

**Release, Indemnification and Hold Harmless Agreement
For Transportation of Finished Tobacco Products**

This Release, Indemnification and Hold Harmless Agreement is effective beginning _____ and continuing for one year, in favor of CSX Transportation, Inc. (“CSXT”), with offices at 301 W. Bay Street, Jacksonville, Florida 32202, executed by

_____ (“Shipper”),
with offices at _____.

RECITALS

WHEREAS, CSXT and Shipper are parties to an Intermodal Transportation Agreement # _____ dated _____, which incorporates CSXT Intermodal’s Service Directory #1 (“Service Directory #1), and CSXT and Shipper desire to modify that Agreement with the additional commodity specific restrictions and indemnification noted below, and

WHEREAS, CSXT provides no special services for the protection of Finished Tobacco Products in transit, and

WHEREAS, Shipper has requested CSXT to arrange intermodal transportation services for certain movements of Finished Tobacco Products in trailers and containers, and CSXT has agreed to accept these shipments for transportation, and

WHEREAS, Shipper understands and agrees that CSXT will not provide any special services for the protection of Finished Tobacco Products during transit.

TERMS AND CONDITIONS

NOW THEREFORE, in consideration of CSXT’s agreement to provide transportation services for Finished Tobacco Products tendered by Shipper, Shipper agrees to be legally bound the following terms and conditions:

1. The above Recitals are true and correct and are incorporated herein by this reference.
2. Shipper shall identify the commodity as Finished Tobacco Products when completing bills of lading and when requesting routing and pricing information. Finished Tobacco Products shall not be tendered for shipment as FAK.
3. Shipper shall request an SPQ from CSXT as specified in the current Service Directory #1, as amended, for shipments of Finished Tobacco Products, and shall pay the rates set forth in that SPQ.
4. Shipper shall abide by all the terms and conditions set forth in the current Service Directory #1, as amended.
5. Shipper agrees: a) to inspect all equipment furnished for transportation of Finished Tobacco Product movements, ensuring that said equipment is in sound condition and meets any requirements by Shipper or its customer for safe and damage-free transportation. If the equipment supplied is not suitable for loading and Shipper or its customer elects to load the equipment rather than reject it, it is the responsibility of Shipper to properly prepare the equipment, and Shipper hereby further explicitly waives the right to claim that the equipment condition contributed to any loss or damage to lading; b) to hire an independent agent to inspect the loading and

unloading of each shipment, with written certifications as to the condition of the Finished Tobacco Products; c) to supply and properly install plastic liner bags at least three (3) ml. thick for all CSX-supplied, rail-supplied and private equipment; d) to return the equipment in clean condition, including but not limited to the removal and disposal of the liner bag; e) to comply with the rules and regulations of other Carriers participating to this movement, and f) to purchase cargo insurance coverage to cover its obligations under this Agreement, naming CSXT as additional insured, in an amount acceptable to CSXT. Such coverage shall be evidenced by a certificate of insurance issued to CSXT, providing thirty (30) days prior notice before the effective date of any material change in said coverage.

6. Shipper hereby releases any right to claim negligence against CSXT, and will indemnify, hold harmless and defend CSXT, its employees, officers, affiliates, agents and inter-line carriers from and against any and all claims for cargo loss or damage (including expert witness fees and reasonable attorneys fees), including any and all claims brought by Shipper's customer, whether brought under theory of contract, tort, or otherwise, except to the extent caused by CSXT's willful and wanton misconduct in performance of its duties under this Agreement.
7. Either party may cancel this Agreement by giving the other party 7 days written notice. Rights and responsibilities arising during the term of this Agreement shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the CSXT and Shipper have executed this Release, Indemnification and Hold Harmless Agreement by their duly authorized officers signed below.

CSX Transportation, Inc.

Shipper

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____