

March 7, 2024

Summary of Hapag-Lloyd Restrictions on Metal Products Transported by Rail

Introduction by MTA

This document outlines the restrictions and requirements concerning the transportation of metal products by rail as per the guidelines provided by Hapag-Lloyd. This attachment accompanies our official advisory on the matter to ensure our valued customers are fully informed.

Please note: The information presented herein has been compiled from Hapag-Lloyd. We aim to convey this guidance accurately for the benefit of our customers.

Hapag-Lloyd Restrictions

United States process

The following requirements only apply to contract holding customer's transports moving on the rail within the **United States**.

The process would start with Sales/Customer Service. Any Concentrated Metal Products shipper with a **valid service contract** with Hapag-Lloyd which requires rail transport will be required to sign Hapag-Lloyd's indemnification letter included in the tariff. Concentrated metal products moving under tariff will not be accepted for transport. See Andrea Decator in Corporate Operations Piscataway for the indemnification letter.

- A copy of this letter must be sent to Corporate Logistics - QSCRail@hlag.com
- Corporate Logistics will maintain a Concentrated Metal Products customer approval list on HIP.
- **Customer Service Worldwide may only accept Concentrated Metal Products shipments requiring rail transport in the United States from shippers on this list.**
- Shippers which are members of a Shipper Associations must sign the letter individually.
- During the TD / Auto Work Order process, if the commodity is found to be a Concentrated Metal Products shipment, the TD is to check the booking for the shipper of record.
- If the shipper of record is on the approved list maintained by Corporate Logistics, the shipment can be handled as detailed on HIP.
- If not, TD to advise CSB the customer is not approved to ship Concentrated Metal Products on Rail with Hapag-Lloyd.
- Shipment should either be cancelled until customer signs & returns the Letter of Indemnity or cancel the on carriage or pre-carriage.
- Hapag-Lloyd would be subject to fines for moving Concentrated Metal Products shipments on rail if Rail procedures are not followed.

Additional Restrictions

- Concentrated metal products with a gross weight (including packaging) of less than 3,500 lbs per coil do not require an indemnification.
- Concentrated metal products with a gross weight of more than 12,000 lbs (including packaging) are prohibited for transport on the railroads.
- Interline transports of Concentrated metal products will not be accepted.


Canada Process


- a. Shipments of concentrated weight cargo i.e. Metal Coils, Rolls, Reels, or Spools must be palletized or on a prescribed Load Weight Equalizing Pallet, or an equivalent weight distribution device that distributes the weight over the floor with no more than 310 pounds (140 KG) per square foot and evenly within the container. Additionally no more than 25,000lbs may be placed within 10 liner feet.
- b. Maximum weight of Metal Coils, Rolls, Reels, or Spools permitted is no more than 14,000lbs per coil (including bracing & support material) and total of 38,000 lbs: (17,236 KG) per container, with no more than 19,000lbs (8,618 KG) in nose half of container and weight must be uniformly distributed within the container.
- c. All products must be blocked and braced with a bracing system approved by **CPR's Damage Prevention & Claim Services Group** and must meet all AAR loading rules. As a minimum the requirement will be: lumber of sufficient strength and structure to support the weight of the lading; runners must be placed on a longitudinal axis to spread weight over sufficient floor cross members. A sufficient number of approved rated cables, chains, or banding equal to load weight must affix cargo, tightly tensioned to container anchors, to prevent cargo shifting under environmental dynamic forces.
 - In some instances (such as tube and pipe configuration) nose protection may be required, and in all instances doorway protection is required.
- d. Maximum gross weight must not exceed 75% of the rated capacity of the Intermodal unit. Additionally the maximum total weight of any and all cargo in the container must not exceed the manufacturer's recommended specifications, railway recommendations and government regulations.
- e. Coll strips (Slits) must be unitized in stacks not to exceed 45 inches high (114 CM) and secured to the pallet.
- f. All items described above must be shipped in a container that has been inspected suitable for the shipment of concentrated loads. Recommend unit is not more than 5 years old.
- g. It is the responsibility of the party tendering the shipment to inspect the shipment to ensure that Blocking/Bracing requirements have been met and if there are any questions to contact **Product Canada Heavy Metal** prior to allowing the shipment to go forward.
- h. Shipper shall permit Canadian Pacific Railway at its option to perform random inspections of shipments. Shipper shall be responsible for the cost of any such inspections carried out at our Terminals or on Port property and the responsibility for ensuring compliance with these rules shall remain with the shipper.

MIDWEST TRANSATLANTIC LINES, INC.

International Freight Forwarder

 Non-Vessel Operating Common Carrier OTI # 2365NF

 Customhouse Broker CHB # 11313

 IATA # 01-1-9939



- i. International shipments must comply with ISPM 15 for solid wood materials, stenciled with Country of origin IPPC, and container must also be secured with an ISO 17712 approved seal as minimum security against unauthorized entry.
- j. Container(s) Originating or Terminating at Montreal Wharf or Vancouver Wharf which requires re-handling or additional switching by CP to Lachine IMS Terminal, Vancouver IMS Terminal or a Marine Terminal due to a Shipment rejection or exception by the Marine Terminal will be charged a re-handling switch fee of \$1000.00 (Canadian Funds) per car.

This fee is in addition to additional lifts, handling charge, storage, Port of Montreal switch charge, etc., as deemed necessary by Canadian Pacific.

*** If there is no approved SOP on file for the shipper in question, the shipment will be switched to a terminal move at the marine terminal. The shipper would then be responsible to make their own arrangement to have the container moved.**

Consultation and Support from MTA

Should you have any questions regarding these restrictions or require assistance with your shipments, please do not hesitate to contact our dedicated experts. They are equipped with the latest information and are ready to provide the necessary support to ensure compliance with these guidelines.

We are here to assist you in navigating these requirements to facilitate smooth and compliant transport of your metal products by rail.

Sincerely,

Pamela J. Gruszczynski
Customs Compliance Officer