating participant carrier to store surplus cars free of charge to Trailer Train. Car hire will stop upon notification that car is surplus to the destination carrier (Unloading Report). When cars are moved from storage to service, or from storage on one carrier to storage on another carrier, they will move on directives that will pay incremental mileage to the intermediate carriers only.

At times it will be necessary to move subject cars to Trailer Train inspection points that will be on or close to the car's route to the next loading location. This would be for an inspection to assure car is suitable for next load and all dunnage has been removed from previous loadings. Cars in this case will be moving under normal movement directives. Car hire relief will be granted from time of arrival at the inspection point to 24 hours after car is released from the inspection point. All attempts will be made to inspect cars prior to placing a car in storage.

APPROVED:

The Atchison, Topeka and Santa Fe Ry. Co.

(Carrier)

ATTEST:

DATE: APRIL 10, 1991

BY:

TITLE: President and Chief Operating Officer

ATTEST:

DATE: March 20, 1991

TRAILER TRAIN COMPANY

BY:

TITLE: PRESIDENT

SUPPLEMENTS NOS. 129 - 145

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 146.

SUPPLEMENT NO. 146
TO TTX COMPANY FORM A CAR CONTRACT
EFFECTIVE OCTOBER 1, 1994

It is hereby agreed between the signatories hereto that the Form A Car Contract between Carrier and TTX Company is amended and supplemented to include the following provisions:

1. Definitions.

For purposes of this supplement, the following terms shall have the definitions set forth below:

(a) "New Technology Assignment" shall mean Carrier's obligation, for a period of three (3) years, to pay applicable car hire charges with respect to a New Technology Car to the extent that such charges are not paid by others during said term.

(b) "New Technology Car" shall mean a car which incorporates one or more patented or non-patented features, accessories, or manufacturing processes which are not incorporated in more than one percent (1%) of the cars or, with respect to intermodal cars, one percent (1%) of Platforms (as defined in Supplement 126) included in TTX's fleet.

2. Operations.

If Carrier has an interest in one or more New Technology Cars, it may seek to enter into a New Technology Assignment by delivering to TTX a request on a form to be provided by TTX. If TTX determines to enter into a New Technology Assignment, verifies that the subject cars conform to the definition of New Technology Cars, and obtains any authority necessary from its Board of Directors to acquire, modify, or finance the subject cars, TTX may execute the form and direct the movement of such New Technology Cars to Carrier at the earliest practicable date. TTX shall have no prior obligation to qualify New Technology Cars for interchange. Upon delivery, Carrier's New Technology Assignment obligation shall commence with respect to that car. During the term of its obligation, Carrier shall have the principal right, upon request, to the use and redistribution of the New Technology Car.

3. Effective Date.

This Supplement shall become effective on October 1, 1994.

ATTEST:

B. K. Morgan

FORM APPROVED

M. Smith

General Attorney

APPROVED:

The Atchison, Topeka and Santa Fe Ry. Co.
[CARRIER]

By: ____________________

Its: Chairman, President and Chief Executive Officer

ATTEST:

W. F. Todd

TTX COMPANY

By: R C Burton Jr.

Its: President

SUPPLEMENTS NOS. 147 - 153

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 154.

SUPPLEMENT NO. 154 to the

TTX COMPANY FORM A CAR CONTRACT

Pursuant to action taken by the Board of Directors on March 14. 1997, Supplement No. 121 is modified by the addition of the following paragraph:

> I (F) With respect to cars equipped with automobile racks owned by the Company, Carrier shall be relieved of otherwise applicable car hire charges after the expiration of fifteen days' notice.

Attest: [signature]

Date: April 4, 1997

Approved:

Carrier: BNSF

By: David Fleenor

Title: General Director

Attest: [signature]

Date: March 19, 1997

TTX COMPANY

By: R C Burton Jr

R. C. Burton, Jr., President and Chief Executive Officer

March 5, 1997

SUPPLEMENTS NOS. 155 - 169

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 170.

SUPPLEMENT NO. 170 to the

TTX COMPANY FORM A CAR CONTRACT

(Effective: May 1, 1999)

Pursuant to action taken by the Board of Directors on March 19, 1999, Supplement No. 168, (including Exhibit A attached thereto) setting forth car hire charges and mileage rates for use of the Company's cars is hereby amended by the addition of the following car type:

Initial	Length	Rate Per Hour	Description
JTTX	89' 4"	$1.16	110-Ton Flatcar, General Service

TTX COMPANY

By: R C Burton Jr.

R. C. Burton, Jr., President
and Chief Executive Officer

March 10, 1999

SUPPLEMENT NO. 171

HAS BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 172.

RETURN TO TTX

SUPPLEMENT NO. 172
TO TTX COMPANY FORM A CAR CONTRACT
SUPERSEDING SUPPLEMENT NO. 137
(EFFECTIVE JANUARY 1, 2000)

In order to achieve more efficient and expeditious settlements of car hire, the signatories hereto agree that, effective with the service month of January 2000, Supplement No. 137 to the Form A Car Contract is superseded, and said Contract is hereby amended for procedures relating to 100% billing, car hire claims and settlements as follows:

1. TTX Company ("TTX") will forward a bill thirty (30) days following the end of a service month to the Carrier, showing Carrier's liability for car hire as established by TTX's records and industry LCS records.

   a) Charges for mileage will be forwarded to TTX by Carrier by the 35th day following the end of the service month.

   b) The combination of TTX's computed car hire and the Carrier's mileage reporting will represent Carrier's liability for the service month.

   c) The bill for the Carrier's liability will be payable and carrier agrees to pay by sight draft forty (40) days after the close of the service month. Failure to pay the sight draft will result in Carrier being charged interest on the amount of the sight draft commencing ten (10) days after presentation until such time as the bill is paid. The interest rate to be paid will be the interest rate reported on the first of each month (and adjusted monthly) on one month's Certificates of Deposit issued by major banks for amounts of one million dollars or more as reported in the Wall Street Journal, or any similar successor publication.

   d) Each voluntary mileage allowance reported by Carrier subsequent to the month in which it was earned shall be payable in the month in which it is reported.

2. To assist Carrier in the verification of the car hire amounts billed, TTX will make available all information and technology (to the extent permitted by law) which was used in the determination of Carrier's car hire liability.

3. Following settlement, both the Carrier and TTX relinquish any further claims against each other for car hire with respect to the service month in question, except for:

   a) Those items which may be the result of a contract compliance audit by TTX under other provisions of the Form A Car Contract.

   b) Car hire discrepancy claims, which are claims that have been issued to railroads not signatory to the Form A Car Contract and are returned declining responsibility, shall be forwarded to the Carrier responsible therefore and handled in accordance with paragraph 4, below.

4. A Carrier receiving a Reissued Claim (Paragraph 3b above) from the Company must, within two months of the last day of the two month period, do one of the following:

    a) Acknowledge responsibility for all reissued car hire claimed in the next car hire report, or

    b) Acknowledge responsibility for part of the amount claimed in the next car hire report, and disprove further responsibility with non-LCS records and return the claim to the Company, or

    c) Disprove any responsibility with non-LCS records, and return the claim to the Company.

5. All claims presented by the Company to Carriers in accordance with this Amendment which are not handled by Carriers pursuant to the terms of Paragraph 4 shall become due and payable.

6. Car movement record additions, changes and deletions by Carrier or TTX affecting a month's liability may not be made subsequent to the twenty-fifth (25th) day after the service month has ended (i.e., the January 2000 movement records can be updated through February 25, 2000.)

7. The company shall perform audits on a periodic basis on each Carrier's car hire billing and mileage reporting to ensure accuracy and completeness of TTX's billing and Carrier reportings. TTX shall employ standard sampling techniques recommended by TTX's Car Accounting Advisory Committee ("CAAC"), or any successor committee. The signatories agree that these techniques shall be those which are generally accepted within the railroad industry, and further agree that TTX may change these techniques to conform to changes which may be recommended by CAAC from time to time.

8. This Supplement will not apply to settlement of claims under the Form D Special Services Contract between the signatories.

APPROVED:

Burlington Northern Santa Fe
(Carrier)

ATTEST:

M. K. Morgan

Date: 11-5-99

By: C R Schultz

Title: Executive Vice President and Chief Marketing Officer

ATTEST:

William F. Todd Jr.

Date: October 18, 1999

TTX COMPANY

By: R C Burton Jr.

Title: President

SUPPLEMENTS NOS. 173 - 181

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 182.

PLEASE RETURN THIS COPY
TO P.B. LOFTUS AT TTX
UPON EXECUTION.

SUPPLEMENT NO. 182
to
TTX COMPANY FORM A CAR CONTRACT
(Effective September 1, 2002)

Pursuant to action taken by the TTX Board of Directors on September 26, 2002, the Form A Car Contract between Carriers and TTX is supplemented and Supplement 175 is amended to provide the following terms and conditions with respect to cars bearing the prefix DTTX and allocated to Carrier for use in intermodal service on or after September 1, 2002.

I. Allocation of DTTX cars:

(A) "Allocated Capacity" refers to a predetermined number of double-stack Platforms (as defined in Supplement 175) available for allocation among the Carriers. It is not car number specific. Allocated Capacity shall be identified in an additional Supplement.

(B) From time to time, TTX shall notify a Carrier of the number of Platforms available for allocation to Carrier ("Notification"). TTX shall use Carrier's Utilization Calculation (as defined in Supplement 175 of the TTX Form A Car Contract, or any successor Supplement) to determine the portion of the Allocated Capacity available to each Carrier. A Carrier's Utilization Calculation shall be based on the calculation in effect during the month preceding the date Carrier receives Notification.

(C) (1) TTX will poll all Carriers to determine the amount of Allocated Capacity that each Carrier will accept. Carrier shall have fourteen (14) days to respond to TTX's initial inquiry, advising the number of Platforms it will take in allocation.

(2) If any eligible Platforms remain unallocated after the first round of polling by TTX, the process will be repeated on the remaining Platforms until all eligible Platforms are allocated, or no Carrier desires any additional Allocated Capacity. Carrier shall have two (2) business days from the date of Notification to advise TTX if it desires any of the remaining unallocated capacity.

(D) Any Platforms that remain unallocated will be subject to redistribution under the provisions of Supplement 175 or a successor Supplement.

II. Control of Allocated Cars:

Once each week, TTX will calculate the number of Platforms on Carrier's lines above its allocated amount. Those Platforms that exceed Carrier's allocation will be subject to redistribution pursuant to Supplement 175, or a successor Supplement.

III. Term:

The term of each allocation shall be identified in an additional Supplement and shall not exceed three (3) years.

IV. Car Hire Charges:

The rates to be paid for the Allocated Capacity will be the existing TTX rates for car hire and mileage for double-stack Platforms, subject to any special incentives specifically applicable to Allocated Capacity. Any special incentive shall be identified in additional Supplements.

V. Surplus or Stored Cars:

Carrier cannot declare Allocated Capacity surplus or stored.

VI. Effect on Supplement 175:

Supplement 175 or a successor Supplement is hereby modified to exclude DTTX Platforms subject to allocation as prescribed in this Supplement from all provisions of Supplement 175 including the "Utilization Calculation" defined in paragraph I.

ATTEST:

____

Date: ______________

APPROVED:
The Burlington Northern and Santa Fe Railway Company
(Carrier)

By: ______________________

Title: Executive VP & CMO

ATTEST:

____

Date: 10-1-02

TTX COMPANY:

By: ______________________
A.F. Reardon, President and Chief Executive Officer

SUPPLEMENTS NOS. 183 - 193

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 194.

SUPPLEMENT NO. 194

TO TTX COMPANY FORM A CAR CONTRACT

(Effective October 1, 2004)

As approved and authorized by the Surface Transportation Board ("STB") in a Decision served August 31, 2004, in Finance Docket No. 27590 (Sub-No. 3), and pursuant to action taken by the Board of Directors of TTX Company on September 23, 2004, Paragraph 21 of the Form A Car Contract is hereby amended in its entirety to read as follows:

> "21. This Agreement shall take effect on October 1, 2004, and shall continue in effect for an initial period of ten (10) years, and thereafter shall remain in effect, provided that an application seeking renewal or modification of TTX's and the Railroad Participants' authority to pool flatcars under Section 11322 of the Act is pending before the STB, until 180 days after the STB has issued a final decision and all appeals from that decision have been exhausted or the time to appeal has expired. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns."

APPROVED:

THE BURLINGTON NORTHERN AND SANTA FE RAILWAY C
(Carrier)

ATTEST:

Date: NOVEMBER 3, 2004

By:

Title: VICE PRESIDENT

TTX COMPANY

ATTEST:

Date: September 30, 2004

By:

Title: President & Chief Executive Officer

SUPPLEMENTS NOS. 195 & 196

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 197.

SUPPLEMENT NO. 197
to
TTX COMPANY FORM A CAR CONTRACT
(Effective: June 23, 2005)

Pursuant to action taken by the TTX Company Board of Directors on June 23, 2005, the second sentence of Paragraph 17 of the Form A Car Contract is hereby amended by adding the words "or states of Mexico" so that it will read:

"Carrier agrees that it will permit the cars to be used only on lines of railroad in the United States of America; provided, however, that the cars may be used in such provinces of Canada or states of Mexico as may be agreed upon between TTX Company and Carrier."

TTX COMPANY

By: ______________________
A. F. Reardon, President
and Chief Executive Officer

SUPPLEMENT NO. 198
TO TTX COMPANY FORM A CAR CONTRACT
(Effective September 22, 2005)

It is hereby agreed between the signatories hereto that the following distribution methodology shall apply to such Centerbeam Flatcars as may be designated by the participants for centralized management.

1. Pool Participants:

Any signatory to the TTX Form A Car Contract currently using TTX-owned centerbeam flatcars distributed through the use of "Section 16(c)" designations may participate in the Managed Centerbeam Pool. In order to participate, such signatory shall designate, by car number, the TTX Centerbeam cars that it shall transfer from "Section 16(c)" classification to the Managed Centerbeam Pool and shall sign this Supplement. Such signatories shall be called "Pool Participants" and such cars shall be called "Pool Cars." The name of the pool shall be the "Managed Centerbeam Pool" and it may be, in this document, referred to as "the Pool."

2. Definitions:

For the purposes of this Supplement, the following definitions apply (refer to Exhibit A):

a. Pool Cars – 73-foot TTZX cars, or other TTX centerbeam flatcars, designated by Participants as part of the Managed Centerbeam Pool. Cars shall be identified as "high-capacity" (286,000-lb. capacity or greater) or "low-capacity" (under 286,000-lb. capacity) at the time they are designated by Participants.
b. Total Managed Fleet – the total cars designated and contributed by Pool Participants for distribution under the rules set forth herein.
c. Entitlement Percentage – Percent of the Total Managed Fleet contributed by a Participant.
d. Actual Cars on Line – The total serviceable Pool cars on a Participant's line plus Pool cars on the Participant's connecting short lines. For this purpose, a car is deemed to be on a connecting short line if the Participant delivered the car to a short line. Serviceable cars are cars not in or moving under Disposition Instructions to a TTX or TTX-authorized repair facility.
e. Participant Total – Total Managed Fleet on Participants' lines plus Pool cars on the Participants' connecting short lines.
f. Cars Under Disposition Instructions – Cars under a Disposition Instruction (DI) to move to or from a Participant's line pursuant to the prior week's order.
g. Adjusted Cars On-Line – Each Participant's Actual Cars On-Line minus cars Forwarded under a DI plus cars to be Received under a DI.
h. Base Entitlement Count – Each Participant's Entitlement Percentage times the Participant Total.
i. Base Excess or Deficit Calculation – The difference between the Adjusted Cars on Line and the Base Entitlement Count.
j. Cars Idle 5 Days or More – Pool cars on a Participant's line (or connecting short line) for which TTX has received no movement reports for 5 days or more.
k. Cars Deficit Carrier May Order – The number of cars a Deficit Carrier may order.

3. Process Flow:

The Managed Centerbeam Pool shall employ the following procedures for distribution of cars contributed to the Pool:

A. Notification – TTX will notify Pool Participants on a weekly basis via e-mail or fax, of their Deficit or Excess capacity including how many cars each Participant is in Excess or in Deficit.

B. Response (RR) - Within 24 hours of notification, any Pool Participant in a Deficit situation may request that cars up to the number of Cars Deficit Carrier May Order be directed to its line. The request should specify locations or regions where empty cars are needed and TTX shall use its best efforts to supply cars to that area.

A Pool Participant in an Excess situation may request off-line disposition of cars in Excess of its Base Entitlement and the request shall specify the location of excess cars. TTX shall use its best efforts to direct cars from such locations.

C. Response - TTX will have 24 hours after notification by Deficit Carrier to issue Disposition Instructions to fill Deficit Carrier's request. Surplus Carriers will have 10 days to fill a Disposition Instruction from the date TTX issues it. Compliance with Disposition Instructions means delivery to interchange with receiving Carrier. TTX will determine viable outlets for Excess capacity and sources to relieve Deficits. To do this, it will evaluate the most logical options based on factors such as: inventory location, destination, interchange points, time and mileage constraints. TTX will then:

- Issue Disposition Instructions to Carriers to move cars in accordance with the distribution requirements. Disposition Instructions will be issued according to high-capacity and low-capacity Cars in order to supply, as much as possible, the same ratio of such cars to the receiving Participant Carrier as it originally designated for participation in the Pool.
- Coordinate conference calls for tactical planning.
- Provide Car Number, interchange point and ETA information to destination road, as available.
- Monitor car movements and confirm directive compliance, as available.
- Advise the appropriate Pool Participant of any significant delays, rerouting or substitution of equipment.
- Note any instance of non-compliance and issue violation notification as required.

- Calculate Excess Cars and determine storage outlets for cars when a surplus situation exists.

4. Methodology of Distribution (TTX)

The Distribution Methodology is as set forth in the chart in Exhibit A.

The steps TTX will take to identify cars to be ordered under Disposition Instructions for each Participant are as follows:

1. Determine the Entitlement Percentage.
2. Determine the Actual Cars on Line (which includes Participant short lines).
3. Determine Adjusted Cars on Line by adding or subtracting Pool Cars moving to/from Participant under Disposition Instructions.
4. Determine Base Entitlement Count by multiplying Participant's Entitlement Percentage times the Participant Total of Actual Cars on Line.
5. Determine the Base Excess or Deficit count by subtracting the Base Entitlement Count from the Adjusted Cars On-Line Count.
6. For Carriers in a base deficit situation, the Cars Deficit Carrier May Order is calculated by subtracting the number of Cars Idle 5 Days or More from the Base Deficit count.
7. For Carriers in an Excess situation, the actual excess is the Adjusted Cars On-Line minus their car contribution count.
8. In the absence of any voluntary movement of empty cars to a Deficit Carrier, the count of cars ordered from surplus Carriers is based on their prorated share of the total surplus count. In the following example Road 1 is deficit and orders 200 cars. Roads 2, 3, 4, and 5 are surplus. Here are their surplus counts, percentage of the total order, and count of cars that will be placed under a Distribution Instruction.

Road	Surplus Count	Ratio	Percentage	Total Order	Order per Road
2	500	500 / 750	66.7%	200	133
3	100	100 / 750	13.3%	200	27
4	100	100 / 750	13.3%	200	27
5	50	50 / 750	6.7%	200	13
Total	750		100.0%		200

5. Changes in Entitlement:

A Participant Carrier's Entitlement Percentage may change in two ways: (1) through additional designations to the Managed Centerbeam Pool, and the recalculation of the percentages as a result of that designation or (2) through voluntary release of cars by a Participant Carrier from its Entitlement, and a recalculation of the percentages as a result of that release.

6. Compliance:

A Pool Participant's failure to comply with the Disposition Instructions ("Directive Non-Compliance"), except failure that is the result of a properly documented event of force majeure, shall result in a per car penalty charge for every car in non-compliance. The penalty charge shall be $500 per car per Disposition Instruction or such other charge as may be established from time to time by the Car Advisory Board. The following are conditions of force majeure: Act of God, authority of law, adverse weather necessitating suspension of operation on a line, fire, explosion, embargo, war, insurrection, threatened or actual act of terrorism, or other conditions beyond the Pool Participant's reasonable control preventing compliance.

Directive Non-Compliance is defined as a Pool Participant's failure to deliver the specified number of Cars to the designated road within a 10-day period from when the Disposition Instructions are issued or a Pool Participant's failure to accept the specified number of cars when offered at interchange. Each Pool Car that is not delivered or accepted in accordance with the foregoing shall be considered an instance of non-compliance.

7. Collection of Charges and Arbitration:

It shall be the responsibility of TTX to monitor compliance with Disposition Instructions and to maintain a database of compliance available to all Pool Participants for their review. Whenever TTX has determined that the penalty charges are due for Directive Non-Compliance and the harmed Pool Participant agrees, the designated contact on the non-complying Carrier will be notified in writing within 14 days of the date of the Directive Non-Compliance and advised of the amount due. The amount shall be billed through normal channels with the Participant's car hire bill. The harmed Pool Participant always maintains the right to waive penalty assessments.

When arbitration herein has been requested, the dispute shall be presented to the Director- General Equipment of TTX Company by written abstract furnished within 30 days from the date on which arbitration was requested. The injured Carrier(s) may elect to submit documentation at the same time. This arbitration clause shall govern only disputes relating to the failure to comply with a Directive. The Car Advisory Board, as established by TTX Company, shall act as the arbitration committee. The arbitration committee may request oral presentation by the Director-General Equipment of TTX Company, the Carrier charged with non-compliance, and /or the injured Carrier. A majority of the arbitration committee shall constitute a quorum, and the majority vote of those present shall govern. Members of the arbitration committee, determined by the Director-General Equipment of TTX Company to be involved in or affected by the dispute being considered, and representatives of TTX, will be disqualified from voting on the dispute being considered. The arbitration committee, within 30 days after consideration of the dispute, shall render its decision and such decision shall be final.

8. Rule 22 Reclaim

Pool cars shall not be subject to Rule 22 Reclaim.

9. Withdrawal from the Managed Centerbeam Pool

A Participant may withdraw any number of its contributed cars from the Managed Centerbeam Pool upon 30 days' prior notice to TTX and to the other Participants for any reason and return such cars to the prior 16(c) designation.

Attest: [signature]
BNSF
DATE: 7-5-06

APPROVED:
[signature]
(Carrier)
DATE: July 5, 2006
TITLE: Asst V.P. Carload Eqpt

Attest: [signature]
DATE: 10/25/05

TTX COMPANY:
[signature]
Title: President & Chief Executive Officer

Centerbeam Distribution Report - Exhibit A

	A	B	C	D	E	F	G	H	I	J
	Total Managed Fleet			Cars Under Distribution Instructions						
ROAD	Cars Contributed	Entitlement Percentage	Actual Cars On-Line	Forwarded	Received	Adjusted Cars On-Line	Base Entitlement Count	Base Excess or (Deficit)	Cars Idle 5 Days or More	CARS DEFICIT CARRIER MAY ORDER
Road 1			1912							
Short Lines			339							
Total	2,200	21.53%	2251	15	0	2236	2,146	90	141	-
Road 2			689							
Short Lines			112							
Total	1,200	11.74%	801	0	50	851	1,171	(320)	21	299
Road 3			779							
Short Lines			47							
Total	1,300	12.72%	826	0	75	901	1,268	(367)	41	326
Road 4			1567							
Short Lines			118							
Total	1,600	15.66%	1685	15	0	1670	1,561	109	135	-
Road 5			169							
Short Lines			29							
Total	250	2.45%	198	0	0	198	244	(46)	23	23
Road 6			715							
Short Lines			45							
Total	150	1.47%	760	95	0	665	146	519	29	-
Road 7			68							
Short Lines			27							
Total	120	1.17%	95	0	0	95	117	(22)	0	22
Road 8			2812							
Short Lines			542							
Total	3,400	33.27%	3354	0	0	3354	3,317	37	186	-
Subtotal - On-Line			8,711							
Subtotal - Connecting Shortlines			1,259							
PARTICIPANT TOTAL			9,970 (1)			9,970				
Cars in Shop, on Other Class I's or on Other Short Lines			250			250				
TOTAL	10,220	100.00%	10,220	125	125	10,220				

A The Total Managed Fleet, the 73' Centerbeam Cars Contribution by Railroad.

B Each Participant's Percentage of Total Centerbeam Contribution by Railroad.

C Actual Servicable Cars On-Line based upon member count and junctions to connecting short lines.

D Cars Forwarded, moving From Excess Carriers under Disposition Instructions to Deficit Carriers.

E Cars to be Received, moving Toward Deficit Carriers under Disposition Instructions from Excess Carriers.

F Each Participant's Total Actual Cars On-Line minus Cars Forwaded plus Cars Received, F = C - D + E

G Each Participant's Entitlement Percentage times the PARTICIPANT TOTAL (1) of all serviceable cars on-line.
Cars in Shop and cars on switch carriers are not allocated in the entitlement counts.

H Each Participant's Adjusted Cars On-Line minus their Base Entitlement Count, H = F - G

I Cars with no reported movements in the last 5 days.

J For Carriers in a base deficit condition, J = Absolute value of H minus I (cars idle 5 days).
For Deficit Carriers this is the count of cars that they may request disposition toward their road.

SUPPLEMENT NO. 199
TO TTX COMPANY FORM A CAR CONTRACT
(Effective September 22, 2005)

It is hereby agreed between the signatories hereto that the following distribution methodology shall apply to such Bulkhead Flatcars as may be designated by the participants for centralized management.

1. Pool Participants:

Any signatory to the TTX Form A Car Contract currently using TTX-owned bulkhead flatcars distributed through the use of "Section 16(c)" designations may participate in the Managed Bulkhead Pool. In order to participate, such signatory shall designate, by car number, the TTX Bulkhead cars that it shall transfer from "Section 16(c)" classification to the Managed Bulkhead Pool and shall sign this Supplement. Such signatories shall be called "Pool Participants" and such cars shall be called "Pool Cars." The name of the pool shall be the "Managed Bulkhead Pool" and it may be, in this document, referred to as "the Pool."

2. Definitions:

For the purposes of this Supplement, the following definitions apply (refer to Exhibit A):

a. Pool Cars – 68-foot TTPX cars, or other TTX bulkhead flatcars, designated by Participants as part of the Managed Bulkhead Pool. Cars shall be identified as "high-capacity" (110-ton, 62' between bulkheads or greater) or "low-capacity" (under 110 tons, and 60'6" to 62' between bulkheads) at the time they are designated by Participants.
b. Total Managed Fleet – the total cars designated and contributed by Pool Participants for distribution under the rules set forth herein.
c. Entitlement Percentage – Percent of the Total Managed Fleet contributed by a Participant.
d. Actual Cars on Line – The total serviceable Pool cars on a Participant's line plus Pool cars on the Participant's connecting short lines. For this purpose, a car is deemed to be on a connecting short line if the Participant delivered the car to a short line. Serviceable cars are cars not in or moving under Disposition Instructions to a TTX or TTX-authorized repair facility.
e. Participant Total – Total Managed Fleet on Participants' lines plus Pool cars on the Participants' connecting short lines.
f. Cars Under Disposition Instructions – Cars under a Disposition Instruction (DI) to move to or from a Participant's line pursuant to the prior week's order.
g. Adjusted Cars On-Line – Each Participant's Actual Cars On-Line minus cars Forwarded under a DI plus cars to be Received under a DI.
h. Base Entitlement Count – Each Participant's Entitlement Percentage times the Participant Total.
i. Base Excess or Deficit Calculation – The difference between the Adjusted Cars on Line and the Base Entitlement Count.
j. Cars Idle 5 Days or More – Pool cars on a Participant's line (or connecting short line) for which TTX has received no movement reports for 5 days or more.
k. Cars Deficit Carrier May Order – The number of cars a Deficit Carrier may order.

3. Process Flow:

The Managed Bulkhead Pool shall employ the following procedures for distribution of cars contributed to the Pool:

A. Notification – TTX will notify Pool Participants on a weekly basis via e-mail or fax, of their Deficit or Excess capacity including how many cars each Participant is in Excess or in Deficit.

B. Response (RR) - Within 24 hours of notification, any Pool Participant in a Deficit situation may request that cars up to the number of Cars Deficit Carrier May Order be directed to its line. The request should specify locations or regions where empty cars are needed and TTX shall use its best efforts to supply cars to that area.

A Pool Participant in an Excess situation may request off-line disposition of cars in Excess of its Base Entitlement and the request shall specify the location of excess cars. TTX shall use its best efforts to direct cars from such locations.

C. Response - TTX will have 24 hours after notification by Deficit Carrier to issue Disposition Instructions to fill Deficit Carriers request. Surplus Carriers will have 10 days to fill a Disposition Instruction from the date TTX issues it. Compliance with Disposition Instructions means delivery to interchange with receiving Carrier. TTX will determine viable outlets for Excess capacity and sources to relieve Deficits. To do this, it will evaluate the most logical options based on factors such as: inventory location, destination, interchange points, time and mileage constraints. TTX will then:

- Issue Disposition Instructions to Carriers to move cars in accordance with the distribution requirements. Disposition Instructions will be issued according to high-capacity and low-capacity Cars in order to supply, as much as possible, the same ratio of such cars to the receiving Participant Carrier as it originally designated for participation in the Pool.

- Coordinate conference calls for tactical planning.

- Provide Car Number, interchange point and ETA information to destination road, as available.

- Monitor car movements and confirm directive compliance, as available.

- Advise the appropriate Pool Participant of any significant delays, rerouting or substitution of equipment.

- Note any instance of non-compliance and issue violation notification as required.

- Calculate Excess Cars and determine storage outlets for cars when a surplus situation exists.

4. Methodology of Distribution (TTX)

The Distribution Methodology is as set forth in the chart in Exhibit A.

The steps TTX will take to identify cars to be ordered under Disposition Instructions for each Participant are as follows:

1. Determine the Entitlement Percentage.
2. Determine the Actual Cars on Line (which includes Participant short lines).
3. Determine Adjusted Cars on Line by adding or subtracting Pool Cars moving to/from Participant under Disposition Instructions.
4. Determine Base Entitlement Count by multiplying Participant's Entitlement Percentage times the Participant Total of Actual Cars on Line.
5. Determine the Base Excess or Deficit count by subtracting the Base Entitlement Count from the Adjusted Cars On-Line Count.
6. For Carriers in a base deficit situation, the Cars Deficit Carrier May Order is calculated by subtracting the number of Cars Idle 5 Days or More from the Base Deficit count.
7. For Carriers in an Excess situation, the actual excess is the Adjusted Cars On-Line minus their car contribution count.
8. In the absence of any voluntary movement of empty cars to a Deficit Carrier, the count of cars ordered from surplus Carriers is based on their prorated share of the total surplus count. In the following example Road 1 is deficit and orders 200 cars. Roads 2, 3, 4, and 5 are surplus. Here are their surplus counts, percentage of the total order, and count of cars that will be placed under a Distribution Instruction.

Road	Surplus Count	Ratio	Percentage	Total Order	Order per Road
2	500	500 / 750	66.7%	200	133
3	100	100 / 750	13.3%	200	27
4	100	100 / 750	13.3%	200	27
5	50	50 / 750	6.7%	200	13
Total	750		100.0%		200

5. Changes in Entitlement:

A Participant Carrier's Entitlement Percentage may change in two ways: (1) through additional designations to the Managed Bulkhead Pool, and the recalculation of the percentages as a result of that designation or (2) through voluntary release of cars by a Participant Carrier from its Entitlement, and a recalculation of the percentages as a result of that release.

6. Compliance:

A Pool Participant's failure to comply with the Disposition Instructions ("Directive Non-Compliance"), except failure that is the result of a properly documented event of force majeure, shall result in a per car penalty charge for every car in non-compliance. The penalty charge shall be $500 per car per Disposition Instruction or such other charge as may be established from time to time by the Car Advisory Board. The following are conditions of force majeure: Act of God, authority of law, adverse weather necessitating suspension of operation on a line, fire, explosion, embargo, war, insurrection, threatened or actual act of terrorism, or other conditions beyond the Pool Participant's reasonable control preventing compliance.

Directive Non-Compliance is defined as a Pool Participant's failure to deliver the specified number of Cars to the designated road within a 10-day period from when the Disposition Instructions are issued or a Pool Participant's failure to accept the specified number of cars when offered at interchange. Each Pool Car that is not delivered or accepted in accordance with the foregoing shall be considered an instance of non-compliance.

7. Collection of Charges and Arbitration:

It shall be the responsibility of TTX to monitor compliance with Disposition Instructions and to maintain a database of compliance available to all Pool Participants for their review. Whenever TTX has determined that the penalty charges are due for Directive Non-Compliance and the harmed Pool Participant agrees, the designated contact on the non-complying Carrier will be notified in writing within 14 days of the date of the Directive Non-Compliance and advised of the amount due. The amount shall be billed through normal channels with the Participant's car hire bill. The harmed Pool Participant always maintains the right to waive penalty assessments.

When arbitration herein has been requested, the dispute shall be presented to the Director - General Equipment of TTX Company by written abstract furnished within 30 days from the date on which arbitration was requested. The injured Carrier(s) may elect to submit documentation at the same time. This arbitration clause shall govern only disputes relating to the failure to comply with a Directive. The Car Advisory Board, as established by the TTX Company shall act as the arbitration committee. The arbitration committee may request oral presentation by the Director-General Equipment of TTX Company, the Carrier charged with non-compliance, and /or the injured Carrier. A majority of the arbitration committee shall constitute a quorum, and the majority vote of those present shall govern. Members of the arbitration committee, determined by the Director-General Equipment of TTX Company to be involved in or affected by the dispute being considered, and representatives of TTX, will be disqualified from voting on the dispute being considered. The arbitration committee, within 30 days after consideration of the dispute, shall render its decision and such decision shall be final.

8. Rule 22 Reclaim

Pool cars shall not be subject to Rule 22 Reclaim.

9. Withdrawal from the Managed Bulkhead Pool

A Participant may withdraw any number of its contributed cars from the Managed Bulkhead Pool upon 30 days' prior notice to TTX and to the other Participants for any reason and return such cars to the prior 16(c) designation.

Attest: SB Smith
BNSF
DATE: 7/6/06

APPROVED:
Richard A Margl
(Carrier)
NAME: RICHARD A. MARGL
TITLE: ASST VP CARLOAD EQPT

Attest: [signature]
DATE: 10/25/05

TTX COMPANY:
[signature]
Title: President & Chief Executive Officer

Bulkhead Distribution Report - Exhibit A

ROAD	A Total Managed Fleet Cars Contributed	B Entitlement Percentage	C Actual Cars On-Line	D Cars Under Distribution Instructions Forwarded	E Received	F Adjusted Cars On-Line	G Base Entitlement Count	H Base Excess or (Deficit)	I Cars Idle 5 Days or More	J CARS DEFICIT CARRIER MAY ORDER
Road 1			1912							
Short Lines			339							
Total	2,200	21.53%	2251	15	0	2236	2,146	90	141	-
Road 2			689							
Short Lines			112							
Total	1,200	11.74%	801	0	50	851	1,171	(320)	21	299
Road 3			779							
Short Lines			47							
Total	1,300	12.72%	826	0	75	901	1,268	(367)	41	326
Road 4			1567							
Short Lines			118							
Total	1,600	15.66%	1685	15	0	1670	1,561	109	135	-
Road 5			169							
Short Lines			29							
Total	250	2.45%	198	0	0	198	244	(46)	23	23
Road 6			715							
Short Lines			45							
Total	150	1.47%	760	95	0	665	146	519	29	-
Road 7			68							
Short Lines			27							
Total	120	1.17%	95	0	0	95	117	(22)	0	22
Road 8			2812							
Short Lines			542							
Total	3,400	33.27%	3354	0	0	3354	3,317	37	186	-
Subtotal - On-Line			8,711							
Subtotal - Connecting Shortlines			1,259							
PARTICIPANT TOTAL			9,970 (1)			9,970				
Cars In Shop, on Other Class I's or on Other Short Lines			250			250				
TOTAL	10,220	100.00%	10,220	125	125	10,220				

A The Total Managed Fleet, the Bulkhead Cars Contribution by Railroad.

B Each Participant's Percentage of Total Bulkhead Contribution by Railroad.

C Actual Servicable Cars On-Line based upon member count and junctions to connecting short lines.

D Cars Forwarded, moving From Excess Carriers under Disposition Instructions to Deficit Carriers.

E Cars to be Received, moving Toward Deficit Carriers under Disposition Instructions from Excess Carriers.

F Each Participant's Total Actual Cars On-Line minus Cars Forwaded plus Cars Received, F = C - D + E

G Each Participant's Entitlement Percentage times the PARTICIPANT TOTAL (1) of all serviceable cars on-line.
Cars in Shop and cars on switch carriers are not allocated in the entitlement counts.

H Each Participant's Adjusted Cars On-Line minus their Base Entitlement Count, H = F - G

I Cars with no reported movements in the last 5 days.

J For Carriers in a base deficit condition, J = Absolute value of H minus I (cars idle 5 days).
For Deficit Carriers this is the count of cars that they may request disposition toward their road.

SUPPLEMENT NO. 200

HAS BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 201.

SUPPLEMENT NO. 201
to the
TTX COMPANY FORM A CAR CONTRACT
SUPERSEDING SUPPLEMENTS 171 & 174
(Effective January 1, 2006)

Pursuant to action taken by the TTX Board of Directors on December 8, 2005, Supplements No. 171 and No. 174 to the Form A Car Contract are hereby superseded by this Supplement No. 201, effective January 1, 2006, which increases the car hire and other charges for use of the Company's heavy-duty flatcars with the reporting mark QTTX, as specified on the attached Exhibit A.

TTX COMPANY

By:

A. F. Reardon, President
and Chief Executive Officer

Exhibit A

Car Hire and Other Charges for QTTX Equipment Pursuant to Supplement No. 201

	25' FD 185-Ton	38' FD 110-Ton	47' FD 140-Ton	50' FM 245-Ton	55' FM 195-Ton	32' FD 185-Ton	27' FD 230-Ton	45' FM 370-Ton	25' FD 120-Ton	60' FM 105-Ton	70' FM 230-Ton	46' FD 105-Ton	32' FD 340-Ton	53' FM 370-Ton	35' FD 245-Ton	89' FD 110-Ton
Basic Charges:																
Car Hire:																
Per Hour Charge	$ 2.06	$ 1.31	$ 3.80	$ 3.08	$ 2.27	$ 2.62	$ 2.69	$ 5.05	$ 1.29	$ 1.01	$ 2.92	$ 3.26	$ 8.36	$ 5.05	$ 8.36	$ 1.46
Mileage Charges:																
Rate per Mile	$ 0.11	$ 0.08	$ 0.16	$ 0.13	$ 0.11	$ 0.13	$ 0.13	$ 0.23	$ 0.08	$ 0.06	$ 0.13	$ 0.15	$ 0.38	$ 0.23	$ 0.38	$ 0.06
Special Charges:																
Use Charge:																
Per Load	$1,900.00	$1,500.00	$2,600.00	$2,100.00	$1,900.00	$2,300.00	$2,400.00	$4,400.00	$1,500.00	$750.00	$2,600.00	$2,300.00	$7,200.00	$4,400.00	$7,200.00	$ 500.00
Detention Charge *																
(After 24/48 hour free time period):																
Per Day:																
Day 1 and 2	$ 85.00	$ 60.00	$ 170.00	$ 120.00	$ 85.00	$ 100.00	$ 100.00	$ 200.00	$ 60.00	$ 40.00	$ 120.00	$ 150.00	$ 325.00	$ 200.00	$ 325.00	$ 50.00
Day 3 and 4	$ 170.00	$ 120.00	$ 340.00	$ 240.00	$ 170.00	$ 200.00	$ 200.00	$ 400.00	$ 120.00	$ 80.00	$ 240.00	$ 300.00	$ 650.00	$ 400.00	$ 650.00	$ 100.00
Day 5	$ 255.00	$ 180.00	$ 510.00	$ 300.00	$ 255.00	$ 300.00	$ 300.00	$ 600.00	$ 180.00	$120.00	$ 360.00	$ 450.00	$ 975.00	$ 600.00	$ 975.00	$ 150.00
Day 6 and Over	$ 340.00	$ 240.00	$ 680.00	$ 480.00	$ 340.00	$ 400.00	$ 400.00	$ 800.00	$ 240.00	$160.00	$ 480.00	$ 600.00	$1,300.00	$ 800.00	$1,300.00	$ 200.00
Cancellation Charge	$ 500.00	$ 500.00	$ 500.00	$ 500.00	$ 500.00	$ 500.00	$ 500.00	$ 500.00	$ 500.00	$500.00	$ 500.00	$ 500.00	$ 500.00	$ 500.00	$ 500.00	$ 500.00

***excludes weekends and holidays unless preceded by a chargeable day**

TTX COMPANY
MILEAGE RATES FOR DTTX EQUIPMENT
PURSUANT TO SUPPLEMENT NO. 200
EFFECTIVE JANUARY 1, 2006

Car Initial	# Of Wells	Per Mile Charge
DTTX	1-Well	$ 0.015
DTTX	3-Wells	$ 0.045
DTTX	4-Wells	$ 0.060
DTTX	5-Wells	$ 0.075

SUPPLEMENT NO. 202

HAS BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 203.

SUPPLEMENT NO. 203

TO TTX COMPANY FORM A CAR CONTRACT

(EFFECTIVE JANUARY 1, 2007)

Pursuant to action taken by the TTX Board of Directors on September 21, 2006, the Form A Car Contract between Carriers and TTX is amended and supplemented to provide the following terms and conditions with respect to TTX flatcars.

In order to compensate TTX for the rising price of wheel replacements, there will be a surcharge imposed on mileage rates for all flatcars subject to this Form A Car Contract as set forth below.

1. The surcharge will be different according to flatcar type with flatcars divided into the following five fleet categories:
    a. DTTX
    b. All other intermodal
    c. Autorack cars
    d. Centerbeam and bulkhead flatcars
    e. All other flatcars

2. The Base Prices will be the wheel set replacement prices in effect as of October 1, 2005 as set forth in the AAR Interchange Rule Office Manual ("AAR Prices").

3. The surcharge will be calculated quarterly at the beginning of each quarter, and shall be effective the first day of the following month (February 1, May 1, August 1, November 1) each quarter. The surcharge will be calculated by fleet category as follows:
    a. Multiply the Base Prices times the volume of wheel set replacements during the last twelve months for which data is available ("Total Base Cost").
    b. Multiply current AAR Prices (those in effect as of the beginning of each calendar quarter) times the volume of wheel set replacements during the same twelve-month period referred to in a., above ("Total Current Cost").
    c. Subtract the Total Base Cost from the Total Current Cost to determine the "Total Surcharge."
    d. Calculate the total mileage of the fleet during the same 12-month period as used in steps a. and b.
    e. Divide the Total Surcharge by the 12-month mileage (in d.) to produce the "Surcharge Per Mile."
    f. Add the Surcharge Per Mile to the applicable Mileage Rates as of December 31, 2006. The Surcharge will be applied as a new mileage

rate in cases where the car does not have a mileage rate. For the DTTX fleet, the Surcharge is applied on a per well basis.

4. The Surcharge may rise or fall (causing a mileage rate reduction). If, however, the Current Rate falls below the base, the Surcharge will not be applied to reduce the mileage rate below rates in effect on December 31, 2006.

5. Minor changes in the wheel cost replacement charges will not cause a surcharge. An increase (or decrease) is "minor" if the Total Surcharge is $3 million over or under the current surcharge in effect.

6. Surcharges and supporting data will be reported to each Carrier by TTX on a quarterly basis.

7. Attached Exhibit A demonstrates a sample calculation.

8. The Surcharge will be in place until removed by action of the Board of Directors.

TTX Company

By: ______________________
Andrew F. Reardon
President and Chief Executive Officer

Exhibit A to
SUPPLEMENT NO. 203

Wheel Surcharge Summary

Costs and Mileage in millions Fleet Category	Wheelsets Applied Current Period	Costs Total Base Cost	Costs Total Current Cost	Total Surcharge Current Less Base Cost	Current Period Mileage	Surcharge Per Mile	2006 Mileage Rate	Current Mileage Rate
DTTX	49,524	$ 49.3	$ 63.8	$ 14.5	7,102	$ 0.0020	$ 0.015	$ 0.017
ALL OTHER INTERMODAL	27,992	$ 24.5	$ 34.2	$ 9.7	2,700	$ 0.0040	$ 0.027	$ 0.031
AUTORACKS	24,286	$ 21.6	$ 29.0	$ 7.4	2,419	$ 0.0030	$ -	$ 0.003
BOXCARS	4,522	$ 3.8	$ 5.2	$ 1.4	443	$ 0.0030	$ 0.078	$ 0.081
CENTERBEAM & BULKHEAD	8,580	$ 7.3	$ 9.3	$ 2.0	452	$ 0.0040	$ -	$ 0.004
ALL OTHER FLATCARS	1,921	$ 1.6	$ 2.2	$ 0.6	267	$ 0.0020	$ 0.012	$ 0.014
TOTAL	116,825	$ 108.1	$ 143.7	$ 35.6	13,383	$ 0.0030		

Current Period - June 2005 to May 2006
Base Prices - October 1, 2005 AAR Price Master
Current Prices - July 1, 2006 AAR Price Master
Total Base Cost - Current Period Volume * Base Prices
Total Current Cost - Current Period Volume * Current Prices

SUPPLEMENTS NOS. 204 - 206

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 207.

SUPPLEMENT NO. 207
TO THE
TTX COMPANY FORM A CAR CONTRACT
(Effective January 1, 2008)

Pursuant to action taken by the TTX Board of Directors on September 20, 2007, the Form A Car Contract between Carriers and TTX is amended and supplemented to provide the following terms and conditions with respect to certain DTTX flatcars.

1. Up to fifty (50), five (5)-unit DTTX cars (ECP Brake Cars) will be assigned to Union Pacific Railroad Company (UPRR) for a 3-year period (the UPRR Assignment Period) commencing with the installation thereon of electronically controlled pneumatic (ECP) brakes. ECP Brake Cars, which will also be equipped with conventional brakes, may qualify for car hire relief but will be stored on UPRR during the UPRR Assignment Period, unless UPRR arranges storage elsewhere.
2. Should the ECP Brake Cars assigned to UPRR leave UPRR during the UPRR Assignment Period, TTX shall issue Car Movement Directives, by car number, with respect to the ECP Brake Cars in order to return them to service on UPRR.
3. ECP Brake Cars will count toward UPRR's "Entitlement" for purposes of determining distribution under Supplement 196, or any successor thereof.
4. TTX will receive such reports on the performance of the ECP Brake Cars as may be agreed upon by TTX and UPRR.
5. ECP Brake Cars subject to this Supplement are listed on Attachment A by car number.

ATTACHMENT A

Cars subject to the ECP Brake Supplement No. 207 to Form A Car Contract:

DTTX ____________

____

____

____

____

____

____

____

____

____

____

____

____

SUPPLEMENTS NOS. 208 - 211

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 212.

SUPPLEMENT NO. 212

To

<u>TTX COMPANY FORM A CAR CONTRACT</u>

(Effective September 18, 2008)

Pursuant to action taken by the Board of Directors on September 18, 2008, Supplement 121 is modified by the addition of the following paragraph:

I (G) With respect to the TTUX fleet, Carrier shall be relieved of other applicable car hire charges after the expiration of fifteen days' notice.

TTX Company

By: T. F. Wells

T. F. Wells, President

SUPPLEMENTS NOS. 213 & 214

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 215.

SUPPLEMENT NO. 215
To
TTX COMPANY FORM A CAR CONTRACT
(Effective January 1, 2010)

Pursuant to action taken by the TTX Board of Directors on December 3, 2009, the Form A Car Contract is hereby amended by this Supplement 215, effective January 1, 2010. This Supplement permits a railroad to move railcars stored on its lines from one storage location to one or more alternative storage locations within that railroad's network (hereinafter "Relocation") at a reduced cost subject to the following terms and conditions:

(1) A railroad requesting a move must provide an email or fax, no less than three (3) calendar days before a move is planned, listing the railcars and the origin and destination storage locations involved in the Relocation to the TTX Fleet Department (updated contact information is maintained on TTX's BPN website) for approval. All railcars must be in a "stored serviceable" status pursuant to the storage rules utilized by TTX's Car Accounting department.

(2) Each request for Relocation must contain a minimum number of 10 railcars. For intermodal railcars, each request for Relocation must contain a minimum of 20 platforms.

(3) All Relocations must be from a point on the requesting railroad's system or lines of connecting short line railroads it serves to one or more points of the requesting railroad's system or lines of connecting short line railroads it serves.

(4) The railroads will comply with TTX's car movement directives concerning the movement of any railcars on a railroad's Relocation list to another location of TTX's choosing and at TTX's expense consistent with rates set

forth in this Car Contract for purposes consistent with pool goals including, but not limited to, a storage place if the car is coming off lease, shop facility for program or routine maintenance, re-rack or de-rack facility, scrap facility, or another location to fill railcar orders. TTX will notify the requesting railroad of such needs within three (3) business days of receiving the Relocation list.

(5) When the railcars are pulled from the first storage location, they will go "on the clock" and be assessed car hire (including time and mileage) for the duration of the storage-to-storage move. The requesting railroad must notify the TTX Fleet Department when the relocated railcars arrive at the alternative storage location so that the railcars receive car hire relief for the time accrued during transit. Once the cars arrive at the alternative storage location, the cars will come off the clock immediately and no five day turn back charge will be assessed.

(6) TTX will reimburse the railroad the appropriate hourly rate for each railcar involved in Relocation through the 100% Percent Billing Process minus the published mileage charge associated with the car type being relocated after the move is complete and TTX confirms that the railcars were returned to storage.

(7) All storage-to-storage moves in a Relocation must be initiated within 14 calendar days of TTX's approval of the Relocation list and completed within 21 calendar days of the initial movement of cars from the origin storage location. If the Relocation is not completed within that 21 day period, TTX will assume the railcars are in active service meaning no car hire reimbursement will be allowed and car hire will be collected on those railcars consistent with customary practice for railcars in active service.

TTX Company

By: TF Wells

T.F. Wells
President & CEO

SUPPLEMENT NO. 216

HAS BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 217.

SUPPLEMENT NO. 217
To TTX COMPANY FORM A CAR CONTRACT

(Effective January 1, 2011)

Pursuant to action taken by the TTX Board of Directors on September 16, 2010, the Form A Car Contract is hereby amended by this Supplement 217, effective January 1, 2011. The purpose of this Supplement is to facilitate the return of leased TTX railcars where leases are terminating and the railcars may need to be returned to the Lessor. Carriers will timely return the railcars designated by TTX consistent with the following terms and conditions:

(1) TTX will provide the Carrier written notice at least six (6) months prior to the expiration of the lease and provide: (i) the number and location of leased railcars in the Carrier's possession; (ii) the corresponding car initials and numbers; and (iii) the location to which the Carrier shall deliver the railcar(s). After the initial notice, TTX will notify the Carrier once per month until the identified leased railcars have been moved from the Carrier to the location designated by TTX.

(2) The cost to move the railcar(s) to the location identified in (1)(iii) above will be handled consistent with Supplement 78 or its successor.

(3) If upon termination of an applicable lease agreement leased railcars remain in a Carrier's possession, such Carrier will be responsible for all amounts that may be imposed upon TTX under such lease agreement (including, but not limited to, lease rental or car hire as defined in the lease, interest, penalties or other amounts) or as agreed upon between the Lessor and TTX for holding the leased asset beyond the lease term. The Carrier will be responsible for these amounts until the leased railcar or railcars have been returned per TTX's instructions.

##########

SUPPLEMENTS NOS. 218 & 219

HAVE BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 220.

SUPPLEMENT NO. 220
To
TTX COMPANY FORM A CAR CONTRACT
SUPERSEDING SUPPLEMENT NO. 196
(Effective April 1, 2011)

Pursuant to action taken by the TTX Board of Directors on March 10, 2011 this Supplement No. 220 to the Form A Car Contract supersedes Supplement No. 196.

This methodology divides double-stacks into two unique Fleet Segments, DTTX 40' and DTTX 53', from a single generic category. Conventional equipment would remain unaffected and all platform lengths would continue to be re-distributed under the current Fleet Segment of just "Conventional".

For the purposes of this Supplement, any double-stack well length less than 53' will fall within the DTTX 40' Fleet Segment, and any double-stack well length greater than or equal to 53' will fall within the DTTX 53' Fleet Segment. Each Carrier's Entitlement to double-stack equipment will be converted from a single figure into two separate figures, one for the 40' Fleet Segment and one for the 53' Fleet Segment. For Conventional equipment, each Carrier will retain a single Entitlement. The method of calculating monthly Entitlement will remain unchanged, but it will now be performed twice for double-stacks to determine a separate Entitlement for the 40' and 53' Fleet Segments for each Carrier.

Entitlement

Entitlement is the Carrier's share of distributable TTX Intermodal equipment by Fleet Segment: DTTX 40', DTTX 53', and Conventional. Entitlement may be stated as a percent of the total Fleet Segment, which is calculated monthly, or as a number of Platforms, calculated weekly. Entitlement expressed in platforms is adjusted for the available distributable fleet size. Each Carrier has a right and an obligation to possess a number of platforms at least equal to its Entitlement when deficit to its Entitlement, consequently, Entitlement is also referred to as "Requirement". The intent of this Supplement is to allow for the preservation of Entitlement in Shortage Periods, provide a means for Entitlement to shift in Surplus Periods based on relative fleet use, and fulfill Carrier's requests for Entitlement changes whenever possible.

Calculation:

1) Entitlement is calculated monthly as a percent of the three separate Fleet Segments, DTTX 40', DTTX 53', and Conventional.
2) Each month, Carriers will submit their preferred Entitlement changes in Platforms for each Fleet Segment, or state a preference for maintaining Entitlements at their existing Platform levels. TTX Company will satisfy Carriers requests to the extent that railcar supply and these rules allow.
3) If no Carriers request an increase in Entitlement through their monthly submission, then Entitlement percentages will not change.
4) The Entitlement calculation will conform to the following hierarchy. Refer to Exhibit A for examples.
   a. Phase-In – If an Involuntary reallocation occurred in previous months, the results from prior months are "phased-in" using a 3-2-1 weighting.
   b. Preferential – After Phase-In, Carriers with a positive adjustment that are requesting an increase in Entitlement will gain from Carriers that submitted a request to decrease Entitlement.
   c. Voluntary Reallocation – After Phase-In and Preferential, Carriers requesting an increase in Entitlement swap Entitlement from Carriers seeking decrease requests, up to the requested amounts.
   d. Involuntary Reallocation – If requests to increase Entitlement remain unfulfilled after all prior steps, Carriers with a positive adjustment (detailed in section 5 below) that request an increase will gain Entitlement from Carriers with a negative adjustment using a 3-2-1 weighting.

      - For 3-2-1 weighting, the most recent month is weighted by a factor of three (3), the previous month, two (2), and the oldest, one (1). In other words, a factor of (3) = 50% or 3/(3+2+1); a factor of (2) = 33% or 2/(3+2+1); a factor of (1) = 17% or 1/(3+2+1).

5) The following Entitlement adjustments will be calculated depending on the period:

   a. For a Shortage Period:
      • Idle Adjustment – the average of the weekly deviation of the Carriers proportionate share of idle Platforms from the industry total, positive or negative.
      • Ordering Adjustment – the average of the Carriers proportional share of available Platforms not ordered in the weekly redistribution process, positive or negative.

b. For a Soft Shortage Period characterized by unordered available Platforms, the Idle and Ordering Adjustments are suspended.

c. For a Soft Shortage Period defined by the "Relative Loading Indicator", a measure of actual weekly loadings compared to the trend in weekly loadings for the past year, the Idle and Ordering Adjustments are also suspended or reduced as follows:

Relative Loading Indicator	Effect On Adjustments
Less than .95	0%
.95 to less then 1.0	50%
1.0 and above	100%

d. For a Surplus Period:
• Use Adjustment – the proportionate effect of fleet use as measured by Adjusted Paid Platform Days, positive or negative.

6) Notwithstanding the adjustments detailed above, no Carrier's Entitlement will be reduced by more than 50% of its original Entitlement unless that is its expressed goal.
7) A Carrier cannot ordinarily gain Entitlement percentage involuntarily. In other words, a percent increase would not customarily be forced upon a Carrier unless they are requesting an increase. In the event of a change in TTX Company flatcar pool membership, Entitlement would be apportioned among the remaining owners based on existing Entitlement.

Re-distribution

Common Re-distribution Rules

Requests for the re-distribution of TTX Intermodal equipment are accomplished via a Penalty, Relocation, or Return Order. Weekly, TTX Company will notify Carriers of the opportunity to submit Orders on each of the three Intermodal fleet segments; DTTX 40', DTTX 53', and Conventional. Carriers have 24 hours from receipt of said notification from TTX to submit requests for eligible Orders, not to be less than the Minimum (see Glossary). Within 24 hours** of receipt of all such eligible Orders, TTX must issue Distribution Instructions (DI). A Carrier has 240 hours from the creation date/time of said DI to deliver TTX serviceable Intermodal platforms in the requested Fleet Segment. In order to effectively administer the re-distribution process, all pertinent Intermodal railcar/container EDI messages must be provided to TTX Company from all Carriers.

A Carrier's eligibility to request an Order is outlined in the following matrix:

When a Penalty Order may be requested

	Deficit Entitlement	Excess Entitlement
Shortage Period	Yes	No
Surplus Period	Yes*	Yes*

When a Relocation or Return Order may be requested

	Deficit Entitlement	Excess Entitlement
Shortage Period	No	Yes
Surplus Period	No	Yes

* If equipment is on relief, Carriers who ordinarily could not place a Penalty Order can do so in this instance if they do not have equipment that is Surplus or on relief in the same Fleet Segment.

** Excluding Saturday, Sunday, and TTX Company observed holidays.

Carrier and TTX Company recognize that their interests, as well as the interests of the shipping public, are best served by the efficient utilization of the intermodal fleet. Accordingly, and notwithstanding the foregoing provisions, Carrier and TTX Company agree to use their best efforts to effect the prompt redistribution of Non-Surplus intermodal railcars whenever such redistribution is warranted by rapid changes in market conditions or traffic flows resulting in sudden shifts in equipment demand among Carriers.

Auxiliary details governing the administration of each order type are described in the following sections.

Auxiliary Re-distribution Rules by Order/DI Type

A. Penalty Orders/DI

1) Penalty DI must only be filled with empty serviceable TTX Company Intermodal equipment from the Fleet Segment specified, either DTTX 40', DTTX 53', or Conventional.
2) If no TTX Intermodal equipment within a Fleet Segment is Surplus or on relief on any Carrier, a Penalty Order may only be requested when a Carrier is Deficit to its Entitlement.
3) In the event that Deficit Carriers fail to order all platforms on relief, such unclaimed platforms will be equitably apportioned among those non-Surplus Carriers seeking the unclaimed platforms based on their respective Entitlement Percentage (see example in Exhibit B).
4) If TTX Intermodal equipment within a Fleet Segment is on relief, any Non-Surplus Carrier for that Fleet Segment may request that TTX Company issue a Penalty DI to have platforms delivered to it from Surplus Carriers, up to the number of platforms on relief for that Fleet Segment. This may be done even if the delivery of the ordered equipment will result in the requesting Carrier being Excess their Entitlement. Within 24 hours** of receipt of such requests, TTX Company shall issue a Penalty DI to Surplus Carrier(s).
5) Upon receipt of Penalty DI as set forth in subparagraph 4 above, a Surplus Carrier may within 24 hours** elect to advise TTX Company that such DI is not acceptable and that all platforms on-line presently on relief for that Fleet Segment were returned back on car hire effective with the date/time of the Penalty DI. No equipment within the Fleet Segment specified in the Penalty DI may be offered for or placed on relief by the Surplus Carrier for 240 hours from the effective date/time of the Penalty DI.
6) Platforms on relief used to fulfill Penalty DI as set forth in subparagraph 4 above shall go back on car hire from the effective date/time of the Penalty DI. TTX Company's IMR payment shall be due Surplus Carrier for this movement.
7) Active Penalty DI will be cancelled if a Deficit or Non-Surplus Carrier seeks per diem relief on equipment for the Fleet Segment specified in the Penalty DI.
8) A Surplus Carrier may request a Penalty Order for a specific Fleet Segment only after placing all platforms on-line presently on relief for that Fleet Segment back on car-hire (see above Order Matrix).

B. Relocation Orders/DI

1) Relocation DI can only be filled with empty serviceable TTX Company Intermodal equipment from the Fleet Segment the Carrier is Excess.
2) Deficit Carriers, when obligated by Excess Carriers' requests, will furnish the interchange points for the Excess platforms within the 24 hours** TTX Company is allowed to provide Excess Carriers disposition.
3) Unless otherwise specifically requested, a Deficit Carrier cannot receive a combination of platforms on both Relocation and Penalty Orders within a single distribution cycle such that the Deficit Carrier would be Excess its Entitlement.
4) If a Relocation Order is requested, a Carrier cannot also request a Penalty Order within the same distribution cycle on the same Fleet Segment defined in the Relocation Order.
5) In the event that TTX Company fails to provide Excess Carrier with DI for Relocation of Excess Platforms, and that failure causes Carrier to continue to have on line such Platforms in excess of its Requirement as calculated herein, Excess Carrier may invoice TTX Company's Intermodal Distribution Services Department monthly in an amount specified from time to time by TTX Company's Board of Directors for each serviceable Platform for which disposition was requested and not furnished as provided herein.
6) Platforms on relief used to fulfill Relocation DI shall go back on car hire from the effective date/time of the Relocation DI. TTX Company's IMR payment shall be due Surplus Carrier for this movement, subject to a minimum of 150 miles per car.

C. Return Orders (for Double-stacks only)

Return Orders are an available option to a Carrier (e.g. Carrier "A") that is Excess its Entitlement to return a proportionally equivalent number of empty serviceable platforms from a TTX double-stack Fleet Segment to another Carrier ("B") when Carrier B's relative loading metric (measured by Space Utilization "SU") on previously interchanged loads with Carrier A fell below Carrier A's SU.

SU, expressed as a percentage, is the relationship (ratio) between total container length loaded by the originating Carrier on any North American double-stack versus the available platform space for that double-stack. As an example, two 40' containers loaded in a 40' or 48' well equals 100% SU; two 40' containers loaded in a 53' well equals 75% SU (80/106); two 48' containers loaded in a 53' well equals 91% SU (96/106); a single 40' container loaded in a 40' or 48' well equals 50% SU; a single 40' container loaded in a 53' well equals 38% SU (40/106); and a single 48' container loaded in a 53' well equals 45% SU (48/106).

Return Order qualification and administration:

1) Only an Excess Carrier with a higher relative SU on loads previously interchanged between its interchange partners can request a Return Order per qualifying period.
2) SU is calculated on any loaded North American double-stack interchanged between two (2) Carriers for each double-stack Fleet Segment.
3) SU is not calculated on single-line moves.
4) SU cannot exceed 100% if a container longer than 40' is loaded in the upper position of a 40' well.
5) SU is calculated twice per month using the previous two week's worth of data.
6) A Carrier has 24 hours** from the time qualifying SU's are made available to request its Return Order before eligibility expires for that Distribution Cycle.
7) A Carrier has 240 hours from the creation date/time of a Return DI to deliver eligible platforms.
8) The number of platforms eligible to be returned is the lower of the relative SU Plat Calculation (see column i, Exhibit C) versus the amount a Carrier is Excess for that Fleet Segment. In other words, platforms returned under this provision cannot cause the Carrier requesting the Return Order to be below its Entitlement (see example #3 in Exhibit C).
9) The Carrier obliged to receive the delivery must be provided at least a 24 hour advance notice by the delivering Carrier of the arrival of the equipment in order to accept the Return in a timely fashion.
10) Return Orders are not applicable to Conventional Intermodal equipment, do not accumulate if unused, cannot be passed or extended to another Carrier(s), and only one Return Order between Carrier pairs per Fleet Segment may be requested in a single Distribution Cycle.
11) If a Return Order is requested, an Excess Carrier cannot also request a Penalty or Relocation Order within the same distribution cycle on the same Fleet Segment defined in the Return Order.

Exhibit C illustrates several examples of how a Return Order would be employed as well as how the number of double-stack platforms eligible to be returned would be determined.

** Excluding Saturday, Sunday, and TTX Company observed holidays.

Determining Interchange Locations

A Carrier's eligibility to select interchange locations in fulfillment of a Penalty, Relocation, or Return Order is outlined in the following matrix:

Carrier Location Selection Matrix

	Penalty & Return Order	Relocation Order
Delivering Carrier	Yes (Note 1)	No
Receiving Carrier	No	Yes (Note 2)

Notes:

1) For a Penalty Order, up to eight valid, published interchange location(s), and the amount per interchange, not to be less than the Minimum. For a Return Order, up to three valid, published interchange location(s), and the amount per interchange, not to be less than the Minimum.
2) For a Relocation Order, up to eight valid, published interchange location(s), and the amount per interchange, not to be less than the Minimum.

If a receiving Carrier on a Relocation Order has not provided interchange locations within a 24 hour timeframe, the interchange location(s) will default to the last location(s) used between those Carrier pairs and the amount per location will be divided as evenly as possible by TTX Company, not to be less than the Minimum.

When locations are provided on a Relocation Order, it is with the understanding the receiving Carrier is prepared to accept deliveries from the time the Relocation DI is created until its expiration. If a receiving Carrier chooses to accept extra platforms delivered at a location beyond the specified amount, it has the option to apply those extra platforms to another existing DI location.

If any active order type, whether Penalty, Relocation, or Return, exists between Carrier pairs for both the 40' and 53' double-stack Fleet Segments at the same interchange location, it is permissible for the delivering Carrier to fill that order(s) with a mixed-train(s) of double-stacks from both Fleet Segments.

Use of an Intermediate Carrier

In the event no direct connection exists between Carriers supplying and receiving railcars, and TTX Company must issue a DI that requires use of an Intermediate Carrier, such Intermediate Carrier shall be selected by TTX Company based on an efficient route.

1) Within 168 hours of receipt of railcars so directed on a Penalty DI, the Intermediate Carrier must deliver the railcars to an interchange point with specified connecting Carrier, or alternately, substitute a like number of railcars from the same Fleet Segment, notifying TTX Company of the car initials and numbers of such substituted railcars.

2) Intermediate Carrier shall be responsible for the payment of car hire for railcars it moves under this clause and for the conditions of non-compliance as set forth in the "Compliance with a DI" section below. TTX Company's IMR payment shall be due Intermediate Carrier for this movement subject to a minimum of 75 miles per car. If intermediate carrier substitutes cars as provided, no IMR shall be due Intermediate Carrier for either the directed or substituted cars.

Compliance with a DI

1) Carrier shall accept, forward, receive, and move in interchange, free of any charge to TTX Company or others executing this Supplement, all railcars being re-distributed in accordance with a DI issued by TTX Company.

2) Carrier's failure to comply with a Penalty DI in the allotted time frame may result in Carrier's payment of a penalty, as outlined in Sections 3 & 4 below, to the injured Deficit or Non-Surplus Carrier. Furthermore, if the Carrier failing to comply has equipment on relief belonging to the Fleet Segment described in the Penalty DI, an equivalent number of platforms on said Carrier, to be identified by TTX Company, will be placed back on car hire until such time they are returned to active transportation service; i.e. no longer idle. Failure to comply includes delivering anything less than the total number of platforms for the Fleet Segment specified in the Penalty DI.

   Carrier's failing to comply as a result of a properly documented event of force majeure will be exempt from the above provisions. Such events include Acts of God, strikes, authority of law, adverse weather necessitating suspension of operation on a line, impassable track, fire, explosion, embargo, war, insurrection, threatened or actual act of terrorism, or other conditions beyond the Carrier's reasonable control preventing compliance.

3) In the case where a Surplus or Excess Carrier has failed to fulfill a Penalty DI to a Non-Surplus or Deficit Carrier:

   a. The injured Carrier must advise TTX Company by the third business day following the Last Voluntary Date if it would like to impose the penalty payment. The injured Carrier always maintains the right to waive penalty assessments.

   b. TTX Company will make a formal inquiry to determine (a) whether there was a failure to comply, and (b) whether any mitigating factors (as set forth in bullet 2 above) apply.

   c. Upon request, the non-complying Carrier has five (5) business days to respond with evidence of compliance including car numbers, interchange date, time, and place of delivery, or evidence of a mitigating factor(s).

   d. TTX Company will issue its determination within 30 days from the relevant Last Voluntary Date, during which time it will attempt to seek a negotiated settlement. If the matter is not settled at the end of this period, TTX Company will either issue a penalty bill or determine that the mitigating factors call for relief.

   e. In the event TTX Company determines a penalty is due, it shall issue an invoice, which shall be payable upon receipt to the injured Carrier. Carriers not remitting amounts due under penalty bills will have the outstanding amounts added to their next monthly car hire bill (unless arbitration has been sought).

   f. If the injured or non-complying Carrier disagrees with the response by TTX Company, said Carrier may, within 30 days of TTX's determination, seek arbitration of the matter (as set forth below) before the TTX Intermodal Advisory Committee.

4) In the event TTX Company determines a penalty is due, it shall issue an invoice which shall be payable upon receipt. The amount for failure to comply with a Penalty DI shall be $100 per platform according to the following scalc, where "X" = the penalty amount.

Percent of Platforms Delivered in Compliance with DI	Penalty Per Platform For Each Platform Not Delivered
70% – 99%	X
35% – 69.9%	2 times X
Under 35%	3 times X

5) If a Deficit (or Non-Surplus) Carrier refuses to accept in interchange serviceable railcars it ordered from an Excess (or Surplus) Carrier, the Excess Carrier's car management group will contact Deficit Carrier's car management group in an effort to reach a solution. If the Deficit Carrier cannot accept the railcars in 24 hours, or agrees to accept the railcars and then refuses them a second time, the DI and the Excess Carrier's obligation to deliver to the Deficit Carrier will, at the Excess Carrier's discretion, be: a) cancelled entirely; or b) reduced by the number and type of Platforms so refused. In addition, the Excess (or Surplus) Carrier may seek compensation from the Deficit Carrier for the resources spent in attempting to deliver the requested railcars.

Collection of Charges and Arbitration

When arbitration has been requested, the dispute shall be presented to the TTX Company Director of Intermodal Distribution in written format within 30 days from the date which arbitration was requested. This arbitration clause shall govern only disputes relating to failure to comply with a DI and shall not affect the arbitration remedy provided in the Form A Car Contract for other disputes under the Contract.

The Intermodal Advisory Committee shall act as the arbitration committee. After presentation of the facts, the arbitration committee will hear the arguments of the Carrier charged with non-compliance, the Carrier requesting the penalty assessment, and any other relevant testimony. A majority of the arbitration committee shall constitute a quorum, and a majority vote of those present shall govern.

Members of the arbitration committee involved in or affected by the dispute being considered will be disqualified from the final discussion and voting on the dispute being considered. The arbitration committee, within 30 days after consideration of the dispute, shall render its decision and such decision shall be final. In the event of a tie vote, the penalty will be upheld.

Glossary of Terms

Carrier – Railroad signatory to the TTX Form A Car Contract, as supplemented.

Conventional – TTX Intermodal railcars other than double-stacks.

Deficit – Platforms on-line below, or under, said Carrier's Entitlement.

Deficit Carrier – Carrier whose platforms on-line are below, or under, said Carrier's Entitlement.

Demand – A Carrier's stated short-term (tactical) need for platforms, which may be above, below, or equal to their Entitlement.

DI (Distribution Instructions) – Instructions issued by TTX Company for the movement of a specified number of Platforms per Fleet Segment, including the effective date and time, based on Orders (Penalty, Relocation, etc.) received.

Distributable Fleet – Serviceable Platforms considered to be in the possession or control of the Carriers who are signatories to the Form A Car Contract.

Distribution Cycle – The period in which the ordering and re-distribution cycle takes place, currently happening once per week.

Double-stack – TTX intermodal well cars capable of carrying two (2) stacked containers; i.e. DTTX.

Entitlement – Carrier's share of TTX Intermodal equipment calculated separately for the Fleet Segments of DTTX 40', DTTX 53', and Conventional. Entitlement may be stated as a percent of the total fleet, which is calculated monthly, or as a number of Platforms, calculated weekly. Entitlement expressed in platforms is adjusted for the available fleet size. Each Carrier has an obligation to possess a number of platforms at least equal to their Entitlement when deficit to their Entitlement, consequently, it is also referred to as "Requirement".

Entitlement Objective (objective) – A Carrier's stated long-term (strategic) need for platforms: categorized as either an "Increase", "Decrease", or "Maintain" objective.

Excess – Platforms on-line above, or over, said Carrier's Entitlement.

Excess Carrier – Carrier whose platforms on-line are above, or over, said Carrier's Entitlement.

Fleet Segment – For double-stacks, a grouping of railcars that share a similar, or near similar, platform length defined as follows: DTTX 40' includes wells < 53'; DTTX 53' includes wells ≥ 53'. All Conventional railcars, regardless of platform length, fall within the Conventional grouping.

Idle – Railcars or Platforms not in TTX Company authorized shop, not Surplus or on relief, and not showing current movement. Platforms Idle 15 or more days may affect Entitlement.

IMR - Incremental Mileage Rate, as defined in Supplement 78 or any successor Supplement.

Intermediate Carrier – A Carrier selected by TTX Company for the movement of railcars between Carriers without a common interchange.

Intermodal Railcar – A railcar designed to carry containers and/or trailers bearing the prefixes DTTX, KTTX, NTTX, RTTX, TTAX, TTEX, TTLX, TTOX, TTRX, TTWX, UTTX, WTTX and any successor marks held by TTX Company on railcars for such purpose.

Last Voluntary Date – The last date that a car can be delivered in response to a DI and still be in compliance with the time requirements of this Supplement.

Minimum – The least amount of Platforms that will be issued for a Penalty, Relocation, or Return Order, and the least amount of platforms eligible to be delivered (interchanged) at a single location on an Order. The current Minimum is 20 platforms.

Non-Surplus Carrier – A Carrier having no platforms on-line that are Surplus or on relief.

On Relief (relief) – Railcars in per diem relief status.

Penalty Order – A request initiated by a Deficit (or non-Surplus) Carrier for distributable TTX Intermodal Platforms of a specific Fleet Segment. The Excess (or Surplus) Carrier(s) is obliged to deliver the platforms associated with the resultant DI to the requesting Carrier. The amount ordered can reach a figure necessary for the Deficit Carrier to obtain their Entitlement.

Platform (equipment) – An intermodal railcar, or portion of such railcar, capable of carrying one trailer or container at least forty (40) feet long, or two containers at least twenty (20) feet long.

Platforms On-line – Platforms considered to be in a Carrier's possession or control, which includes: platforms on a Carrier's property; moving on another railroad under a haulage agreement for the benefit of the Carrier; on connecting short-lines and other business partners (e.g. storage location).

Possession – Serviceable equipment reported on a Carrier's property, or deemed to be within said Carrier's control or influence via, but not limited to, a haulage agreement or delivery to non-Carrier business partner.

Relocation Order – A request initiated by an Excess Carrier for distributable TTX Intermodal Platforms of a specific Fleet Segment to be delivered to a Deficit Carrier(s). The Deficit Carrier(s) is obliged to accept the platforms associated with the resultant DI from the requesting Carrier. The amount delivered can reach a figure necessary for the Excess Carrier to obtain its Entitlement but not be deficit to its Entitlement.

Requirement – Another term for Entitlement to denote a Carrier's obligation to possess a number of platforms at least equal to their Entitlement.

Return Order – A request initiated by an Excess Carrier (e.g. Carrier "A") per qualifying period to return a proportionally equivalent number of empty serviceable platforms from a TTX double-stack Fleet Segment to another Carrier (e.g. Carrier "B") on account of Carrier B's lower relative Space Utilization (SU) on previously interchanged loads with Carrier "A".

Serviceable Platforms – Platforms other than those as directed by TTX Company to or on-hand at TTX authorized repair shops or facilities. Penalty, Relocation, and Return DI can only be fulfilled with serviceable TTX Company Intermodal platforms.

Soft Shortage – Period marked by unordered available Platforms, or below average loadings, but without Surplus equipment or equipment on relief.

Shortage Period – Marked by the absence of Surplus railcars or railcars on relief on any Carrier.

Surplus Carrier – Carrier with platforms on-line that are Surplus or on relief.

Surplus - Railcars offered for per diem relief and within the 5-day notice period prior to their attaining per diem relief status.

Surplus Period – Marked by the presence of Surplus railcars or railcars on relief on any Carrier.

Unclaimed Excess – Platforms not ordered by a Deficit Carrier to which they are otherwise Entitled (Demand < Deficit).

# # # # # # # # # # # # # # # # # # #

The process to calculate changes in Entitlement will be performed in the following steps as indicated below:

1) Phase-In. If an Involuntary reallocation occurred in previous months, the results from prior months are "phased-in" using a 3-2-1 weighting. As an example, the following calculations illustrate how Carrier "B" decreased 33 platforms (1/6*-80)+(2/6*-60), and Carrier "C" decreased 10 platforms (1/6*-20)+(2/6*-20), in order for Carrier "A" to increase by 43 (33+10).

		Expressed in Platforms				
	Current Entitlement (expressed as a %)	Request	2nd Prior Month Involuntary Result	Prior Month Involuntary Result	Current Month change in Entitlement	
Carrier A	30%	100	100	80	Increase	43
Carrier B	25%	-100	-80	-60	Decrease	33
Carrier C	45%	100	-20	-20	Decrease	10

2) Preferential. After Phase-In, Carriers with a positive adjustment that are requesting an increase in Entitlement will gain from Carriers that submitted a request to decrease Entitlement. In this example, note how only Carriers "D" and "G" had an increase in Entitlement since only they had positive adjustments, qualifying them to share in Carrier "E's" decrease request. Carrier "D" increase of 80 = 100 request * ((400/(400+100)) adjustment. Carrier "G" increase of 20 = 100 request * ((100/(400+100)) adjustment.

	Current Entitlement (expressed as a %)	Request	Involuntary Adjustment	Change in Entitlement	
Carrier D	25%	100	400	Increase	80
Carrier E	18%	-100	-150	Decrease	100
Carrier F	22%	100	-350	No change	0
Carrier G	35%	100	100	Increase	20

3) Voluntary Reallocation. After Phase-In and Preferential, Carriers requesting an increase in Entitlement swap Entitlement from Carriers seeking decrease requests, up to the requested amounts. In this example, note how Carriers "I" and "J" had their requests to decrease Entitlement proportionally filled up to Carrier "H's" increase request. Carrier "I" decrease: (.36/(.36 + .42)) * 100 = 46. Carrier "J" decrease: (.42/(.36 + .42)) * 100 = 54.

	Current Entitlement (expressed as a %)	Expressed in Platforms: Request	Change in Entitlement	
Carrier H	22%	100	Increase	100
Carrier I	36%	-200	Decrease	46
Carrier J	42%	-300	Decrease	54

4) Involuntary Reallocation. If requests to increase Entitlement remain unfulfilled after all prior steps, Carriers with a positive adjustment (detailed in subparagraph 5 of the Entitlement Calculation section) that request an increase will gain Entitlement from Carriers with a negative adjustment using a 3-2-1 weighting. In this example, note how Carriers "K", "L", and "M" requested increases in Entitlement, yet only Carrier "K" received an increase on account of its positive adjustment. Carrier "L" decrease: (-150/(-150 + -250)) * (100 * 3/6) = 19. Carrier "M" decrease: (-250/(-150 + -250)) * (100 * 3/6) = 31.

	Current Entitlement (expressed as a %)	Request	Involuntary Adjustment	Change in Entitlement	
Carrier K	45%	100	400	Increase	50
Carrier L	25%	300	-150	Decrease	19
Carrier M	30%	500	-250	Decrease	31

Division of Platforms on Relief

	Carrier 1	Carrier 2	Carrier 3
a) 40' Platforms On-line	1,000	1,000	500
b) 40' Entitlement (in Plats)	1,200	960	600
c) Over/Under	-200	40	-100
d) Ordered	300	50	0
e) On relief	0	0	300
f) Entitlement % of 40' Fleet	25% ⟷	20%	13%

The remaining 100 platforms on relief (300-200) will be split between Carriers 1 & 2 based on their 40' Entitlement.

Formula:

Step 1) 40 / 960 = 4.2%.
Step 2) 4.2% * 1,200 = 50
Step 3) .25 + .20 = .45
Step 4) .25 / .45 = 56%, .20 / .45 = 44%

Result:

Carrier 1 receives 78 additional platforms (50 + (.56 * 50))
Carrier 2 receives 22 platforms (.44 * 50)

Supplement 220
Exhibit C

Example #1 - Carrier Z is excess 500 platforms to their 53' Entitlement.

Road to Road	(a) SU	(b) Diff.	(c) Plats inter - changed on Loaded Cars		(d) Length of Plat inter - changed		(e) Plat length inter - changed		(f) Plat length utilized (e * a)		(g) Plat length under - utilized	(h) Plats under- utilized (g/d)	(i) SU Plat Calc (b*c)	(j) Eligible to Return
Z - Y	98%	2%	10,000	x	53	=	530,000	-	519,400	=	10,600	200	400	400
Y - Z	94%	6%	10,000	x	53	=	530,000	-	498,200	=	31,800	600		
		4%												

Note how 400 is the exact difference between the under-utilized platforms (h) delivered between Carriers Y and Z. And since 400 < the 500 Road Z is excess, all 400 are eligible.

Example #2 - Carrier Z is excess 200 platforms to their 40' Entitlement.

Road to Road	SU	Diff.	Plats inter - changed on Loaded Cars		Length of Plat inter - changed		Plat length inter - changed		Plat length utilized (e * a)		Plat length under - utilized	Plats under- utilized (g/d)	SU Plat Calc (b*c)	Eligible to Return
Z - Y	98%	2%	500	x	40	=	20,000	-	19,600	=	400	10	60	60
Y - Z	95%	5%	2,000	x	40	=	80,000	-	76,000	=	4,000	100		
		3%												

Since the SU Plat Calculation of 60 < the 200 Carrier Z is excess, all 60 are eligible.

<u>Example #3</u> - Carrier Z is excess <u>30</u> platforms to their 53' Entitlement.

Road to Road	SU	Diff.	Plats inter - changed on Loaded Cars		Length of Plat inter - changed		Plat length inter - changed		Plat length utilized (e * a)		Plat length under - utilized	Plats under-utilized (g/d)	SU Plat Calc (b*c)	Eligible to Return
Z - Y	98%	2%	4,000	x	53	=	212,000	-	207,760	=	4,240	80	50	30
Y - Z	96%	4%	2,500	x	53	=	132,500	-	127,200	=	5,300	100		
		2%												

Note how 30 platforms are eligible since that is the lower of the SU Plat Calculation (i) versus how many platforms Carrier Z is excess to their 53' Entitlement (30).

<u>Example #4</u> - Carrier Z is excess 100 platforms to their 40' Entitlement.

Road to Road	SU	Diff.	Plats inter - changed on Loaded Cars		Length of Plat inter - changed		Plat length inter - changed		Plat length utilized (e * a)		Plat length under - utilized	Plats under-utilized (g/d)	SU Plat Calc (b*c)	Eligible to Return
Z - Y	98%	2%	2,000	x	40	=	80,000	-	78,400	=	1,600	40	20	20
Y - Z	97%	3%	2,000	x	40	=	80,000	-	77,600	=	2,400	60		
		1%												

Since the SU Plat Calculation of 20 < the 100 Carrier Z is excess, all 20 are eligible.

Example #5

Road to Road	(a) SU	(b) Diff.	(c) Plats inter - changed on Loaded Cars		(d) Length of Plat inter - changed		(e) Plat length inter - changed		(f) Plat length utilized (e * a)		(g) Plat length under - utilized	(h) Plats under- utilized (g/d)	(i) SU Plat Calc (b*c)	(j) Eligible to Return
Z - Y	98%	2%	5,000	x	53	=	265,000	-	259,700	=	5,300	100	18	0
Y - Z	95%	5%	600	x	53	=	31,800	-	30,210	=	1,590	30		
		3%												

Note how 18 is below the Minimum of 20, therefore no platforms are eligible to be returned.

Example #6

Road to Road	SU	Diff.	Plats inter - changed on Loaded Cars		Length of Plat inter - changed		Plat length inter - changed		Plat length utilized (e * a)		Plat length under - utilized	Plats under- utilized (g/d)	SU Plat Calc (b*c)	Eligible to Return
Z - Y	97%	3%	500	x	40	=	20,000	-	19,400	=	600	15	15	0
Y - Z	94%	6%	500	x	40	=	20,000	-	18,800	=	1,200	30		
		3%												

Note how 15 is below the Minimum of 20, therefore no platforms are eligible to be returned.

SUPPLEMENT NO. 221

HAS BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 222.

SUPPLEMENT NO. 222
to the
TTX COMPANY FORM A CAR CONTRACT
SUPERSEDING SUPPLEMENT NO. 214, in part
(Effective July 1, 2011)

Pursuant to action taken by the TTX Board of Directors on June 16, 2011, this Supplement No. 222 to the Form A Car Contract supersedes all previously noticed car hire charges for use of the Company's TTYX equipment as set forth in Supplement 214, Exhibit A with the utilization discount for car hire charges specified on the attached Exhibit A, effective July 1, 2011. The applicable mileage charges and wheel surcharge, which are not included herein, remain unchanged by this Supplement.

#####

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 222
EFFECTIVE JULY 1, 2011

SINGLE-UNIT TTYX RAILCARS

Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate
Base Rate	**$0.69**	69%	$0.52	88%	$0.43
51%	$0.68	70%	$0.52	89%	$0.42
52%	$0.67	71%	$0.51	90%	$0.42
53%	$0.65	72%	$0.51	91%	$0.41
54%	$0.64	73%	$0.50	92%	$0.41
55%	$0.63	74%	$0.49	93%	$0.41
56%	$0.62	75%	$0.49	94%	$0.41
57%	$0.62	76%	$0.48	95%	$0.40
58%	$0.61	77%	$0.48	96%	$0.40
59%	$0.60	78%	$0.47	97%	$0.39
60%	$0.59	79%	$0.47	98%	$0.39
61%	$0.58	80%	$0.46	99%	$0.39
62%	$0.57	81%	$0.46	**100%**	**$0.38**
63%	$0.57	82%	$0.45		
64%	$0.56	83%	$0.45		
65%	$0.55	84%	$0.44		
66%	$0.54	85%	$0.44		
67%	$0.54	86%	$0.43		
68%	$0.53	87%	$0.43		

Utilization Level Calculated Monthly as follows:
TTYX in Service* / Serviceable TTYX On Line**

***All railcars on line are considered "In Service" unless placed on relief; no railcar with an appurtenance may be placed on relief.**

****Total On Line – Bad Order or TTX Paid Storage = Serviceable.**

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 222
EFFECTIVE JULY 1, 2011

TWO-UNIT TTYX RAILCARS

Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate
Base Rate	**$1.37**	69%	$1.04	88%	$0.85
51%	$1.35	70%	$1.03	89%	$0.84
52%	$1.33	71%	$1.02	90%	$0.83
53%	$1.30	72%	$1.01	91%	$0.82
54%	$1.28	73%	$0.99	92%	$0.82
55%	$1.26	74%	$0.98	93%	$0.81
56%	$1.24	75%	$0.97	94%	$0.81
57%	$1.23	76%	$0.96	95%	$0.80
58%	$1.21	77%	$0.95	96%	$0.79
59%	$1.20	78%	$0.94	97%	$0.78
60%	$1.18	79%	$0.93	98%	$0.78
61%	$1.16	80%	$0.92	99%	$0.77
62%	$1.14	81%	$0.91	**100%**	**$0.76**
63%	$1.13	82%	$0.90		
64%	$1.11	83%	$0.89		
65%	$1.09	84%	$0.88		
66%	$1.08	85%	$0.87		
67%	$1.07	86%	$0.86		
68%	$1.05	87%	$0.85		

Utilization Level Calculated Monthly as follows:
TTYX in Service* / Serviceable TTYX On Line**

***All railcars on line are considered "In Service" unless placed on relief; no railcar with an appurtenance may be placed on relief.**

****Total On Line – Bad Order or TTX Paid Storage = Serviceable.**

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 222
EFFECTIVE JULY 1, 2011

FIVE-UNIT TTYX RAILCARS

Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate
Base Rate	**$2.27**	69%	$1.65	88%	$1.29
51%	$2.23	70%	$1.62	89%	$1.28
52%	$2.18	71%	$1.60	90%	$1.26
53%	$2.14	72%	$1.58	91%	$1.25
54%	$2.10	73%	$1.56	92%	$1.23
55%	$2.07	74%	$1.54	93%	$1.22
56%	$2.03	75%	$1.51	94%	$1.21
57%	$1.99	76%	$1.49	95%	$1.20
58%	$1.96	77%	$1.48	96%	$1.18
59%	$1.93	78%	$1.46	97%	$1.17
60%	$1.89	79%	$1.44	98%	$1.16
61%	$1.86	80%	$1.42	99%	$1.15
62%	$1.83	81%	$1.40	**100%**	**$1.14**
63%	$1.80	82%	$1.39		
64%	$1.78	83%	$1.37		
65%	$1.75	84%	$1.35		
66%	$1.72	85%	$1.34		
67%	$1.70	86%	$1.32		
68%	$1.67	87%	$1.31		

Utilization Level Calculated Monthly as follows:
TTYX in Service* / Serviceable TTYX On Line**

***All railcars on line are considered "In Service" unless placed on relief; no railcar with an appurtenance may be placed on relief.**

****Total On Line – Bad Order or TTX Paid Storage = Serviceable.**

SUPPLEMENT NO. 223

HAS BEEN SUPERSEDED

The next supplement reproduced herein is

Supplement No. 224.

SUPPLEMENT NO. 224
to the
TTX COMPANY FORM A CAR CONTRACT
SUPERSEDING SUPPLEMENT NOS. 214 & 222, in part
(Effective April 1, 2012)

Pursuant to action taken by the TTX Board of Directors on March 8, 2012, this Supplement No. 224 to the Form A Car Contract supersedes the car hire charges for use of the Company's Single-Unit and Two-Unit TTYX equipment as set forth in Supplement 222 and replaces them with the car hire charges specified on the attached Exhibit A, effective April 1, 2012. The rates for the Five-Unit TTYX equipment, as set forth in Supplement 222, remain unchanged by this Supplement.

This Supplement No. 224 also supersedes all previously noticed car hire charges for use of the Company's PTTX 100-ton equipment as set forth in Supplement 214 with the rate adjustment for car hire charges specified on the attached Exhibit B, effective April 1, 2012.

The applicable mileage charges and wheel surcharge, which are not included herein, remain unchanged by this Supplement.

# # # # #

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 224
EFFECTIVE APRIL 1, 2012

SINGLE-UNIT TTYX RAILCARS

Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate
Base Rate	**$1.38**	69%	$1.04	88%	$0.86
51%	$1.36	70%	$1.04	89%	$0.84
52%	$1.34	71%	$1.02	90%	$0.84
53%	$1.30	72%	$1.02	91%	$0.82
54%	$1.28	73%	$1.00	92%	$0.82
55%	$1.26	74%	$0.98	93%	$0.82
56%	$1.24	75%	$0.98	94%	$0.82
57%	$1.24	76%	$0.96	95%	$0.80
58%	$1.22	77%	$0.96	96%	$0.80
59%	$1.20	78%	$0.94	97%	$0.78
60%	$1.18	79%	$0.94	98%	$0.78
61%	$1.16	80%	$0.92	99%	$0.78
62%	$1.14	81%	$0.92	**100%**	**$0.76**
63%	$1.14	82%	$0.90		
64%	$1.12	83%	$0.90		
65%	$1.10	84%	$0.88		
66%	$1.08	85%	$0.88		
67%	$1.08	86%	$0.86		
68%	$1.06	87%	$0.86		

Utilization Level Calculated Monthly as follows:
TTYX in Service* / Serviceable TTYX On Line**

***All railcars on line are considered "in Service" unless placed on relief; no railcar with an appurtenance may be placed on relief.**

****Total On Line – Bad Order or TTX Paid Storage = Serviceable.**

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 224
EFFECTIVE APRIL 1, 2012

TWO-UNIT TTYX RAILCARS

Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate
Base Rate	**$2.74**	69%	$2.08	88%	$1.70
51%	$2.70	70%	$2.06	89%	$1.68
52%	$2.66	71%	$2.04	90%	$1.66
53%	$2.60	72%	$2.02	91%	$1.64
54%	$2.56	73%	$1.98	92%	$1.64
55%	$2.52	74%	$1.96	93%	$1.62
56%	$2.48	75%	$1.94	94%	$1.62
57%	$2.46	76%	$1.92	95%	$1.60
58%	$2.42	77%	$1.90	96%	$1.58
59%	$2.40	78%	$1.88	97%	$1.56
60%	$2.36	79%	$1.86	98%	$1.56
61%	$2.32	80%	$1.84	99%	$1.54
62%	$2.28	81%	$1.82	**100%**	**$1.52**
63%	$2.26	82%	$1.80		
64%	$2.22	83%	$1.78		
65%	$2.18	84%	$1.76		
66%	$2.16	85%	$1.74		
67%	$2.14	86%	$1.72		
68%	$2.10	87%	$1.70		

Utilization Level Calculated Monthly as follows:
TTYX in Service* / Serviceable TTYX On Line**

***All railcars on line are considered "in Service" unless placed on relief; no railcar with an appurtenance may be placed on relief.**

****Total On Line – Bad Order or TTX Paid Storage = Serviceable.**

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 224
EFFECTIVE APRIL 1, 2012

FIVE-UNIT TTYX RAILCARS

Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate
Base Rate	**$2.27**	69%	$1.65	88%	$1.29
51%	$2.23	70%	$1.62	89%	$1.28
52%	$2.18	71%	$1.60	90%	$1.26
53%	$2.14	72%	$1.58	91%	$1.25
54%	$2.10	73%	$1.56	92%	$1.23
55%	$2.07	74%	$1.54	93%	$1.22
56%	$2.03	75%	$1.51	94%	$1.21
57%	$1.99	76%	$1.49	95%	$1.20
58%	$1.96	77%	$1.48	96%	$1.18
59%	$1.93	78%	$1.46	97%	$1.17
60%	$1.89	79%	$1.44	98%	$1.16
61%	$1.86	80%	$1.42	99%	$1.15
62%	$1.83	81%	$1.40	**100%**	**$1.14**
63%	$1.80	82%	$1.39		
64%	$1.78	83%	$1.37		
65%	$1.75	84%	$1.35		
66%	$1.72	85%	$1.34		
67%	$1.70	86%	$1.32		
68%	$1.67	87%	$1.31		

Utilization Level Calculated Monthly as follows:
TTYX in Service* / Serviceable TTYX On Line**

***All railcars on line are considered "in Service" unless placed on relief; no railcar with an appurtenance may be placed on relief.**

****Total On Line – Bad Order or TTX Paid Storage = Serviceable.**

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 224
EFFECTIVE APRIL 1, 2012

PTTX 100-ton RAILCARS

Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate
Base Rate	**$ 2.07**	69%	$ 1.56	88%	$ 1.29
51%	$ 2.01	70%	$ 1.55	89%	$ 1.28
52%	$ 1.98	71%	$ 1.52	90%	$ 1.27
53%	$ 1.95	72%	$ 1.50	91%	$ 1.25
54%	$ 1.92	73%	$ 1.49	92%	$ 1.24
55%	$ 1.90	74%	$ 1.47	93%	$ 1.23
56%	$ 1.86	75%	$ 1.47	94%	$ 1.22
57%	$ 1.83	76%	$ 1.44	95%	$ 1.21
58%	$ 1.80	77%	$ 1.42	96%	$ 1.20
59%	$ 1.78	78%	$ 1.41	97%	$ 1.19
60%	$ 1.77	79%	$ 1.39	98%	$ 1.18
61%	$ 1.73	80%	$ 1.39	99%	$ 1.17
62%	$ 1.70	81%	$ 1.36	**100%**	**$ 1.17**
63%	$ 1.68	82%	$ 1.35		
64%	$ 1.66	83%	$ 1.34		
65%	$ 1.65	84%	$ 1.33		
66%	$ 1.62	85%	$ 1.32		
67%	$ 1.60	86%	$ 1.30		
68%	$ 1.58	87%	$ 1.30		

Utilization Level Calculated Monthly as follows:
PTTX in Service* / Serviceable PTTX On Line**

***All railcars on line are considered "in Service" unless placed on relief.**

****Total On Line – Bad Order or TTX Paid Storage = Serviceable.**

SUPPLEMENT NO. 225
to the
<u>TTX COMPANY FORM A CAR CONTRACT</u>
SUPERSEDING SUPPLEMENT NO. 214, in part
(Effective January 1, 2013)

Pursuant to action taken by the TTX Board of Directors on December 13, 2012, this Supplement No. 225 to the Form A Car Contract supersedes all previously noticed car hire charges for use of the Company's LTTX, TTJX, ETTX and TTGX equipment and replaces them with the car hire specified on the attached Exhibits A, B and C effective January 1, 2013. The applicable mileage charges and wheel surcharge, which are not included herein, remain unchanged by this Supplement.

December 5, 2012

Exhibit A

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 225
EFFECTIVE JANUARY 1, 2013

Rates for LTTX Railcars

Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate
Base Rate	$ 1.79	69%	$ 1.63	88%	$ 1.53
51%	$ 1.78	70%	$ 1.62	89%	$ 1.53
52%	$ 1.77	71%	$ 1.62	90%	$ 1.53
53%	$ 1.76	72%	$ 1.61	91%	$ 1.53
54%	$ 1.75	73%	$ 1.61	92%	$ 1.52
55%	$ 1.75	74%	$ 1.60	93%	$ 1.52
56%	$ 1.74	75%	$ 1.60	94%	$ 1.52
57%	$ 1.73	76%	$ 1.59	95%	$ 1.52
58%	$ 1.72	77%	$ 1.59	96%	$ 1.51
59%	$ 1.71	78%	$ 1.58	97%	$ 1.51
60%	$ 1.70	79%	$ 1.58	98%	$ 1.51
61%	$ 1.69	80%	$ 1.57	99%	$ 1.50
62%	$ 1.68	81%	$ 1.57	100%	$ 1.50
63%	$ 1.68	82%	$ 1.56		
64%	$ 1.67	83%	$ 1.55		
65%	$ 1.66	84%	$ 1.55		
66%	$ 1.65	85%	$ 1.54		
67%	$ 1.64	86%	$ 1.54		
68%	$ 1.64	87%	$ 1.54		

Utilization Level Calculated Monthly as follows:
LTTX in Service* / Serviceable LTTX On Line**

***All railcars On-Line are considered "in Service" unless placed on relief.**

****Total On-Line – Bad Order or TTX Paid Storage = Serviceable.**

Exhibit B

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 225
EFFECTIVE JANUARY 1, 2013

Rates for TTJX Railcars

Initial	Hourly Rate	Description
TTJX	$0.86	62' Coiled Rod

Exhibit C

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 225
EFFECTIVE JANUARY 1, 2013

Rates for ETTX & TTGX Railcars

Initial	Hourly Rate	Description
ETTX	$0.82	89' Tri-Level Autorack
ETTX	$1.38	89' Tri-Level Autorack - TTX Owned
TTGX	$0.77	89' Bi-Level Autorack

SUPPLEMENT NO. 226
TO
TTX COMPANY FORM A CAR CONTRACT

(Effective March 1, 2013)

Pursuant to action taken by the TTX Board of Directors on February 28, 2013 this Supplement No. 226 amends the Form A Car Contract.

INTERMODAL ENTITLEMENT SWAPS

Overview

Carriers currently request both increases and decreases to their existing Entitlement for a specific Intermodal Fleet Segment whereby the outcome, or fulfillment, of such requests is both independent of and not conditional on the outcome of another request for a different Fleet Segment. The purpose of this Supplement is to provide Carriers the flexibility to request a decrease in one Intermodal Fleet Segment on the condition that the requesting Carrier simultaneously receives its desired increase (or a stated minimum of said increase if it is willing to accept partial fulfillment) in another Intermodal Fleet Segment; i.e. an Entitlement Swap.

Definitions

Entitlement Swap (Swap) – Carrier's offer to voluntarily reduce its Entitlement (in platforms) for Intermodal Fleet Segment (A) on the condition it simultaneously gains its minimum requested amount of platforms in Intermodal Fleet Segment (B) from another Carrier(s) seeking to gain Entitlement in Fleet Segment (A).

Fleet segments:

1) DTTX40 – any double-stack with a well length < 53'
2) DTTX53 – any double-stack with a well length ≥ 53'
3) Conventional (CONV) – any TTX Intermodal railcar other than a double-stack.

Carrier – Railroad participant to TTX Intermodal distribution and Entitlement rules defined in TTX Form A Car Contract, as supplemented.

a) Offering Carrier – Carrier which submitted the Swap offer.
b) Participating Carrier – Carrier agreeing to partake in Offering Carrier's Swap.

Entitlement – Carrier's share of TTX Intermodal equipment calculated separately for the Fleet Segments of DTTX 40', DTTX 53', and Conventional. Entitlement may be stated as a percent or a number of Platforms of the total distributable fleet.

Entitlement Objective (objective) – A Carrier's stated need for platforms, expressed as an "Increase", "Decrease", or "Maintain" objective.

Platform (equipment) – An intermodal railcar, or portion of such railcar, capable of carrying one trailer or container at least forty (40) feet long, or two containers at least twenty (20) feet long.

Entitlement Swap Process

1) A Carrier must first send TTX a written request (e-mail, etc.) describing the Swap, including:

    a. The Intermodal Fleet Segment it wishes to decrease its Entitlement in and by how many platforms (Fleet Segment A).

    b. The Fleet Segment it wishes to increase its Entitlement in and by how many platforms (Fleet Segment B).

    c. If it is willing to accept partial fulfillment of its increase request and the minimum number of platforms needed to qualify for partial fulfillment (see Example #7).

    d. An expiration date and time. To keep the process fluid, the expiration date can be no longer than 10 business days from the date the offer to Swap was submitted.

2) The number of platforms the Offering Carrier is willing to swap between Fleet Segments does not have to equal; i.c. the exchange proposed by the Offering Carrier does not have to happen on a one-for-one platform basis. The Offering Carrier can offer a higher, or lower, number of platforms from its Entitlement of Intermodal Fleet Segment (A) in exchange for its requested number of platforms from Fleet Segment (B).

3) TTX will then send all Carriers a notice (i.e. e-mail) outlining the details of the Swap. Such notice will not include whether the Offering Carrier is willing to accept partial fulfillment so as to not detract from its Entitlement change objective.

4) If a Carrier elects to participate in a Swap, it must respond to TTX in writing and provide the following:

    a. The number of platforms it will contribute to the Offering Carrier's increase request, not to exceed the number of platforms the Offering Carrier is seeking as an increase. See example #2: Participating Carriers 4 & 5 cannot offer more than 1,000 platforms of Fleet Segment (B) since that is the amount Carrier 1 (the Offering Carrier) is seeking as an increase in Fleet Segment (B).

    b. The number of platforms it wishes to receive in exchange from the Offering Carrier's decrease request, ranging from zero and not to exceed the amount it will contribute or the amount of the Offering Carrier's decrease request.

5) TTX will provide updates to the Offering Carrier on the quantity of platforms Participating Carriers are willing to exchange. In order to maintain the integrity of the process, TTX will not publish the identity of either the Offering or Participating Carriers until after a Swap offer has been accepted and fully met.

6) The Offering Carrier cannot amend the terms of the Swap once it is published to the other Carriers. Rather, the Offering Carrier has the right to withdraw the Swap offer any time prior to its expiration.

7) The Offering Carrier cannot pre-arrange or choose which Carriers will participate in its offer to swap.

8) Participating Carriers have the right to withdraw their participation prior to a Swap's expiration.

9) If the conditions of a Swap are met by the first Carrier to commit to participate, the Swap offer will remain open until its expiration to provide other Carriers a chance to participate.

10) If multiple Carriers participate in the Swap offer and the aggregate number of platforms those Carriers are contributing in exchange exceeds the Offering Carrier's increase request, TTX will apportion the offered platforms between the Participating Carriers based on the percentage of platforms each Participating Carrier provides against the total provided. In other words, Participating Carriers will only receive partial fulfillment of their request (see Example #2).

11) If a Participating Carrier elects not to receive any platforms in exchange for its contribution, TTX will:

    a. Deduct its contribution from the total provided and apply all its contributed platforms first to the Offering Carriers increase request.

    b. Fulfill the residual balance proportionally between the remaining Participating Carriers (see Examples #5 & #6, Adjusted Percentage).

12) If the minimum terms of the Offering Carrier's increase request are met upon expiration, Swaps will be considered binding for both the Offering and Participating Carriers unless all parties involved agree to withdraw their participation. Implementation will occur by the next monthly Entitlement cycle, or as near as practical to the next monthly cycle.

13) If the minimum terms of the Offering Carrier's increase request are not met by Participating Carriers by the offer's expiration, the Swap offer will be cancelled and TTX will notify all Carriers accordingly.

The following examples illustrate the potential division of platforms under various scenarios. Figures are expressed in platforms.

Example 1	Offering Carrier		Participating Carriers				
	1		2	3	4	5	Total
Offers to decrease Entitlement in Fleet Segment (A) by:	1,000	Offers to decrease Entitlement in Fleet Segment (B) by:	250	400	50	300	1,000
Wants to increase Entitlement in Fleet Segment (B) by:	1,000	Will increase its Entitlement in Fleet Segment (A) and decrease Fleet Segment (B) by:	250	400	50	300	1,000

Example 2	Offering Carrier		Participating Carriers				
	1		2	3	4	5	Total
Offers to decrease Entitlement in Fleet Segment (A) by:	1,000	Offers to decrease Entitlement in Fleet Segment (B) by:	200	300	1,000	1,000	2,500
Wants to increase Entitlement in Fleet Segment (B) by:	1,000	Percent of total offered by Participating Carriers	8.0%	12.0%	40.0%	40.0%	100.0%
		Will increase its Entitlement in Fleet Segment (A) and decrease Fleet Segment (B) by:	80	120	400	400	1,000

Example 3	Offering Carrier		Participating Carriers				
	1		2	3	4	5	Total
Offers to decrease Entitlement in Fleet Segment (A) by:	800	Offers to decrease Entitlement in Fleet Segment (B) by:	200	250	300	1,000	1,750
Wants to increase Entitlement in Fleet Segment (B) by:	1,000	Percent of total offered by Participating Carriers	11.4%	14.3%	17.1%	57.1%	100.0%
		Will increase its Entitlement in Fleet Segment (A) by:	91	114	137	457	800
		Will decrease its Entitlement in Fleet Segment (B) by:	114	143	171	571	1,000

Example 4	Offering Carrier		Participating Carriers				
	1		2	3	4	5	Total
Offers to decrease Entitlement in Fleet Segment (A) by:	1,000	Offers to decrease Entitlement in Fleet Segment (B) by:	100	200	400	800	1,500
Wants to increase Entitlement in Fleet Segment (B) by:	800	Percent of total offered by Participating Carriers	6.7%	13.3%	26.7%	53.3%	100.0%
		Will increase its Entitlement in Fleet Segment (A) by:	67	133	267	533	1,000
		Will decrease its Entitlement in Fleet Segment (B) by:	53	107	213	427	800

Example 5	Offering Carrier		Participating Carriers				
	1		2	3	4	5	Total
Offers to decrease Entitlement in Fleet Segment (A) by:	1,200	Offers to decrease Entitlement in Fleet Segment (B) by:	100	200	400	700	1,400
Wants to increase Entitlement in Fleet Segment (B) by:	800	Wishes to increase Entitlement in Fleet Segment (A) by:	100	200	0	700	1,000
		Adjusted Percentage	10.0%	20.0%	0.0%	70.0%	100.0%
		Will increase its Entitlement in Fleet Segment (A) by:	100	200	0	700	1,000
		Will decrease its Entitlement in Fleet Segment (B) by:	40	80	400	280	800

Example 6	Offering Carrier		Participating Carriers				
	1		2	3	4	5	Total
Offers to decrease Entitlement in Fleet Segment (A) by:	400	Offers to decrease Entitlement in Fleet Segment (B) by:	50	100	200	400	750
Wants to increase Entitlement in Fleet Segment (B) by:	500	Wishes to increase Entitlement in Fleet Segment (A) by:	0	0	100	400	500
		Adjusted Percentage	0.0%	0.0%	20.0%	80.0%	100.0%
		Will increase its Entitlement in Fleet Segment (A) by:	0	0	80	320	400
		Will decrease its Entitlement in Fleet Segment (B) by:	50	100	70	280	500

Example 7 - Partial Fulfillment	Offering Carrier		Participating Carriers				
	1		2	3	4	5	Total
Offers to decrease Entitlement in Fleet Segment (A) by:	500	Offers to decrease Entitlement in Fleet Segment (B) by:	50	100	200	50	400
Wants to increase Entitlement in Fleet Segment (B) by:	500	Wishes to increase Entitlement in Fleet Segment (A) by:	0	100	200	50	350
Will accept at a minimum an increase in Entitlement in Fleet Segment (B) of:	400	Adjusted Percentage	0.0%	28.6%	57.1%	14.3%	100.0%
		Will increase its Entitlement in Fleet Segment (A) by:	0	100	200	50	350
		Will decrease its Entitlement in Fleet Segment (B) by:	50	100	200	50	400

SUPPLEMENT NO. 227
to the
TTX COMPANY FORM A CAR CONTRACT
SUPERSEDING SUPPLEMENT NO. 224, in part
(Effective April 1, 2013)

Pursuant to action taken by the TTX Board of Directors on June 12, 2013, this Supplement No. 227 cancels Supplement No. 224, in part, with respect to the car hire charges for the Single-Unit and Two-Unit TTYX equipment. The car hire charges for the Single-Unit and Two-Unit TTYX equipment are specified on the attached Exhibit A, effective April 1, 2013. The rates for the Five-Unit TTYX equipment are not changed by this Supplement and remain as set forth in Supplement No. 222.

The applicable mileage charges and wheel surcharge, which are not included herein, remain unchanged by this Supplement.

# # # # #

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 227
EFFECTIVE APRIL 1, 2013

SINGLE-UNIT TTYX RAILCARS

Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate
Base Rate	**$0.69**	69%	$0.52	88%	$0.43
51%	$0.68	70%	$0.52	89%	$0.42
52%	$0.67	71%	$0.51	90%	$0.42
53%	$0.65	72%	$0.51	91%	$0.41
54%	$0.64	73%	$0.50	92%	$0.41
55%	$0.63	74%	$0.49	93%	$0.41
56%	$0.62	75%	$0.49	94%	$0.41
57%	$0.62	76%	$0.48	95%	$0.40
58%	$0.61	77%	$0.48	96%	$0.40
59%	$0.60	78%	$0.47	97%	$0.39
60%	$0.59	79%	$0.47	98%	$0.39
61%	$0.58	80%	$0.46	99%	$0.39
62%	$0.57	81%	$0.46	**100%**	**$0.38**
63%	$0.57	82%	$0.45		
64%	$0.56	83%	$0.45		
65%	$0.55	84%	$0.44		
66%	$0.54	85%	$0.44		
67%	$0.54	86%	$0.43		
68%	$0.53	87%	$0.43		

Utilization Level Calculated Monthly as follows:
TTYX in Service* / Serviceable TTYX On Line**

***All railcars on line are considered "in Service" unless placed on relief; no railcar with an appurtenance may be placed on relief.**

****Total On Line – Bad Order or TTX Paid Storage = Serviceable.**

**TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 227
EFFECTIVE APRIL 1, 2013**

TWO-UNIT TTYX RAILCARS

Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate
Base Rate	**$1.37**	69%	$1.04	88%	$0.85
51%	$1.35	70%	$1.03	89%	$0.84
52%	$1.33	71%	$1.02	90%	$0.83
53%	$1.30	72%	$1.01	91%	$0.82
54%	$1.28	73%	$0.99	92%	$0.82
55%	$1.26	74%	$0.98	93%	$0.81
56%	$1.24	75%	$0.97	94%	$0.81
57%	$1.23	76%	$0.96	95%	$0.80
58%	$1.21	77%	$0.95	96%	$0.79
59%	$1.20	78%	$0.94	97%	$0.78
60%	$1.18	79%	$0.93	98%	$0.78
61%	$1.16	80%	$0.92	99%	$0.77
62%	$1.14	81%	$0.91	**100%**	**$0.76**
63%	$1.13	82%	$0.90		
64%	$1.11	83%	$0.89		
65%	$1.09	84%	$0.88		
66%	$1.08	85%	$0.87		
67%	$1.07	86%	$0.86		
68%	$1.05	87%	$0.85		

**Utilization Level Calculated Monthly as follows:
TTYX in Service* / Serviceable TTYX On Line****

***All railcars on line are considered "in Service" unless placed on relief; no railcar with an appurtenance may be placed on relief.**

****Total On Line – Bad Order or TTX Paid Storage = Serviceable.**

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 222
EFFECTIVE JULY 1, 2011

FIVE-UNIT TTYX RAILCARS

Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate	Monthly Utilization Level (%)	Hourly Rate
Base Rate	**$2.27**	69%	$1.65	88%	$1.29
51%	$2.23	70%	$1.62	89%	$1.28
52%	$2.18	71%	$1.60	90%	$1.26
53%	$2.14	72%	$1.58	91%	$1.25
54%	$2.10	73%	$1.56	92%	$1.23
55%	$2.07	74%	$1.54	93%	$1.22
56%	$2.03	75%	$1.51	94%	$1.21
57%	$1.99	76%	$1.49	95%	$1.20
58%	$1.96	77%	$1.48	96%	$1.18
59%	$1.93	78%	$1.46	97%	$1.17
60%	$1.89	79%	$1.44	98%	$1.16
61%	$1.86	80%	$1.42	99%	$1.15
62%	$1.83	81%	$1.40	**100%**	**$1.14**
63%	$1.80	82%	$1.39		
64%	$1.78	83%	$1.37		
65%	$1.75	84%	$1.35		
66%	$1.72	85%	$1.34		
67%	$1.70	86%	$1.32		
68%	$1.67	87%	$1.31		

Utilization Level Calculated Monthly as follows:
TTYX in Service* / Serviceable TTYX On Line**

***All railcars on line are considered "in Service" unless placed on relief; no railcar with an appurtenance may be placed on relief.**

****Total On Line – Bad Order or TTX Paid Storage = Serviceable.**

SUPPLEMENT NO. 228
to the
TTX COMPANY FORM A CAR CONTRACT
(Effective July 1, 2013)

Pursuant to action taken by the TTX Board of Directors on June 12, 2013, the Form A Car Contract between Carriers and TTX is amended under the following terms and conditions with respect to certain cars in service on or after July 1, 2013. This Supplement amends Supplements 198 (applicable to Centerbeam cars) and 199 (applicable to Bulkhead cars).

I. Purpose

The purpose of this Supplement is to provide a mechanism for a short-term change in Entitlement between Carriers in order to provide more flexibility in the distribution of the cars subject to this Supplement (defined below).

II. Cars Subject to this Supplement

This Supplement applies to TTZX (Centerbeam) and TTPX (Bulkhead) flatcars that qualify for inclusion in the Managed Centerbeam and Bulkhead Pools provided for in Supplements 198 and 199 ("Cars").

III. "Gifting" of cars

"Gifting" is defined as the offer by one carrier of a number of Cars to another carrier for a temporary period (of a stated or unstated term) and acceptance of that offer by a second carrier for use of Cars in a Managed Pool. Gifted Cars will only be used in the Managed Pool. The result of the Gift is that the carrier Gifting the cars (the "Giftor") has correspondingly fewer in its Entitlement, and the carrier receiving the cars ("Giftee") has correspondingly more during the period of the Gift. The Giftor may revoke the gift on 15 days' notice but not until the passage of 30 days (30 days is the minimum term of the gift).

IV. Term

A. The process for Gifting is (1) a Carrier notifies the Pool Manager (TTX) that it seeks to increase its entitlement (by Gift or permanent change), by a certain number of Cars, such request to include the car specifications such as car type, loading capabilities etc.; (2) TTX notifies the other Carrier members of the request; (3) within 5 business days, Carriers wishing to Gift Cars will so notify TTX including the number of

Cars offered and confirming their specification meets the request and the time period of the Gift (if no period is specified the Gift term is unlimited); (4) if more than one Carrier offers a Gift complying with the request, the successful Giftor will be the FIRST to offer; (5) if the first to offer a Gift does not offer the full number of Cars requested, then subsequent offers will be accepted until the Gift request is complete; (6) TTX will notify the successful Giftor(s) and Giftee. No Gift may be offered for less than 30 days.

B. The term will commence when the entire number of the Gifted Cars are actively running in the relevant Managed Pool, all Gifted Cars are operational (and in compliance with AAR interchange requirements), TTX has changed the pool code to reflect the Managed Pool, and TTX notifies the other Carriers of the fulfillment of the request.

C. The Giftor may offer a Gift for a fixed period (e.g., 60 days) so long as the period is at least 30 days, and the term of the Gift comes to an end at the end of that period. The Giftor may offer a Gift with no set period and, if the Giftor does not recall the Gifted Cars after the required minimum 30 day gifting period, then the term of the Gift shall extend for an indefinite period of time terminable by the Giftor on 15-day notice to TTX, subject to section VII, below.

D. The Giftee does not have the right to revoke the Gift of the Giftor but must wait until (1) the term of the Gift ends (if any); (2) the Giftor recalls the cars on 15 days' notice.

V. <u>Storage of cars</u>

The Giftee shall be responsible for possessing and storing that Gifted portion of its Entitlement until the Giftor recalls the Gift.

VI. <u>Returning Gifted cars</u>

The Giftor will have like kind cars returned to its Entitlement upon termination of the Gifting period.

VII. <u>Gift Becomes Permanent</u>

If a Gift is made to a Giftee and is not terminated by the Giftor within three years, TTX will ask the Giftor if it wants the cars returned, and if not the Gift becomes permanent.

SUPPLEMENT No. 229
to the
TTX COMPANY FORM A CAR CONTRACT

Effective July 1, 2013

Pursuant to action taken by the TTX Board of Directors on June 12, 2013, the Form A Car Contract is hereby amended by this Supplement. The purpose of this Supplement is to provide an incentive for the use of conventional intermodal equipment.

Overview

Since 2009, the size of the Conventional Intermodal fleet has decreased 34% due to conversions of 89' railcars and other retirements due to age. One result of these changes is the reduced fleet is not operating at the previous usage levels. As the Conventional fleet transitions from one with multiple lengths to predominantly 53' – 57' equipment, in order to invite usage of Conventional equipment during this transition there will be an incentive established of 20% of the incremental car hire difference between each eligible railroad's historical baseline Conventional usage versus its current monthly Conventional usage under the terms described below.

Qualification

1) Applicable only to equipment in the Conventional (CONV) Intermodal fleet segment, defined as any TTX Intermodal railcar other than a double-stack.
2) Available only to owners of TTX Company.

Determination and Process

1) A baseline monthly car hire value for each member railroad will be established using Conventional car hire only (not mileage). The 12-month period from July 2012 through June 2013 will serve as the timeline.
2) Beginning July 1, 2013, member railroads whose monthly Conventional car hire liability is greater than its baseline will receive a 20% incentive on the difference between that month's Conventional car hire liability and its baseline. Examples are provided below.
3) Mileage charges, including applicable wheel surcharges, are neither included in the baseline nor affected by this incentive.
4) Eligibility for each member railroad will be re-determined separately with each new monthly car hire cycle. Eligibility in one month does not guarantee eligibility in each successive month.
5) Adjustments will be implemented through each railroad's monthly 100% bill.
6) Any other incentives on Conventional equipment that may be applicable currently or in the future will be applied following the determination of this incentive and on its net amount; i.e. Conventional car hire liability minus the incentive amount.
7) If, after implementation of the incentive provided for here, car hire rates on Conventional equipment increase, each member railroad's baseline will increase by the weighted average percent car hire increase. As an example, if the current weighted average car hire rate is $30, and the weighted average car hire rate were increased to $31, each railroad's baseline would increase 3.3% ((31 – 30)/30).

8) In order to protect the available Conventional car supply for member railroads taking advantage of the incentive, railroads that increase their Conventional Intermodal Entitlement (as defined in Supplement 220 or any successor Supplements) after the implementation of this incentive and that do not meet the eligibility requirements of this incentive for any three consecutive months following that Entitlement increase will not be eligible for this incentive for the following twelve calendar months if another railroad(s) is seeking an increase in its Conventional Entitlement during those same three months.

Examples

The following examples illustrate eligibility for the incentive and its implementation. For the sake of these examples, assume a railroad baseline of $1.5 million. Figures are expressed in dollars.

Examples	Month	October	November	December	January	February	March
a) Railroad Baseline		$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
b) Railroad Car Hire Liability		$1,400,000	$1,550,000	$1,600,000	$1,475,000	$1,700,000	$1,500,000
c) Car Hire Liability > Baseline?		No	Yes	Yes	No	Yes	No
d) Eligible for Incentive?		No	Yes	Yes	No	Yes	No
e) Difference		NA	$50,000	$100,000	NA	$200,000	NA
f) Incentive amount (20% * e)		$0	$10,000	$20,000	$0	$40,000	$0
g) Net Car Hire Liability (b - f)		$1,400,000	$1,540,000	$1,580,000	$1,475,000	$1,660,000	$1,500,000

SUPPLEMENT NO. 230
to the
TTX COMPANY FORM A CAR CONTRACT
SUPERSEDING SUPPLEMENT NO. 214, in part
(Effective January 1, 2014)

Pursuant to action taken by the TTX Board of Directors on December 5, 2013, this Supplement No. 230 cancels Supplement No. 214, in part, with respect to the car hire charge for 70-ton PTTX equipment. The adjusted car hire charge is specified on the attached Exhibit A, effective January 1, 2014.

The applicable mileage charges and wheel surcharge, which are not included herein, remain unchanged by this Supplement.

# # # # #

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 230
EFFECTIVE JANUARY 1, 2014

Rates for 70-ton PTTX Railcars

Initial	Hourly Rate	Description
PTTX	$0.87	70-ton

SUPPLEMENT NO. 231
to the
TTX COMPANY FORM A CAR CONTRACT
(Effective January 1, 2014)

Pursuant to action taken by the TTX Board of Directors on December 5, 2013, this Supplement No. 231 seeks to establish a car hire charge for the TOAX equipment. This initial rate is specified on the attached Exhibit A, effective January 1, 2014.

The mileage charges and wheel surcharge that apply to the BTTX railcars will continue to apply to the reconfigured TOAX railcars and are not included in the Exhibit to this Supplement.

# # # # #

TTX COMPANY
CAR HIRE CHARGES
PURSUANT TO SUPPLEMENT 231
EFFECTIVE JANUARY 1, 2014

Rates for TOAX Railcars

Initial	Hourly Rate	Description
TOAX	$1.76	Converted articulated bi-level for high profile loading

TAB
G

A10354

FORM D

Rev. to 3/25/61.

SPECIAL DEVICES CONTRACT

Between

TRAILER TRAIN COMPANY

And

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY
Railroad

THIS AGREEMENT dated as of September 1, 1960, between The Atchison, Topeka and Santa Fe Railway Company, a Kansas corporation (hereinafter called the Railroad), and TRAILER TRAIN COMPANY, a Delaware corporation (hereinafter called Trailer Train);

WITNESSETH THAT:

WHEREAS, one or more railroads, who are stockholders of Trailer Train have acquired and equipped or will acquire and equip railroad flat cars of Trailer Train (hereinafter called the Cars or individually a Car) with special devices (hereinafter called the Special Devices) of the type or types described in Schedule A annexed hereto as from time to time amended;

WHEREAS, the railroads listed in Schedule B annexed hereto as from time to time amended (hereinafter called the Owners) have requested Trailer Train to collect for the account of the Owners charges for the use of Special Devices by other railroads; and the Owners have agreed that the terms and provisions of this contract shall be applicable in respect of the use by Railroad of the Special Devices of such Owners;

NOW, THEREFORE, in consideration of the sum of one dollar ($1.00) paid by each to the other, the receipt of which is hereby acknowledged, the parties hereto do agree as follows:

SECTION 1. Railroad shall report monthly to Trailer Train by states and by types of Special Devices the mileage made by Cars so equipped in such form as may be required by Trailer Train. Railroad hereby agrees to pay to Trailer Train for the account of Owners of the Special Devices monthly and as promptly as the amount payable can be ascertained and paid, but in any event not less than sixty days after the close of the month to which such payment relates, the applicable charge for the Special Devices attached to each Car (loaded or empty) on the lines of Railroad. The daily charge for each Car set of each Special Device (hereinafter called the user charge) shall be at the rate specified for such Special Device in the Schedule or Schedules attached hereto. Trailer Train agrees to remit to Owners of the Special Devices the user charge paid by Railroad to Trailer Train pursuant to this Agreement, less such amount as may be agreed upon from time to time between Trailer Train and Owners to reimburse

Trailer Train for the costs of collection, and also less any amounts which Trailer Train may by law be required to withhold. The parties hereto may attach additional Schedules to this Agreement from time to time as different types of Special Devices are equipped to Cars.

SECTION 2 (a). Except as otherwise provided in this Section and in Section 3 hereof, Railroad shall be responsible for the user charges for Special Devices on any Car from the time it accepts such Car until redelivery of such Car to Trailer Train, or to the Owner of the Special Devices, or to a railroad which is a party to a Special Devices Contract (Form D) with Trailer Train (of which Trailer Train shall keep Railroad informed) for payment of the user charges for the Special Devices on the Car. The foregoing obligations shall apply whether or not the Car is on Railroad's lines.

(b) Railroad shall not be obligated to pay the user charge for Special Devices on a Car if the Car to which the Special Devices are affixed is being moved empty at the request of Trailer Train, or at the request of Owner, and such movement is not a return movement of a loaded Car moved over the lines of Railroad or an empty movement to a point on Railroad or on another railroad for loading which will result in a loaded return movement over the lines of Railroad.

(c) Where delivery by Railroad to a road-haul connection of a Car equipped with Special Devices involves a movement over an intermediate switching railroad which is not a party to or covered by the terms of a Special Devices Contract (Form D) made with Trailer Train, Railroad shall be responsible for the user charge for the Special Equipment when on lines of the intermediate switching railroad if Railroad is responsible for the user charges for the preceding movement on its own lines.

SECTION 3. Notwithstanding any other provisions of this Agreement:

(a) Trailer Train shall not collect any user charges for the Special Devices on any Car when such Car is on lines of the Owner of the Special Devices.

(b) Trailer Train shall not collect any user charges for the Special Devices on any Car if such Car is in a pool of Cars being used in an interline movement with the Owner of the Special Devices and if the Owner has instructed Trailer Train not to collect the user charges for the Special Devices on such movement.

SECTION 4. It is understood and agreed that each Owner of the Special Devices shall apply, remove and store its Special Devices at the expense of Owner.

SECTION 5. Any taxes on the Special Devices, as well as any increase in taxes on the Cars by reason of the existence of Special Devices, including therein any taxes on the gross receipts or earnings therefrom, shall be borne by the Owners, except that any net income taxes attributable to amounts received by Trailer Train for collection of the user charge on Special Devices shall be borne by Trailer Train; and if any such taxes to be borne by the Owners are required to be paid by Railroad or Trailer Train such payment shall be reimbursed by Owners.

SECTION 6. (a) Railroad shall inspect each Special Device at the time a Car equipped with a Special Device is offered to it in interchange, and Railroad may refuse to accept any Special Device which is defective. Railroad shall immediately notify Owner of the Special Device and the delivering railroad of such defect and shall furnish a copy of such notification to Trailer Train for its information. Railroad shall be responsible for any damage which may occur to a Special Device unless it shall have notified Owner at the time of acceptance by Railroad of the Special Device in interchange from another railroad of the existence of such damage to the Special Device, or unless the existence of such damage was reported to Owner by another railroad which had possession of the Special Device prior to Railroad. Each Owner shall, upon receipt of a request from Railroad, furnish to Railroad such information as Railroad shall deem necessary or appropriate to enable Railroad to ascertain whether the Special Devices of such Owner which are on Cars tendered to Railroad in interchange are complete and in good working order and condition.

(b) Railroad shall report to Trailer Train and to Owner of the Special Devices any loss, destruction of, or damage to, any Car equipped with Special Devices, or to the Special Devices on a Car within ten days after its occurrence. Within ten days after receipt of such report (1) Trailer Train shall furnish to Railroad in respect of any loss or destruction of or damage to a Car, and/or (2) the Owner shall furnish to Railroad in respect of any loss or destruction of or damage to any Special Devices of Owner on a Car, instructions with respect thereto, and Railroad shall dispose of such Car and/or Special Devices in accordance with the instructions given.

(c) If any of the Special Devices are lost, destroyed or damaged on the lines of Railroad, and regardless of whether or not caused by negligence of Railroad or of any other person, firm or corporation, Railroad shall promptly pay to the appropriate Owner:

(i) if the Special Device is damaged and such damage can be repaired, a sum equal to the cost of repairing the damaged Special Device; or

(ii) if the Special Device is lost, destroyed or damaged beyond repair, a sum equal to the greater of, (1) the fair market value thereor prior to such loss, destruction or damage beyond repair, or (2) the original cost of the Special Device less depreciation thereon at the rate of 25% per annum from the date of application of the Special Device to the Car to the date of its loss, destruction or damage beyond repair. Upon making such payment Railroad shall be entitled to the scrap from the Special Device.

(d) A Special Device shall, for the purposes of this Contract, be deemed to be lost, destroyed or damaged on lines of Railroad if (1) the Special Device is lost, destroyed or damaged off the lines of Railroad and Railroad is responsible for the user charges for such Special Device pursuant to the terms of Section 2 (a) hereof, or (2) a Special Device is delivered by Railroad in a damaged condition to another railroad unless the existence of such damage was reported to Owner by Railroad at the time the Special Device was accepted in interchange by Railroad, or was reported to Owner by another railroad which had possession of the Special Device prior to Railroad.

(e) Railroad shall not be relieved of any obligation under this Section for loss, destruction of, or damage to a Special Device occurring on the lines of Railroad by reason of the absence of an obligation on the part of Railroad to pay the user charge at the time of the loss, damage or destruction of any Special Device.

SECTION 7. Except where the responsibility is placed upon Railroad pursuant to Section 6 hereof, it is agreed that the Owners shall maintain the Special Devices in good condition and repair. Railroad shall notify Owner of any Special Devices which may need repairs. No repairs other than ordinary running repairs shall be made by Railroad for the account of Owners without Owners' prior written consent. Owners shall pay or reimburse Railroad for ordinary running repairs made by Railroad to the Special Devices promptly upon receipt of a bill therefor, such bills to be rendered monthly. User charges for Special Devices shall abate during the period such Cars or the Special Devices affixed thereon are unfit for service. User charges under the Form A or Form C car contract shall not abate during the period the Cars are fit for service and the Special Devices affixed thereon are unfit for service.

SECTION 8. (a). No Owner shall be liable, (1) for any loss of or damage to articles, commodities, trailers, containers, commodities in trailers or containers, or any other thing loaded on the Cars equipped with Special Devices, which may occur off of Owner's lines, except that where liability in respect of such loss or damage is covered by the Freight Claims Rules of the Association of American Railroads, such rules shall supersede any conflicting provisions of this Section 8 (a), or (2) for any loss or damage to property other than property loaded on the Cars equipped with Special Devices, whether property of Railroad or of any other person, firm or corporation, which may directly or indirectly arise out of or be connected with the Special Devices or use of the Special Devices while on lines of Railroad. Trailer Train shall not be liable (i) for any loss of or damage to articles, commodities, trailers, containers, commodities in trailers, or containers, or any other thing loaded on the Cars, whether occurring on the lines of any Owner, any Railroad, or any other person, or (ii) for any loss of or damage to any property other than property loaded on Cars equipped with Special Devices, whether property of Owners, Railroad, or of any other person, firm or corporation, which may directly or indirectly arise out of or be connected with the Special Devices or any use of the Special Devices on Cars on lines of Railroad. Railroad agrees to indemnify the Owners and Trailer Train, respectively, against, and to save each of them harmless from, any such loss or damage, or claim thereof, occurring on Railroad's lines, and regardless of whether or not based upon negligence of any Owner or Trailer Train. Each Owner agrees to indemnify Trailer Train against, and to save it harmless from, any such loss or damage, or claim thereof, occurring on Owner's lines, and regardless of whether or not based upon negligence of Trailer Train.

(b) The Owners and Trailer Train shall not be liable for, and Railroad agrees to indemnify, protect and hold the Owners and Trailer Train harmless from, all claims for personal injuries, including death, incurred by any officers, agents, or employees of Railroad, or by any other persons whatsoever, caused by or arising out of or in connection with the loading, unloading, movement, use or possession on lines of Railroad of Cars equipped with Special Devices, and regardless of whether or not based upon negligence of Owners or Trailer Train or any other person, firm or corporation, provided, however, that Railroad shall not be obligated to indemnify Trailer Train or the Owners for injury to or death of their respective officers, agents, or employees.

SECTION 9. (a) Trailer Train may order Special Devices removed from any Car which is not in transportation service for twenty successive days if in the opinion of Trailer Train there is a need for such Car without the Special Devices by any corporation to which Trailer Train may be obligated to furnish Cars. In such event the Car equipped with Special Devices will be returned promptly to Owner at the request of Trailer Train and Owner shall bear the cost of removal of the Special Devices. A Car shall be deemed not to be in transportation service when it is neither under load nor in movement (loaded or empty) at any time during the day.

(b) Notwithstanding any provisions to the contrary contained in any Trailer Train Company Form A or Form C Car Contract, it is understood and agreed that:

(1) Upon a certification by Railroad to Trailer Train that a Car equipped with Special Devices was located at a particular point on Railroad's lines and not in transportation service (as defined in the last sentence of paragraph (a) of this Section) during a particular day, Railroad will be allowed a reclaim of 50% of the per diem charge (or, if applicable, the minimum charge) for such Car for that day under the Form A or Form C Car Contract of Railroad with Trailer Train; provided, however, that no reclaim will be allowed for any Car for more than ten successive days. Full per diem and mileage charges (or, if applicable, the minimum charges) under the Form A or Form C Car Contract shall apply at all other times except to the ex-

tent otherwise provided in Section 9(b)(3) hereof. No reclaim or abatement of any part of any user charge for Special Devices will be allowed to Railroad for Cars not in transportation service.

(2) Railroad shall not be entitled to require Trailer Train to accept the return, or to require Trailer Train to arrange for the disposition, of any Car equipped with Special Devices. Paragraph 6 (c) of the Form A Car Contract and the first three sentences of Section 18 (c) of the Form C Car Contract shall not be applicable to Cars equipped with Special Devices.

(3) A maximum of three days free time will be allowed for application or removal by the Owner of the Special Devices, and no per diem (or, if applicable, minimum charges) shall be payable to Trailer Train by the Owner pursuant to a Form A or Form C Car Contract during such period, provided, however, that such three-day period shall not include any period during which any Cars may be moved over the lines of Owner, or the lines of any other railroad, and Form A or Form C per diem and mileage charges (or, if applicable, minimum

charges) shall be payable by Owner in respect of any such movement (loaded or empty) of any Cars. In the event application or removal of the Special Devices cannot be completed in three days, per diem and mileage charges (or, if applicable, minimum charges) under the Form A or Form C Car Contract shall thereafter commence to accrue and shall be payable to Trailer Train by the Owner.

SECTION 10. It is understood that the user charges for Special Devices set forth in the Schedule or Schedules annexed hereto are based upon estimated costs, expenses and revenues, and any such user charges may at any time be increased or decreased, without the consent of Railroad, in order to reflect more closely actual costs, expenses and revenues; provided that not less than sixty days' notice of any such increase or decrease shall be given to Railroad. In the event such notice shall specify an increase in any user charge, Railroad may terminate this contract as of the date such increase is scheduled to be effective, provided that notice of such termination is given by Railroad to Trailer Train not less than thirty days prior to the effective date of such increase. A revised Schedule or Schedules shall be attached hereto which shall set forth the user charges as so increased or decreased.

SECTION 11. Railroad understands that its rights hereunder, including its right to use the Special Devices, are subject to the terms of any conditional sale, lease, mortgage or other financing agreement relating to the Special Devices. No title, leasehold or property interest of any kind in the Special Devices shall vest in Railroad by reason of this Agreement or the delivery to or use by Railroad of Cars equipped with Special Devices.

SECTION 12. If Railroad shall fail to carry out or perform any of its obligations under this Agreement, or if a petition in bankruptcy, or for reorganization, or for a trustee or a receiver, is filed by or against Railroad, and any such default or event or failure shall continue for a period of thirty days after notice given by Trailer Train to Railroad, Trailer Train may elect to terminate this Agreement as to all Cars equipped with Special Devices, and upon the request of any Owner shall terminate this Agreement, as to all Cars of such Owner equipped with Special Devices, by mailing to Railroad notice of such termination. Upon receipt of the termination notice, Railroad shall within five days return at its expense to the appropriate Owner or Owners all Cars equipped with Special Devices. Either Trailer Train or the respective Owners shall have the right in the event any Cars equipped with Special Devices are not returned within said five day period to take possession of any Cars equipped with Special Devices and to remove them from Railroad's service and property, and Railroad shall be liable for all expenses in connection therewith. Notwithstanding termination of this Agreement, Railroad shall be liable for all user charges and all other obligations to be performed by it under the terms of this Agreement which may accrue or exist to and including the date or dates of return to the Owners of the Cars equipped with Special Devices. All overdue obligations of Railroad payable in money shall bear interest at the rate of 6% per annum from the date payment thereof is due to the date of their payment. The rights and remedies herein given to Trailer Train and/or Owners (i) shall not in any way limit their respective remedies given or provided by law or in equity, and (ii) shall not in any way limit the rights and remedies of Trailer Train under any other contract with Railroad relating to Trailer Train Cars.

SECTION 13. It is understood and agreed that any termination of this Agreement whether by reason of default of Railroad, or for any other reason, shall not relieve Railroad of any of its obligations or liabilities hereunder not performed or paid by it at the time of termination of this Agreement or which by the terms hereof are to be performed or paid after termination of this Agreement, including the obligations of Railroad under the terms of Sections 1, 2, 5, 6, 8 and 12 hereof.

SECTION 14. This Agreement is subject to all Federal, state and municipal laws, rules, regulations and ordinances which may now or hereafter affect, change or modify the terms or conditions hereof or render unlawful the performance of any of the provisions of this Agreement.

SECTION 15. Except as otherwise provided in Sections 10 and 12 hereof, this contract shall be binding upon the parties hereto and their respective corporate successors for a period of one year from the date hereof, and thereafter shall automatically continue from year to year; provided, however, that either party may terminate this Agreement upon giving to the other written notice of termination, which notice shall be given not less than thirty days prior to the end of the first, or any succeeding, year of this contract, in which event this Agreement shall terminate at the end of the current contract year.

SECTION 16. Railroad hereby agrees that it will not assign this Agreement or its rights hereunder (except to a corporate successor as permitted by Section 15 hereof) or lease, sublease or otherwise enter into contracts or agreements purporting to transfer the right to use or possess any Special Device to any person, firm or corporation unless it shall have secured the prior written consent of the Owner of the Special Device and of Trailer Train as the owner of the Car equipped with such Special Device.

SECTION 17. Railroad hereby agrees that it will not deliver any empty Car equipped with Special Devices to any railroad not a party to an agreement with Trailer Train similar to this Agreement (except for delivery to switching, belt, terminal and plant railroads for delivery to a railroad which is a party to an agreement with Trailer Train similar to this Agreement) unless Railroad shall first have secured the written consent of the Owner of the Special Devices.

SECTION 18. Railroad and Trailer Train agree that Schedule B hereto may be amended from time to time to add additional railroads thereto. Railroad and Trailer Train also agree that in the event Railroad is an Owner named in Schedule B hereto Railroad shall for the purposes of this Agreement be deemed to be an "Owner" in respect of the Special Devices which Railroad has caused to be placed on Cars and as to all other Special Devices Railroad shall not be deemed to be an "Owner."

SECTION 19. Although this contract may be dated a later date, it shall be effective for the purposes of accounting between the parties from and after September 1, 1960.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, in duplicate, by their duly authorized officers as of the day and year first above written.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY

By: [signature]

Title: Vice President-Operations

Attest: [signature]

Assistant Secretary

Date: April 6, 1961

TRAILER TRAIN COMPANY,

By: [signature]

Title: GENERAL MANAGER

Attest: [signature]

ASSISTANT SECRETARY

Date: OCT 5 1961

SCHEDULE A

Daily User Charges for Special Devices

Bi-Level Superstructures	$10.00 per Car
Tri-Level Superstructures	$12.25 per Car

SCHEDULE B

(Revised to October 1, 1966)

OWNER RAILROADS FOR WHICH TRAILER TRAIN COMPANY IS TO COLLECT SPECIAL DEVICES USER CHARGES

The Atchison, Topeka and Santa Fe Railway Company
Atlantic Coast Line Railroad Company
The Baltimore and Ohio Railroad Company
Boston and Maine Railroad
The Chesapeake and Ohio Railway Company
Chicago and North Western Railway Company
Chicago, Burlington and Quincy Railroad Company
Chicago Great Western Railway Company
Chicago, Milwaukee, St. Paul and Pacific Railroad Company
Chicago, Rock Island and Pacific Railroad Company
Denver and Rio Grande Western Railroad Company
Detroit, Toledo and Ironton Railroad Company
Erie-Lackawanna Railroad Company
Florida East Coast Railway Company
Great Northern Railway Company
Gulf, Mobile and Ohio Railroad Company
Illinois Central Railroad Company
The Kansas City Southern Railway Company
Louisville and Nashville Railroad Company
Missouri-Kansas-Texas Railroad Company
Missouri Pacific Railroad Company
The New York Central Railroad Company
New York, Chicago and St. Louis Railroad Company
Norfolk and Western Railway Company
Northern Pacific Railway Company
The Pennsylvania Railroad Company
Reading Company
Richmond, Fredericksburg and Potomac Railroad Company
St. Louis-San Francisco Railway Company
St. Louis Southwestern Railway Company
Seaboard Air Line Railroad Company
Southern Pacific Company
Southern Railway Company
Texas and Pacific Railway Company
Toledo, Peoria and Western Railroad Company
Union Pacific Railroad Company
Wabash Railroad Company
Western Maryland Railway Company
Western Pacific Railroad Company

Re: Trailer Train Company Special Devices Contract (Form D)

Trailer Train Company
43 Haverford Station Road
Haverford, 1, Pennsylvania

Dear Sirs:

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY (herein-
(name of owner railroad)
after called the "Owner"), has acquired or is about to acquire superstructures which have been or will be attached to the Trailer Train Company cars listed in the attached schedule. The attached schedule shall be revised from time to time as superstructures are applied to or removed from Trailer Train Company cars. This letter will evidence Owner has agreed that:

1. The terms and provisions of the Form D contract shall be applicable with respect to the use of the superstructures of Owner by railroads which have entered into the Form D contract with Trailer Train Company (hereinafter called "Trailer Train").

2. Trailer Train is authorized on behalf of Owner to enter into Form D contracts with all railroads which may be stockholders of Trailer Train or which may be a party to a Form C car contract with Trailer Train with the understanding that Trailer Train will notify Owner of the names of all railroads executing the Form D contract.

3. Owner will be bound by the terms and provisions of the Form D contract relating to Owner's rights and obligations as such contract may from time to time be supplemented or amended with the consent of all the Owners who have authorized and have not terminated the making of a Form D contract on their behalf; subject, however, to the rights of termination given in Sections 12 and 15 of the Form D contract which rights Trailer Train will exercise for Owner upon request from Owner.

4. Trailer Train is authorized to collect, as provided in the Form D contract, the user charges for use of the superstructures listed in the attached schedule as from time to time revised, such user charges to be collected for the period commencing September 1, 1960, and the amounts collected to be remitted promptly to Owner as soon as collected, less a charge for collection thereof of $1.35 per car set of superstructures per month (and less any taxes which are to be paid or withheld by Trailer Train). The foregoing charge for collection is subject to increase or decrease in the event the actual costs of collection of Trailer Train shall be more or less than the above specified amount.

5. Trailer Train shall not be responsible for the failure of any user of superstructures to make any

payments required to be made by it pursuant to the Form D contract or to comply with any of the provisions of such contract. Trailer Train shall not be required to institute legal proceedings for collection of any sums payable to Owner pursuant to the Form D contract unless Owner has made arrangements satisfactory to Trailer Train to pay or to reimburse to Trailer Train its expenses in connection with any such legal proceeding.

6. Owner will notify Trailer Train of the Railroads and cars equipped with superstructures in respect of which Trailer Train is not to collect user charges pursuant to Section 3 (b) of the Form D contract.

7. Owner will from time to time supply to Trailer Train and to the user railroads all information which may be needed in order to carry out the provisions of the Form D contract, including the last sentence of Section 6 (a) thereof, and to keep current the information contained in the attached schedule.

Very truly yours,

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY
(name of owner railroad)

By: C R Bucker

Vice President-Operations
(title)

Dated: April 6, 1961

SCHEDULE OF SUPERSTRUCTURES ON TRAILER TRAIN CARS OF THE ATCHISON, TOPEKA & SANTA FE R.R.

TRAILER TRAIN CAR NOS.	TYPE OF SUPERSTRUCTURE	NAME OF MANUFACTURER OF SUPERSTRUCTURE AND ITS SPECIFICATION NO.	MONTH AND YEAR OF APPLICATION TO CAR
474534	Bi-Level	Dana Corp. 700006 - Bi	10-18-60
474517	"	"	"
474644	"	"	10-17-60
474648	"	"	10-18-60
474649	"	"	10-17-60
474544	"	"	10-20-60
474557	"	"	"
474565	"	"	"
474554	"	"	10-21-60
474555	"	"	10-20-60
474541	"	"	10-21-60
474546	"	"	"
474551	"	"	10-24-60
474562	"	"	"
100245	"	"	10-25-60
100246	"	"	"
100247	"	"	"
100361	"	"	10-31-60
100228	"	"	10-24-60
100244	"	"	10-25-60
100224	"	"	"
100225	"	"	10-26-60
100223	"	"	"
100226	"	"	10-25-60
100227	"	"	10-26-60
100229	"	"	10-27-60
100248	"	"	10-26-60
100249	"	"	10-25-60
474524	"	"	10-26-60
474520	"	"	10-27-60
474646	"	"	"
474645	"	"	"
100218	"	"	"
100217	"	"	10-28-60
100221	"	"	"
100233	"	"	10-31-60
100231	"	"	10-28-60
100232	"	"	"
100216	"	"	"
100222	"	"	10-29-60
100220	"	"	"
100219	"	"	"
100363	"	"	10-31-60
100362	"	"	"

'HEDULE OF SUPERSTRUCTURES ON TRAILER TRAIN CARS OF THE ATCHISON, TOPEKA & SANTA FE R.R.

TRAILER TRAIN CAR NOS.	TYPE OF SUPERSTRUCTURE	NAME OF MANUFACTURER OF SUPERSTRUCTURE AND ITS SPECIFICATION NO.	MONTH AND YEAR OF APPLICATION TO CAR
100360	Tri-Level	Dana Corp. 700005 - Tri	11- 1-60
100332	"	"	"
100701	"	701046 - D	8-14-61
100748	"	"	"
100749	"	"	"
100712	"	"	"
100718	"	"	8-15-61
100760	"	"	"
100764	"	"	"
100700	"	"	8-16-61
100721	"	"	"
100762	"	"	"
100722	"	"	8-17-61
100767	"	"	"
100744	"	"	8-18-61
100713	"	"	"
100740	"	"	8-21-61
100717	"	"	"
100780	"	"	"
100743	"	"	8-22-61
100741	"	"	"
100779	"	"	"
100782	"	"	8-23-61
100786	"	"	"
100719	"	"	"
100742	"	"	8-24-61
100746	"	"	"
100745	"	"	"
100768	"	"	"
100680	"	"	8-25-61
100697	"	"	"
100747	"	"	"
100696	"	"	8-28-61
100681	"	"	"
100702	"	"	"
100686	"	"	8-29-61
100691	"	"	"
100703	"	"	"
100683	"	"	"
100704	"	"	"
100692	"	"	"
100699	"	"	8-30-61
100695	"	"	8-30-61
100684	"	"	"

SCHEDULE OF SUPERSTRUCTURES ON TRAILER TRAIN CARS OF THE ATCHISON, TOPEKA & SANTA FE R.R.

TRAILER TRAIN CAR NOS.	TYPE OF SUPERSTRUCTURE	NAME OF MANUFACTURER OF SUPERSTRUCTURE AND ITS SPECIFICATION NO.	MONTH AND YEAR OF APPLICATION TO CAR
100678	Tri-Level	Dana Corp. 701046 - D	8-30-61
100687	"	"	"
100694	"	"	8-31-61
100698	"	"	"
100637	"	"	"
100778	"	"	"
478458	"	"	"
100783	"	"	9- 2-61
100757	"	"	"
100758	"	"	"
100759	"	"	9- 5-61
100777	"	"	"
100776	"	"	"
100755	"	"	"
100775	"	"	"
100750	"	"	"
100756	"	"	"
100752	"	"	"
100771	"	"	9- 6-61
100772	"	"	"
100763	"	"	"
100769	"	"	"
100770	"	"	"
100773	"	"	9- 7-61
100774	"	"	"
100765	"	"	"
100761	"	"	"
477216	"	"	9- 8-61
477222	"	"	"
477205	"	"	"
477260	"	"	"
477261	"	"	"
100766	"	"	"

Re: Trailer Train Company Special Devices Contract

Trailer Train Company
43 Haverford Station Road
Haverford 1, Pennsylvania

Dear Sirs:

The THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY
(Name of owner railroad)

(hereinafter called the "Owner"), hereby agrees to the following changes to be made effective as of September 1, 1960, in the letter dated April 6, 1961 of the Owner to Trailer Train Company (hereinafter called "Trailer Train"):

1. The term "Form D Contract" as used in said letter shall be deemed to include Supplement No. 1 to the Trailer Train Company Special Devices Contract (Form D).

2. Paragraph 4 of said letter shall be supplemented by the addition of the following:

> "Trailer Train is also authorized to accept and/or to endeavor to collect the user charges for use of the above-mentioned superstructures from all railroads which have not entered into a Form A or Form C Car Contract with Trailer Train and which have entered into agreements with Owner relating to the payment for such user charges; and the amounts accepted or collected shall be remitted promptly to Owner, less any taxes to be withheld and less the collection charge hereinbe-

fore mentioned in this paragraph 4. Owner shall furnish to Trailer Train a copy of each agreement in respect of which Trailer Train is to accept and/or endeavor to collect user charges for superstructures of Owner. In the event any part of such user charges shall include compensation for the use of Trailer Train cars to which the superstructures are attached, Trailer Train is authorized to deduct from such amounts received or collected the sum or sums payable to it in respect of such cars pursuant to the terms of the Form A or Form C Car Contracts as supplemented from time to time."

Very truly yours,

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY
(Name of Owner Railroad)

By: ______________________

Vice President-Traffic
Title

Dated: June 6, 1962

SUPPLEMENT NO. 1 TO TRAILER TRAIN COMPANY
SPECIAL DEVICES CONTRACT (FORM D)

It is hereby agreed that effective as of September 1, 1960, the Special Devices Contract (Form D) is amended as follows:

1. Section 2 is supplemented by the addition of the following paragraph:

"Section 2 (d). Railroad shall not be responsible for the user charges for Special Devices on any Trailer Train Car while on the lines of a railroad which does not have an effective agreement with Trailer Train for such Car and which has entered into an agreement with the Owner of the Special Devices relating to the Special Devices of such Owner or to a Trailer Train Car so equipped."

2. Section 9 is deleted and the following substituted in place thereof:

"Section 9. No reclaim or abatement of any part of any user charge for Special Devices will be allowed to Railroad unless such reclaim is authorized to be made by the Owner of the Special Devices."

APPROVED:

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY

By: E. E. Duffy

Title: Vice President-Traffic

ATTEST:

R. B. Joseph

Assistant Secretary

Date: June 6, 1962

TRAILER TRAIN COMPANY

By: John E. Wightman Jr

Title: GENERAL MANAGER

ATTEST:

M. Manning

ASSISTANT SECRETARY

Date: MAY 25 1962

SUPPLEMENT NO. 2 TO TRAILER TRAIN COMPANY
SPECIAL DEVICES CONTRACT (FORM D)

It is hereby agreed that Section 6 (c) (ii) of the Special Devices Contract (Form D) is amended to read as follows:

(ii) If the Special Device is lost, destroyed or damaged beyond repair, an amount computed in accordance with Rule 112, Section B.5. of the Interchange Rules of the Association of American Railroads, or any other rule which may at any future time be issued in place thereof.

APPROVED: ATCHISON, TOPEKA, AND SANTA FE RAILWAY SYSTEM

By ______

Date 12/6-65 Title Vice-President-Traffic

TRAILER TRAIN COMPANY,

By ______

Date DEC 3 1965 Title President

SUPPLEMENT NO. 3 TO TRAILER TRAIN COMPANY
SPECIAL DEVICES CONTRACT (FORM D)

It is hereby agreed that Schedule A of the Special Devices Contract (Form D) is amended and revised by adding the following special device and daily user charge therefor:

Vert-A-Pac Superstructures $26.50 per car

APPROVED:

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY

Attest:

By C. W. Fothergill

Assistant Secretary

Title ASSISTANT TO VICE PRESIDENT-OPERATIONS

Date 7-21-71

TRAILER TRAIN COMPANY,

Attest:

By C. S. Buford

R. E. Zimmerman

Title President

Date 06-22-71

43 HAVERFORD STATION ROAD, HAVERFORD, PA. 19041

November 30, 1964

Dear Mr.____________________:

As reported at Trailer Train Company's Board of Directors Meeting, November 20th, 1964, the monthly charge being made by Trailer Train Company to owners of auto racks attached to TTX cars, for collection of sums due to such owners for use of their racks, which collection charge is provided for in Paragraph 4 of Letter Agreement with your company, which became effective September 1, 1960, is being reduced from $1.35 to $.90 per month, per car set of superstructures (less any taxes which are to be paid or held-out by Trailer Train), effective with the month of December, 1964.

Yours truly,

J. P. Newell
President

SUPPLEMENT NO. 4 TO TRAILER TRAIN COMPANY
SPECIAL DEVICES CONTRACT (FORM D)

It is hereby agreed that Schedule A of the Special Devices Contract (Form D) is amended and revised by adding the following special device and daily user charge therefor:

Tie anchor assemblies for 60 foot cars equipped with bulkheads	$1.16 per car

APPROVED:

The Atchison, Topeka and Santa Fe Railway Company

(Railroad)

ATTEST:

C. F. Bezinger

Date: September 9, 1974

By

Title: Vice President

TRAILER TRAIN COMPANY

ATTEST:

J. J. Williams

Date: July 31, 1974

By C. D. Buford

Title: President

TRAILER TRAIN COMPANY

300 SOUTH WACKER DRIVE · CHICAGO, ILLINOIS 60606
(312) 786-1200

CURTIS D. BUFORD
PRESIDENT

August 3, 1977

TO: Secretaries of Trailer Train Company
Special Devices Contract (Form D) Signatories

Re: Collection of user charges for special devices and criteria for future Form D supplementation.

Gentlemen:

Pursuant to action taken by the Board of Directors of Trailer Train Company on July 28, 1977, the Company's present administrative charge of $.90 per car per month for the collection of user charges on behalf of owners of special devices described in the Form D contract, as supplemented, will be adjusted, effective as of October 1, 1977, as follows:

> $1.00 per car per month for groups of 100 or more cars equipped by a railroad with a special device; and
>
> $2.00 per car per month for groups of 99 or fewer cars equipped by a railroad with a special device.

In addition, the Board concluded that groups of no fewer than 50 cars equipped with a special device by a railroad would be considered for future supplementation of the Form D contract.

Please place this letter with your permanent copy of the Form D contract for future reference.

Sincerely,

C D Buford

SUPPLEMENT NO. 5 TO TRAILER TRAIN COMPANY
SPECIAL DEVICES CONTRACT (FORM D)

Pursuant to action taken by the Board of Directors of Trailer Train Company on May 26, 1977, it is hereby agreed that Schedule A of the Special Devices Contract (Form D) is amended and revised, effective as of July 1, 1977, as follows:

Daily User Charges for Special Devices

Car Type Code	Description: Auto-Rack Superstructures	Years in Service and Rate 1 - 5	6 - 10	11 and Over
V 3 _ _	Bi-level rack, fully enclosed	$20.50	$16.50	$ 6.50
V 4 _ _	Tri-level rack, fully enclosed	$23.75	$19.00	$ 6.75
V 8 _ _	Tri-level rack, partially enclosed (Railpax)	$21.50	$17.50	$ 6.50

The Association of American Railroads' Code of Car Hire Rules, Rule a(1) (penalty provision), will apply to the above Special Devices when applied to Trailer Train Company cars.

APPROVED:

ATTEST:

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY
(Railroad)

[signature]

By [signature]

Date: JUL 29 1977

Title: VICE PRESIDENT

ATTEST:

TRAILER TRAIN COMPANY

[signature]

By [signature]

Date: June 24, 1977

Title: President

SUPPLEMENT NO. 6 to the

TTX COMPANY FORM D CAR CONTRACT

Pursuant to action taken by the Board of Directors on July 1, 2002, car hire rates and mileage charges for the use of the Company's automobile rack fleet, as set forth on the attached Exhibit A made a part of this Supplement, shall be in effect as of July 1, 2002.

Pursuant to action taken by the Board of Directors on March 14, 1997, with respect to cars equipped with automobile racks owned by the Company, Carrier shall be relieved of the payment of otherwise applicable car hire charges after the expiration of fifteen days notice from Carrier to the Company provided such notice is given in accordance with the terms and conditions set forth in Supplement No. 121 to the Form A Car Contract.

TTX COMPANY

By: ______________________
A. F. Reardon, President
and Chief Executive Officer

July 8, 2003

Exhibit A

TTX COMPANY
CAR HIRE CHARGES
SUPPLEMENT NO.
EFFECTIVE
July 1, 2002

Initial	# Of Platforms, Wells or Length	Rate Per Hour	Description
Auto Rack Fleet			
ETTX	89'4"	0.72	Enclosed Tri-level Racks (Hydraulic Draft Gears)
ETTX	89'4"	2.26	Enclosed Tri-level Racks (Hydraulic Draft Gears) – TTX Owned
TTBX	89'4"	0.67	Bi-level Racks (Hydraulic Draft Gears)
TTGX	89'4"	0.72	Enclosed Bi-level Racks (Hydraulic Draft Gears)
TTQX	89'4"	0.72	Enclosed Tri-level Racks - 20' 2" Excessive Height (Hydraulic Draft Gears)
TTSX	89'4"	0.72	Coverless Enclosed Bi-level Racks (Hydraulic Draft Gears)
BTTX		2.43	Articulated Bi-level Autorack
TTNX	89'4"	0.72	Enclosed Bi-level Rack (Hydraulic Draft Gears)

@ - The hourly rates on these car types have changed, or a new rate has been established for a new car type. All other hourly rates remain unchanged.

TAB
H

TTX

FLATCAR POOL
ILLUSTRATIVE EQUIPMENT TYPES

TTX Intermodal Flatcars

Double-stack Railcars
Domestic Containers

Double-stack Railcars
International Containers

Conventional Intermodal Railcars
Trailers

TTX Automotive Flatcars

Tri-level and Bi-Level Railcars
Finished Automobiles

Articulated Bi-level Railcars
Finished Automobiles

Frame Flatcars
Automotive Frame Assemblies

Uni-level Railcars
Large Vehicles

TTX Special Equipped Flatcars

Centerbeam Flatcars
Lumber, Wallboard, and Panels

Bulkhead Flatcars
Steel Plate, Pipe, and Bars

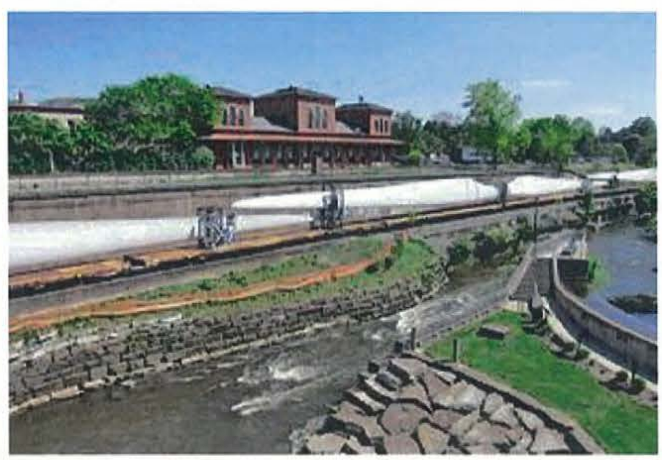
89-foot All-purpose Flatcars
Steel Pipe, Beams, and Plate

TTX Special Equipped Flatcars

89-foot Chain Tie-down Flatcars
Military Equipment & Machinery

60-foot Chain Tie-down Flatcars
Machinery and Vehicles

Heavy-duty Flatcars
Generators, Turbines, Etc.



Wind Energy Flatcars
Wind Towers and Blades