



Safe Operating Practices




Safety is a core value at CN and for all of us using rail transportation. We must all be engaged and responsible for practicing safety and protecting one another. The lives of our customers, transportation partners, employees and the safety of our communities, depend on it.

For full details on how to operate safely, please consult the CN Customer Safety Handbook www.cn.ca/safetyhandbook and the CN Track Maintenance Guide www.cn.ca/trackmaintenanceguide.

Life Critical Rule Safety Violations Effective September 1, 2020	Item 13800 
<p>There are specific safety rules, that if not followed to the letter, can lead to serious injury or even death. These are called Life Critical Rules, your life, your co-workers' lives, and the lives of our crews depend on them being followed. Violation of Life Critical Rules, will result in immediate suspension of service to your facility until a CN approved corrective action plan has been implemented. Please ensure that your company complies with the rules outlined in the CN Customer Safety Handbook www.cn.ca/safetyhandbook. Life critical rule violations include:</p> <ul style="list-style-type: none"> • Failure to Comply with Protective Measures <ul style="list-style-type: none"> ○ Customer working around equipment without blue flag protection and derails secured with locks. ○ Not using proper protective equipment when loading/unloading a railcar, e.g. Fall protection equipment required when working on top of a railcar. • Switches and Derails Not Maintained <ul style="list-style-type: none"> ○ Switches/derails not properly positioned, damaged, or obstructed • Failure to Secure Unattended Equipment <ul style="list-style-type: none"> ○ Equipment not secured with proper minimum amount of handbrakes for the track and grade. • Restricted Clearances <ul style="list-style-type: none"> ○ Equipment, materials or obstructions of any kind must be kept a minimum of 5 metres (15 feet) from the nearest rail. • Leaving Equipment Foul on a track <ul style="list-style-type: none"> ○ Equipment must not be left "foul" on a track, that is, left too close to a switch or within the turnout. • Going Between Equipment Without Respecting Minimum Distances <ul style="list-style-type: none"> ○ Rail operating rules are followed for getting on and off of rail equipment ○ Separation (50 ft) between and (25 ft) around 	<p>\$2,000 for the first violation of a Life Critical Rule for a company</p> <p>\$10,000 for subsequent violations of a Life Critical Rule for a company</p> <p>Responsibility: Operating customer at facility where the violation occurred</p>

<p>Track maintenance Effective September 1, 2020</p>	<p>Item 13850 </p>
<p>It is important to inspect your tracks regularly for signs of defects. You must immediately notify CN of any issues that would prevent the safe delivery or pickup of railcars. Failure to notify CN will result in this fee being applied.</p> <p>In the case of defects, service to your facility will be immediately suspended until a CN approved corrective action plan has been implemented. Defects must be repaired promptly to ensure that CN can safely resume service to your facility.</p> <p>It is critical for the safety of shipping and railroad personnel that your tracks be maintained to standard and always in a safe condition. This includes being free of snow, ice, vegetation, product overflow or any type of debris. The track must also be free of walking and operating obstructions, flangeways at road crossings must be clean and clear, and gauges must be passable, that is, not exceeding 58 inches.</p> <p>In Canada, most customer tracks are provincially regulated, and provinces typically require non-main track to be inspected, at minimum, on a monthly basis by a qualified track inspector. Records of inspections, defects found, and repairs made, should be maintained and made available to CN.</p>	<p>\$500 per occurrence when there are up to 2 incidents of unsafe track conditions for a company within a rolling 24-month period.</p> <p>\$10,000 per occurrence when there is more than 2 incidents for a company within a rolling 24-month period.</p> <p>Responsibility: Operating customer at facility where the incident occurred.</p>

<p>Unauthorized presence on CN track Effective September 1, 2020</p>	<p>Item 13900 </p>
<p>Your employees and /or contractors are not permitted to operate machinery and equipment within 30 feet (10 metres) of CN tracks without valid rules certification and CN authority and protection.</p> <p>Unauthorized presence on CN tracks will be subject to suspension of service to your facility until CN approved corrective actions have been implemented.</p>	

Safe Transportation of Goods

Safety is always our first priority. And we are particularly diligent when it comes to the safe transportation of dangerous goods/hazardous materials. Although the terminology differs north and south of the border (“dangerous goods” being the term used in Canada and “hazardous materials” being more common in the U.S.), and the rules and regulations vary, both countries have the same objective. It’s one that we wholeheartedly share: to protect people and the environment from any material which might cause harm. We adopt the rules and regulations of the Canadian and U.S. governments and regulatory bodies as our own when handling these shipments in our yards, at port facilities, and while in transit on our route network throughout North America

<p>Overloaded, improperly loaded, improperly secured or unsafe to move</p>	<p>Item 14000</p>
<p>Safety is our top priority. Overloaded, improperly loaded and improperly secured railcars are examples of unsafe conditions as they can lead to an accident, injury or derailment. These unsafe conditions are subject to this fee.</p>	<p>\$10,000 per car plus switching plus asset use fees</p>