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Marine Terminal Operator Schedule No. 1	Original Date: July 23, 2005 Revised Date: December 4, 2017

## **Marine Terminal Schedule No. 1**

### **NAMING CERTAIN RULES, REGULATIONS AND RATES ON CARGO MOVING IN CONTAINERS**

This schedule is issued by the West Coast MTO Agreement (hereinafter "WCMTOA") on behalf of its marine terminal operator members under authority of Federal Maritime Commission Agreement No. 201143.

PUBLISHED BY:

PIERPASS LLC  
AS AGENT FOR THE  
MARINE TERMINAL OPERATOR MEMBERS OF THE WCMTOA

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## SECTION A – GENERAL RULES AND REGULATIONS

### **RULE 1: MEMBERS AND STRUCTURE OF THE WCMTOA**

A. The members of the WCMTOA participating in this Schedule, and their addresses, are as follows:

APM TERMINALS PACIFIC LTD.  
2500 Navy Way  
Terminal Island, CA 90731

SSAT (Pier A), LLC  
c/o SSA MARINE  
1131 SW Klickitat Way  
Seattle, WA 98134

EAGLE MARINE SERVICES, LTD.  
16220 N. Scottsdale Road, Suite 300  
Scottsdale, AZ 85254-1781

TOTAL TERMINALS  
INTERNATIONAL, L.L.C.  
301 Hanjin Road  
Long Beach, CA 90802

INTERNATIONAL TRANSPORTATION  
SERVICE, INC.  
1281 Pier G Way  
Long Beach, CA 90802-6393

TRAPAC LLC  
920 West Harry Bridges Blvd.  
Wilmington, CA 90744-5230

LBCT LLC  
1171 Pier F Avenue  
Long Beach, CA 90802

YUSEN TERMINALS LLC  
701 New Dock Street  
Terminal Island, CA 90731

PACIFIC MARITIME SERVICES, L.L.C.  
c/o SSA MARINE  
1131 SW Klickitat Way  
Seattle, WA 98134

WEST BASIN CONTAINER TERMINAL,  
L.L.C.  
111 W. Ocean Blvd., Suite 1610  
Long Beach, CA 90802

SSA TERMINALS, LLC  
c/o SSA MARINE  
1131 SW Klickitat Way  
Seattle, WA 98134

EVERPORT TERMINAL SERVICES, INC.  
389 Terminal Way, Berth 228-233  
Terminal Island, CA 90731

B. This Schedule is published pursuant to the authority contained in the WCMTOA. It is published by PierPass LLC, on behalf of and in its capacity as agent for the members of the WCMTOA. PierPass LLC is authorized to and shall act as agent for each of the members of the WCMTOA with respect to the application and enforcement of this Schedule. In so doing, PierPass LLC is authorized to and shall act through its manager, PierPass, Inc.

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**RULE 2: DEFINITIONS**

A. ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY (“ACTA”) – Means the joint authority created by the cities and ports of Los Angeles and Long Beach that operates the Alameda Corridor, a 20-mile rail connection running from the Ports of Los Angeles and Long Beach to downtown Los Angeles.

B. CONTAINER – Means a demountable and reusable freight-carrying unit designed to be transported by different modes of transportation and having construction, fittings, and fastenings able to withstand, without permanent distortion or additional exterior packaging or containment, the normal stresses that apply on continuous all-water and intermodal transportation. The term includes dry cargo, ventilated, insulated, refrigerated, flat rack, vehicle rack, liquid tank and open-top containers without chassis, but does not include crates, boxes or pallets.

C. DOMESTIC CARGO – Means cargo which originates at a port or point in the United States and is destined to another port or point in the United States. For purposes of this definition, the term “United States” shall include the several states, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, and all other United States territories and possessions. All other locations shall be considered foreign ports or points.

D. EXPORT CARGO – Means cargo in a Container received at any terminal facility operated by a member of the WCMTOA at the Port of Los Angeles/Long Beach and identified in Rule 3 hereof for loading onto a vessel for shipment to a foreign port or point.

E. HOLIDAY – Means the following days: New Year’s Day, New Year’s Eve Day after 1500 hours, Bloody Thursday (July 5), Labor Day, Thanksgiving Day, Christmas Day, and Christmas Eve Day after 1500 hours.

F. IMPORT CARGO – Means cargo in a Container originating at a foreign port or point received at any terminal facility operated by a member of the WCMTOA at the Port of Los Angeles/Long Beach and identified in Rule 3 hereof from a vessel for loading to a domestic motor or rail carrier.

G. For purposes of the definitions of “Export Cargo” and “Import Cargo” set forth above, all commodities that are exempt from tariff/schedule publication requirements under FMC regulations, as well as commodities that are subject to tariff/schedule publication requirements, shall be considered as Import Cargo, if being imported in Containers, or Export Cargo, if being exported in Containers. The commodities included within the definitions of “Export Cargo” and “Import Cargo” shall include any and all commodities including, but not limited to, bulk cargo, forest products, recycled metal scrap, new assembled motor vehicles, waste paper and paper waste, as well as any other commodities currently or in the future determined by the Federal Maritime Commission to be exempt from tariff/schedule publication requirements.

H. INTERMODAL EQUIPMENT – Means Containers, trailers, chassis, associated devices, and other equipment used for or with respect to the intermodal transport of cargo.

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I. OFF-PEAK HOURS – Means 6:00 p.m. through 2:59 a.m., Monday through Friday and all day (24 hours) on Saturdays, Sundays and holidays.

J. PEAK HOURS – Means 3:00 a.m. to 5:59 p.m., Monday through Friday (excluding holidays).

K. THE PORTS OF LOS ANGELES/LONG BEACH -- Means the ports of Los Angeles and Long Beach as defined in the tariffs/schedules published by said ports.

L. SCHEDULE – Means a publication (either paper or electronic) containing the actual rates, charges, classifications, regulations and practices of one or more marine terminal operators. For purposes of this definition and this Schedule, the term “practices” refers to those usages, customs or modes of operation which in any way affect, determine or change the rates, charges or services provided by one or more marine terminal operators.

M. TERMINAL FACILITY – Means one or more facilities comprising a terminal unit and including, but not limited to, wharves, warehouses, covered and/or open storage space, cold storage plants, grain elevators, and/or bulk cargo loading and/or unloading structures, landings, and receiving stations, used for the transmission, care and convenience of cargo, Containers or related intermodal equipment and/or the interchange of same between land and water carriers.

N. TRANSSHIPMENT CARGO – Means cargo that arrives at the Port of Los Angeles or Long Beach on one vessel and leaves on a second vessel without entering U.S. commerce.

O. USE – Means loading or discharging activities to or from a vessel, rail car, truck or Intermodal Equipment with respect to Import Cargo or Export Cargo of User.

P. USER – Means (i) any person, company or other entity that is named as shipper or consignee on the ocean common carrier bill of lading issued for Export or Import Cargo, or any person owning or entitled to the possession of the Export or Import Cargo or having a past or future interest in said cargo; (ii) in the case of negotiable bills of lading, any other person, company or other entity that is a bona fide holder of the bill of lading or who is entitled to receive delivery of Export Cargo or Import Cargo; and (iii) any other bailor of Export or Import Cargo.

### **RULE 3: APPLICATION OF SCHEDULE**

Notwithstanding anything to the contrary in any port tariff/schedule, individual marine terminal operator schedule, and/or a private agreement between a WCMTOA member and its customer entered into after the effective date of this Schedule, the charges, rates, rules and regulations published in this Schedule apply to all Containers of Export Cargo and Import Cargo moving through the Terminal Facilities of the members of the WCMTOA at the Ports of Los Angeles/Long Beach listed below, as well as Intermodal Equipment entering, leaving or stored on said Terminal Facilities:

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APM TERMINALS PACIFIC LTD.  
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1131 SW Klickitat Way  
Seattle, WA 98134

EAGLE MARINE SERVICES, LTD.  
16220 N. Scottsdale Road, Suite 300  
Scottsdale, AZ 85254-1781

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Long Beach, CA 90802

INTERNATIONAL TRANSPORTATION  
SERVICE, INC.  
1281 Pier G Way  
Long Beach, CA 90802-6393

TRAPAC LLC  
920 West Harry Bridges Blvd.  
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LBCT LLC  
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Long Beach, CA 90802

YUSEN TERMINALS LLC  
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L.L.C.  
111 W. Ocean Blvd., Suite 1610  
Long Beach, CA 90802

SSA TERMINALS, LLC  
1521 Pier C St.  
Long Beach, CA 90813

EVERPORT TERMINAL SERVICES, INC.  
389 Terminal Way, Berth 228-233  
Terminal Island, CA 90731

In the event this Schedule is silent with respect to any aspect of the movement of such cargo or the use of such Terminal Facilities, the movement of cargo and/or use of Terminal Facilities shall be governed by the relevant port tariff, individual marine terminal operator schedule, and/or the private agreement between the marine terminal operator and its customer. In the event of a conflict between the provisions of this Schedule and the marine terminal operator schedule published by any WCMTOA member, the provisions of this Schedule shall govern.

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**RULE 4: CONSENT TO TERMS OF SCHEDULE AND DISCLOSURE OF INFORMATION**

A. Pursuant to Section 8(f) of the U.S. Shipping Act of 1984, as amended (46 U.S.C. § 40501(f)), use of the Terminal Facilities of any WCMTOA member for the receipt, handling, loading, unloading or delivery of Import Cargo or Export Cargo of a User, or entry or departure on or from a Terminal Facility by chassis or other equipment of a Chassis Provider as defined in Rule 15, shall create a contract between such member of WCMTOA and such User or Chassis Provider, and shall constitute consent by each such User or Chassis Provider to be bound by the rates, terms and conditions of this Schedule and shall also constitute conclusive evidence of an agreement on the part of any and all Users or Chassis Providers with the WCMTOA member operating a Terminal Facility to pay all applicable charges and be governed by all rules and regulations published herein.

B. As provided for in Sections 10(d)(3) and 10(b)(13) of the U.S. Shipping Act of 1984, as amended, use of the Terminal Facilities of any WCMTOA member for the receipt, handling, loading, unloading or delivery of Import Cargo or Export Cargo of a User shall also constitute consent by the User, on behalf of itself and any of its agents, carriers, bailors, shipper(s), or consignee(s), to the disclosure of the User’s name and contact information, as well as information concerning the nature, kind, quantity, destination, consignee or routing of any cargo to any person (including but not limited to WCMTOA, WCMTOA members, PierPass, Inc., PierPass LLC, or any of their contractors or agents) as WCMTOA or any member, or either of their agent(s) may, in its or their sole discretion, deem reasonably necessary to the application and enforcement of this Schedule.

C. Users registered with PierPass Inc. and/or PierPass LLC (together “PierPASS”) for payment of the Traffic Mitigation Fee hereby consent to PierPASS sharing all information in its possession with respect to that User including, but not limited to, contact details, payment method, shipment details, credit card, and credit information and history, with PortCheck LLC, in connection with User’s potential liability for fees assessed by the ports of Los Angeles and Long Beach and collected by Port Check LLC, and vice-versa.

**SECTION B – PEAK HOURS/OFF-PEAK HOURS REGULATIONS**

**RULE 5: OFF-PEAK HOUR OPERATIONS**

(A) Except as may be otherwise provided below pursuant to this Rule 5, in addition to their existing Peak Hour operations, WCMTOA member terminals offer Off-Peak Hour operations as follows:

- (i) 6:00 p.m. through 2:59 a.m. on Monday, Tuesday, Wednesday and Thursday; and
- (ii) one of the following weekend days/times:
  - (a) 6:00 p.m. through 2:59 a.m. Friday;
  - (b) 8:00 a.m. to 4:59 p.m. on Saturday;
  - (c) 8:00 a.m. to 4:59 p.m. on Sunday; or
  - (d) 6 p.m. to 2:59 a.m. on Sunday.

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Notwithstanding the foregoing, in view of the reduced volumes at the ports resulting from seasonal market changes, individual WCMTOA members may opt to reduce their costs of operation by closing one or more Off-Peak Hour shifts per week. The shift(s), if any, being closed by each member are reflected in Rule 5(B) below. These closures will be reviewed on a regular basis in light of service quality, terminal cost issues, changes in cargo volumes and economic and market conditions, and other factors, and may be adjusted in accordance with the Notes below.

(B) Set forth below is a list of the WCMTOA member terminals and the days/nights when each of them offers, or does not offer, Off-Peak Hour operations at their respective Terminal Facilities:

TERMINAL	Monday Night	Tuesday Night	Wednesday Night	Thursday Night	Friday Night	Saturday Day	Sunday
APM Terminals	O	O	O	O	X	X	X
Eagle Marine Services	O	O	O	O	X	X	X
Everport Terminal Services	O	O	O	O	X	O	X
Int'l Transportation Service	O	O	O	O	X	X	X
LBCT	O	O	O	O	X	O	X
Pacific Maritime Services	O	O	O	O	X	X	X
SSAT (Pier A) LLC	O	O	O	O	X	X	X
SSA Terminals LLC	O	O	X	O	O	X	X
Total Terminals Int'l	O	O	O	O	X	X	X
Trapac	O	O	O	O	X	X	X
West Basin Container Terminal	O	O	O	O	X	X	X
Yusen Terminals	O	O	O	O	X	X <sup>1</sup>	X

Note 1: "O" indicates a terminal is open during that shift. "X" indicates a terminal is closed during that shift.

Note 2: In addition to the regular weekend days/times set forth in this Rule, in the event Off-Peak Hour operations are not provided on a Thursday night due to a labor stop-work meeting, individual members may, but are not required to, provide replacement Off-Peak Hour operations by waiving the Fee (as hereinafter defined) from 3 a.m. to 6:59 a.m. of the immediately following shift or by offering

<sup>1</sup> YTI has been providing a Saturday shift since September of 2015 but, due to clerical oversight, this was not reflected in this Schedule. YTI will cease providing a Saturday shift effective on July 30, 2016.



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Off-Peak Hour operations on Friday night of that week. Each member shall make this decision individually, on a case-by-case basis.

Note 3: Any WCMTOA member may change the shift for which it has chosen to offer Off-Peak Hour operations or not to offer Off-Peak Hour operations on not less than fourteen (14) days' notice to the public.

Note 4: Notwithstanding anything to the contrary in this Rule 5, the number and schedule of Off-Peak Hours gates may be adjusted from time to time without prior notice based on labor availability (including shutdowns for monthly labor meetings), holidays, service quality, terminal operator costs, economic and market conditions, and the volume Off-Peak Hour cargo. The members, based on their experience under the program described above, including an assessment of the volume of cargo moving during Off-Peak Hours, reserve the right, in their discretion, to increase or decrease the number of Off-Peak Hours gates at any time.

#### **RULE 6: OFF-PEAK HOUR SERVICES AND FACILITIES**

It is the intent of the participating members of WCMTOA that the Off-Peak Hour operations described in Rule 5 above shall consist of the same types of services and facilities customarily provided by the members with respect to the receipt and delivery of Import Cargo, Export Cargo and Intermodal Equipment during Peak Hours, subject to some modifications from time to time based on operational or other considerations.

#### **RULE 7: TRAFFIC MITIGATION FEE<sup>2</sup>**

A. Each Container of Import Cargo or Export Cargo that enters or leaves any Terminal Facility of a WCMTOA member at the Port of Los Angeles/Long Beach identified in Rule 3 hereof shall be assessed a traffic mitigation fee (the "Fee") of:

U.S.\$72.09 per 20-foot Container

U.S.\$144.18 per all other sizes of Container

\*Beginning in mid-2012, the Fee shall be adjusted annually to reflect increases in labor costs based on Pacific Maritime Association maritime labor cost figures.

The foregoing Fee shall not be applicable to or paid by:

- (i) Empty Containers or empty chassis;
- (ii) Import or Export Cargo entering or leaving any Terminal Facility during Off-Peak Hours;
- (iii) Import Cargo or Export Cargo that transits the Alameda Corridor in a Container and is subject to a fee imposed by the Alameda Corridor Transportation Authority; and

<sup>2</sup> The Fee shall not apply to Import Cargo leaving the California United Terminals facility on or after July 17, 2017.

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(iv) Transshipment Cargo.

B. The foregoing Fee will be reviewed periodically and may be adjusted based on such review.

C. (1) Unless other arrangements are made, the Fee on Import Cargo must be paid before the Container leaves the Terminal Facility during Peak Hours. All Users shall be jointly and severally liable for the payment of the foregoing Fee with respect to a shipment of Export Cargo or Import Cargo. (2) Effective August 7, 2006: The booking number for a Container of Export Cargo arriving at a participating Terminal Facility during Peak Hours shall be claimed by being entered into the User's account on the PierPASS web site ([www.pierpass-tmf.org](http://www.pierpass-tmf.org)) prior to arrival of the Container at the Terminal Facility. Containers will not be permitted to enter the Terminal Facility during Peak Hours if the booking number has not been entered and claimed by the User in this manner. Containers not entered and claimed in this manner may enter the Terminal Facility only during Off-Peak Hours. For Export Cargo using direct pay methods (credit card, debit card, or electronic check), the Fee shall be paid prior to the Tuesday following entry on to the Terminal Facility. If the User has entered into a credit agreement pursuant to this Schedule, the payment terms set forth in the credit agreement shall apply to the User's Export Cargo. Users will not be permitted to deliver Containers of Export Cargo to a Terminal Facility during Peak Hours if payment on past Containers is not current in accordance with this Schedule.

D. The fee shall be payable to PierPass LLC, which is authorized to act on behalf of the members of the WCMTOA to implement the terms of this Schedule. Payment of the fee may be made to PierPass LLC via credit card, debit card, or electronic check. Additional details regarding payment procedures are set forth in Supplemental Schedule A hereto. Payment of the fee to PierPass LLC may not be made by the ocean common carrier (as that term is defined in the Shipping Act of 1984, as amended) that is transporting, has transported, or will transport the cargo, nor may it be waived, advanced or absorbed by the marine terminal operator. Waivers, absorptions or refunds of this fee by WCMTOA members are not permitted, except as otherwise provided in Rule 8 hereof.

E. User may enter into a credit agreement substantially in the form set forth in Supplemental Schedule B hereto, in which case such User shall pay the fee not later than indicated in such credit agreement. An agent or other authorized representative of a User may enter into a credit agreement, in which case the terms of such credit agreement shall be fully binding on the agent or other authorized representative and the User, who shall be jointly and severally liable for all duties and obligations thereunder. The members of WCMTOA reserve the right in their discretion to require additional collateral to secure payment by credit customers.

**RULE 8: REFUND OF TRAFFIC MITIGATION FEE**

Users that have, for whatever reason, paid the Fee described in Rule 7 hereof with respect to a Container that entered or left a Terminal Facility identified in Rule 3 hereof during Off Peak Hours as defined in Rule 2 hereof, or which is otherwise exempt from payment of the Fee pursuant to this Schedule, shall, upon request by the User within thirty (30) days of the date the Fee was paid, receive a refund of the Fee from PierPass LLC. To the extent reasonably feasible, the refund will be made via

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the same means by which payment of the Fee for such Container was made. If a claim is not made within the time period set forth herein, the User waives its right to said refund.

**RULE 9: NON-PAYMENT OF TRAFFIC MITIGATION FEE/SECURITY INTEREST**

A. In addition to all remedies set forth above or otherwise available under applicable law, the member of the WCMTOA which handles a User's Import Cargo or Export Cargo shall have a lien against a User's Import Cargo and/or Export Cargo for all sums payable under this Schedule. Such lien shall extend to all cargo then in the possession of the member and to all subsequent Import Cargo and/or Export Cargo that comes into the member's possession, irrespective of whether the amount due was attributable to such cargo. Members shall be entitled to exercise and enforce such lien to the full extent permitted under federal and California law and in addition thereto, subject to such instructions as it may issue from time to time, each member hereby delegates the authority to exercise and enforce such lien on its behalf to PierPass LLC and PierPass, Inc. Such lien is not exclusive, but is in addition to, and shall not supplant, any other liens or other remedies provided under federal, state, local, and common law. Unless expressly so stated, the grant of a contractual lien by a User in a credit agreement entered into with the members of WCMTOA shall not be construed as a waiver of any liens or other remedies provided under federal, state, local, and common law.

B. Members, either directly or through WCMTOA, PierPass LLC or PierPass, Inc., shall have the right to refuse to provide services to Users that are in arrears in paying the Fee.

C. Neither WCMTOA, its members, PierPass LLC, PierPass, Inc., nor any of their contractors or agents, shall be liable for any direct, indirect or consequential damages which may be suffered by a User as a result of the enforcement of any lien or a refusal to provide service pursuant to this Rule 9, or for any other claim relating to or arising out of the terms of this Schedule or created by contract. In the event a lien is enforced against any of User's Import Cargo and/or Export Cargo and/or a User is refused service hereunder and it is subsequently determined that the enforcement of such lien or refusal was mistaken, unlawful or otherwise improper, User's sole and exclusive remedy shall be the waiver of the Fee otherwise applicable to such cargo.

**RULE 10: DISPUTE RESOLUTION/APPLICABLE LAW**

A. Users, PierPass LLC, PierPass, Inc. and the relevant WCTMOA member(s) shall attempt to resolve any disputes regarding payment of the Fee and/or the refund of same in an amicable manner. Users disputing in good faith the application of the Fee to one or more shipments shall notify PierPass, Inc. of the dispute in writing not later than the date on which payment on the shipment(s) is due. Such notice shall include all facts and supporting documents relevant to the dispute. Failure to notify PierPass, Inc. of such dispute shall constitute a waiver of User's position. Upon receipt of notice of a dispute, PierPass, Inc. shall have fifteen (15) working days to respond to the User accepting or denying User's position. Subject to Rule 10(B) below, the determination of PierPass, Inc. shall be final and binding and payment of any applicable Fee shall be made within three (3) business days of such determination. Up until such time as PierPass, Inc. has responded to User's claim, the Fee in dispute shall not be considered due and payable. This provision shall not be considered to be a waiver of any

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rights to a lien created by this Schedule, a Credit Agreement, or under applicable statute, with respect to a Fee that is due and payable but has not been timely paid.

B. This Schedule shall be governed by the Shipping Act of 1984, as amended, to the extent applicable, any other federal law to the extent applicable, and otherwise by the laws of the State of California. In the event a dispute cannot be resolved amicably, all actions to collect unpaid Fees and/or enforce liens with respect to same, or to obtain refunds of the Fee, shall be governed by California law and shall be brought in a federal or state court whose jurisdiction includes the Ports of Los Angeles/Long Beach. Users hereby consent to the exclusive jurisdiction of such courts for the resolution of disputes unless otherwise agreed by User and PierPass LLC. In a successful action to collect unpaid Fees, the applicable WCMTOA member(s), PierPass LLC, and/or PierPass Inc. shall be entitled to its/their expenses of collection, including reasonable costs and attorney's fees. The monies obtained as a result of an enforcement of a lien by any member shall first be used to pay the Fees owed by the User against whom the lien was enforced, then any other amounts due and owing.

**RULE 11: AMENDMENTS TO SCHEDULE**

The members of WCMTOA may amend this Schedule at any time without prior notice to Users, and any such amendments shall be effective upon publication herein. The members of WCMTOA also reserve the right, in their sole discretion, to modify or discontinue all or any part of the Off-Peak Hour operations described in this Schedule.

**RULE 12: REVISIONS TO HOLIDAYS/FEE/OFF-PEAK HOURS OPERATIONS**

NOTE: NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SCHEDULE, THE FOLLOWING DAYS SHALL BE HOLIDAYS ON WHICH OFF-PEAK HOURS GATES WILL NOT BE PROVIDED, BUT ON WHICH THE TRAFFIC MITIGATION FEE ("FEE") SHALL NOT APPLY TO CARGO MOVING DURING PEAK HOURS:

- Monday, July 25, 2005
- Tuesday, July 26, 2005
- Wednesday, July 27, 2005

USERS THAT PREPAID THE FEE FOR CARGO MOVING DURING PEAK HOURS ON THE FOREGOING DATES WILL RECEIVE A CREDIT FOR SUCH PAYMENTS AND MAY EITHER APPLY THAT CREDIT TO THE FEE PAYABLE ON FUTURE SHIPMENTS OR OBTAIN A REFUND OF THE AMOUNT PAID. ADDITIONAL INFORMATION ON HOW TO UTILIZE THESE OPTIONS WILL BE AVAILABLE ON THE PIERPASS WEBSITE SHORTLY.

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### **RULE 13: RADIO FREQUENCY IDENTIFICATION (“RFID”) TAGS**

In recognition of the many important benefits of RFID tags on trucks entering the Members’ Terminal Facilities, including enhanced terminal security, compliance with the ports’ clean truck programs, compliance with CARB reporting requirements, and reduction of congestion, delays, truck idling, and associated pollution, effective November 1, 2009, any truck seeking to enter a Terminal Facility of a WCMTOA member must have a functioning RFID Tag issued by WCMTOA or its authorized agent mounted on the power unit. Trucks that do not have a functioning RFID Tag as required by this Rule may be denied entry to individual Terminal Facilities. Such trucks that are permitted entry to a Terminal Facility shall in all cases otherwise be subject to and in compliance with that Terminal Facility’s business and operating policies.

Persons wishing to obtain an RFID Tag, which will be provided by WCMTOA without cost through October 31, 2009, should contact PierPASS, Inc. at [info@pierpass.org](mailto:info@pierpass.org). On or after November 1, 2009, persons needing an RFID tag will need to purchase one from one of the authorized vendors, a list of which is available at [www.pierpass.org](http://www.pierpass.org).

### **Rule 14: FREE FLOW PROGRAM**

#### **A. Description of Free Flow Program**

In an effort to improve efficiency and reduce terminal congestion, customer waiting times, and truck turn times, the WCMTOA members are offering Users the opportunity to participate in a “free flow” program. Under the free flow program, the cargo of User(s) that meet the criteria set forth in paragraph 14.B below is grouped in the marine terminal after discharge from the vessel and is delivered to the User’s designated motor carrier(s) using a top handler. Under the free flow program, the motor carrier does not pick up a particular container, but takes the User’s next available container on a last-in, first out basis.

The free flow program reduces congestion, waiting times and truck turn times by eliminating the need to locate a specific container to deliver to a motor carrier, shift other containers to access the container to be delivered, and loading the container on the truck. Instead, the next container to be delivered is loaded on the truck, with no need to locate a particular container or shift other containers to access the container to be delivered. The reduction in congestion, waiting time, and turn times improves terminal service for all Users, even those that do not participate in the free flow program, and reduces the environmental impact of terminal and related trucking operations.

#### **B. Criteria for Participation in Free Flow Program; Operation of Program**

The free flow program only produces efficiencies when a significant volume of cargo is involved, and requires preparation of adequate terminal space. Accordingly, use of the free flow program is subject to the following criteria:

1. The program is available for Import Cargo only.

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2. The program is available to one or more User(s) that:

(a) Provide written notice to the relevant WCMTOA member not less than twenty-four (24) hours prior to the scheduled arrival of the vessel on which the Import Cargo is being transported that it wishes to take free flow delivery of cargo from that vessel. Said notice shall include: (i) the name of the User(s); (ii) the name of the vessel, its scheduled date and time of arrival; (iii), and the quantity, sizes (20', 40', etc.) and types (dry, reefer, high cube, flat rack, etc.) of containers on board the vessel (as well as each container number); and

(b) will be discharging not less than eighty (80) containers from the vessel. [*Note: WCMTOA members reserve the right to make free flow available to Users who have fewer than 80 containers to move if, in the sole discretion of the WCMTOA member, individual circumstances justify such treatment or it is determined that operational conditions are such that the desired efficiencies can be realized with fewer than 80 containers.*]

3. Users availing themselves of the free flow program agree that they will arrange for sufficient trucks to remove not less than eighty (80) containers from the terminal during each shift the terminal is open (on a pro rata basis).<sup>3</sup> Failure to provide sufficient trucking to remove the required number of containers may result in the denial of future free flow service.

4. WCMTOA member terminals will use their best efforts to accommodate all free flow requests. However, because the ability to perform free flow operations depends on the availability of terminal space and may be impacted by operational conditions at the terminal, each WCMTOA member terminal reserves the absolute right to grant or deny any particular request for free flow service based on operational conditions at its terminal and/or the past performance of the User(s) with respect to free flow operations.

5. Due to unique operational circumstances at each terminal, which circumstances may be temporary, seasonal, recurring or on-going, not all WCMTOA members will offer free flow at any given time. Interested Users should consult with the relevant WCMTOA member to ascertain the availability of the free flow program at its terminal.

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<sup>3</sup> The term "pro rata basis" means that the User(s) must provide truck capacity sufficient to remove 80 containers per shift, or a comparable number of containers per partial shift. Thus, for example, if a shipper has 100 containers to move, and moves 80 during a full shift, it must provide sufficient trucks to remove the remaining 20 containers during the first 20% of the following shift. Similarly, if a vessel completes discharge halfway through a shift, the User(s) must provide trucks sufficient to remove 40 containers during the remaining half of that shift.

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**SECTION C – SERVICES RELATING TO ON-TERMINAL CHASSIS USE AND STORAGE**

**Rule 15: RESERVED**

**SECTION D – CONTAINER WEIGHING**

**RULE 16: TERMINAL CONTAINER WEIGHING**

A. Effective July 1, 2016, the Safety of Life at Sea Convention of 1974 (“SOLAS”) requires that the person named as shipper (“Shipper”) on the ocean carrier bill of lading or equivalent document and/or who has concluded a contract of carriage with the ocean carrier providing such transportation (“Carrier”) provide the Carrier with the verified gross mass (“VGM”) of containers to be transported by vessel. SOLAS requires a VGM executed by the Shipper to be submitted to the Carrier sufficiently in advance to be used in preparation of the vessel stowage plan. SOLAS prohibits a Carrier or terminal from loading containers for which no VGM is provided.

B. As a condition for entry of a container into a WCMTOA member terminal, and to avoid congestion at the terminals, Shipper shall electronically transmit VGMs to Carriers prior to the marine terminal cut-off. If a container is delivered to a WCMTOA member’s terminal without an accompanying VGM, the Carrier will be deemed to have authorized the WCMTOA member to obtain the gross weight of the loaded container on the Carrier’s behalf in the event that a VGM executed by the Shipper does not accompany the container upon delivery at the terminal. If the Shipper or the Carrier intends to use the gross weight obtained by the WCMTOA member to execute a VGM, the WCMTOA member shall receive written verification of the gross weight from the Shipper or the Carrier prior to loading the container. WCMTOA members shall have the right, in their sole discretion, to refuse to provide the gross weight of any particular container on behalf of a Carrier as stated otherwise in this Rule. The gross weight of a container if provided under this Rule will be ascertained through the same weighing procedures currently used by the WCMTOA terminal operators to comply with the requirements of 29 CFR 1918.85(b). Carrier shall be deemed to have accepted the terminal’s weighing in accordance with said OSHA regulations in providing the container weight to Carrier and Shipper expressly acknowledges that the weighing procedures currently used by WCMTOA members to comply with OSHA regulation may include weighing containers along with trucks and chassis then deducting the estimated weight of trucks and chassis to determine the container weight.

C. The WCMTOA members specifically disclaim any warranty or representation that the processes or scales used to obtain the gross weight meet the container weighing requirements of SOLAS with respect to determining a container’s gross mass other than the foregoing representation as to the OSHA regulation. Any weighing services that are provided hereunder at a WCMTOA member’s terminal for purposes of complying with the SOLAS, or any similar requirements of the International Maritime Organization or any other legal or regulatory authority (a “Regulator”), shall be deemed to be done solely at the Carrier’s and Shipper’s own risk.

D. To the full extent permitted by law (including the limitations on indemnification set forth in 46 CFR 525.2(a)(1)), Shipper and Carrier shall indemnify and hold WCMTOA and each of its members

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harmless from and against any loss, damage, expense (including legal fees and costs), claim, liability, suit, fine and/or penalty, including, without limitation, any special, incidental or consequential damages, or lost profit arising out of or relating to (i) the use by Shipper or Carrier of terminal weighing services or information obtained from such services as described in this Rule for purposes of compliance with SOLAS or other applicable container weight verification requirements, (ii) any failure of any weighing services, equipment or facilities provided under this Rule to meet the weight verification requirements of SOLAS or other applicable regulation, (iii) a WCMTOA member's refusal to load, unload or otherwise handle containers that do not have a SOLAS compliant VGM, or (iv) delays in loading or unloading cargo or vessels, or detention of vessel or cargo by government authorities caused by any of the foregoing including but not limited to any refusal to provide the gross weight of any particular container.

NOTE: Rule 16 does not apply to APM Terminals Pacific Ltd.

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