

The North American Boxcar Pool (NABP) FAQs

GENERAL STRUCTURE OF THE NABP

What is railcar pooling and why is it beneficial?

Non-pooled railcars are shipped out loaded and often move back empty with empty miles equaling loaded miles. When railroads share their railcars together in a combined pool, they are able to take the railcar they receive from another railroad and put it to work on their road as if it was their own railcar. They do not have to waste resources switching out and returning empty railcars, eliminating supply chain inefficiencies. Further, this greatly reduces empty miles and time spent traveling back to the originating railroad, meaning that more loads can be handled with the same number of railcars. Reduced mileage and faster turn times create capacity that benefits shippers and allows for efficient operations for railroads.

When was the NABP established and what U.S. government entity provided the authority?

The Box Car Pooling Agreement was approved by the Interstate Commerce Commission (now the Surface Transportation Board) on September 30, 1987, in Finance Docket No. 30969. The pooling agreement provides the framework of rules for the pool as well as the rules to govern the pool's Executive Committee. The stated goal in the agreement is "To improve distribution of box cars in order to achieve greater efficiency and marketability of boxcars consistent with equitable treatment of signatory railroads, satisfy customer and public needs, and minimize unproductive empty car mileage." Approval affords limited antitrust immunity, but only for discussions and activities within the subjects covered by the pooling agreement. In 2003, the boxcar pool was formally re-established as the North American Boxcar Pool (NABP).

What is the main mission of the NABP?

The main mission of the pool is to improve the distribution of boxcars in order to: (1) Generate greater efficiencies and marketability of boxcars; (2) Achieve equitable treatment of signatory railroads; (3) Satisfy market demand for available, well-maintained boxcars; and (4) Minimize unproductive empty car mileage.

How is the NABP governed?

The NABP is governed by an Executive Committee that, according to the By-Laws, is comprised of one designated representative of each, current, signatory railroad. A Chairperson and Vice Chairperson (who serves one year as Vice Chairperson and immediately thereafter one year as Chairperson) are elected for one-year terms.

All pooling related decisions, including all changes to rules governing operations, are determined by a simple majority of the votes of those signatory railroads present and voting, based on (1) each such signatory's boxcar contributions to the pool as a percentage of the total number of boxcars in the pool and (2) each such signatory's loaded boxcar miles as a percentage of the total loaded miles of boxcars in the pool, weighted equally for the latest available calendar month.

Who can join the NABP?

Any common carrier railroad may participate in the NABP provided it meets the requirements set forth in Article 8 of the Pooling Agreement. As further background, railroads participating in the pool can sponsor equipment owned by any party as part of its contribution. No railroad may contribute more cars to the pool than would cover its previous year's annual loadings (at 11 trips per car per year). Any signatory railroad may request that the Executive Committee consider modification of this rule for mitigating conditions (e.g., line purchases). Rules related to the pool may be modified pursuant to the authority of the North American Box Car Pool Executive Committee under the pooling agreement.

How often does the NABP Executive Committee meet?

Meetings of the Executive Committee are held at least three times per year. Additional meetings as needed will be called by the Chairperson, on his or her own motion, or at the request of five or more signatory roads. They may be in person or virtual.

Who is the Pool Operator and what functions do they handle?

The Executive Committee designates one or more pool operators to implement the centralized distribution of participating pool cars. That role is currently handled by TTX Company. As the pool operator, TTX Company performs central distribution and day-to-day management of the pool. The pool operator also maintains pool performance metrics, performs analytical studies, and recommends areas of improvement. The pool operator will also provide and support technology necessary to manage the pool.

The pool operator also acts as the standing Secretary for the Executive Committee. The Secretary attends all meetings of the Executive Committee, records all votes and the minutes of all proceedings, and arranges for minutes to be circulated to signatory roads.

The pool operator notifies signatory railroads on a weekly basis regarding their deficit or excess capacity, based on contributed equipment. Equipment movement instructions are provided to all signatory railroads to facilitate the rebalancing of equipment across pool participants

Finally, it is the responsibility of the Pool Operator to monitor compliance with equipment movement instructions and to maintain a database of compliance available to all signatory railroads for their review.

Is an attorney present at all meetings?

Yes, Legal Counsel appointed by the AAR is present at meetings and advises the Committee, as necessary and as requested. No meeting of the Executive Committee shall occur without the presence of Counsel or, in the event of his or her unavailability, his or her designee. **What railroads currently participate in the North American Boxcar Pool?**

The following roads are currently signatories: BNSF Railway, Canadian National Railway, CPKC (i.e., CP, KCS, KCSM), CSX Transportation, Ferromex, Norfolk Southern Railway, Sabine River & Northern Railroad and Union Pacific Railroad.

Is there a non-disclosure agreement (NDA) governing the protection of the information used/shared by the NABP?

Yes. The ICC's approval of the pool was conditioned on the pool operator limiting the dissemination of confidential information among signatory railroads. In particular: (a) confidential information provided by pool signatories to the pool operator in connection with the "efficient distribution of cars" will be maintained by the pool operator as confidential; and (b) confidential information provided to the pool operator "for fleet sizing and demand forecasting" will be maintained as confidential with only aggregated data disseminated to pool signatories.

To safeguard confidentiality, all signatories and the pool operator must sign a non-disclosure agreement to not share confidential information. As used herein, "Confidential Information" consists of information disclosed by a Disclosing Party to a Receiving Party, related to its participation in the NABP, either directly or indirectly, in writing, electronically, orally, or by plans, drawings or inspection of equipment or facilities, including without limitation, information related to location and destination of loaded and empty box cars, origin and destination points, a party's shortage or surplus status with respect to pooled box cars, box car cycle time metrics, mileage and other information related to its box car fleet and operations.

Each Receiving Party shall use Confidential Information only for the purpose of managing the pool and shall not disclose or transmit any Confidential Information of the Disclosing Party to any third party, including any of the Receiving Party's affiliate, parent, or subsidiary companies or organizations that are not signatory NABP railroads. In addition, a Receiving Party may not make copies of the Confidential Information, in whole or in part, or of any reports or other documents, papers, memoranda or extracts embodying the Confidential Information. Each Party shall at all times exercise diligence to maintain the confidential character of all Confidential Information of at least the same degree that it exercises in maintaining its own confidential information, and shall provide copies only to those of its employees and agents who have a need to use such Confidential Information in order to advance the objectives of the pool, and shall not provide such Confidential Information to any other of its employees or agents.

What AAR/Railinc data releases are required from signatory railroads?

Signatory railroads must make available the following data for the pool operator's use:

- Waybill Messages EDI 417 (preferred) or Train 22 to include: (1) Waybill Date, Time and Number; (2) Commodity; (3) Waybill Type: Empty/Loaded; (4) Origin: City, State and Road; (5) Destination: City, State and Road; and (6) Route;
- Train 76 Messages to include all of the following: Arrivals, Departures, Pulled, Placed, B/O, Shipper Rejects, Releases, Junctions; and
- Car Location Messages (CLM).

NABP POOLS AND RAILCAR SPECIFICATIONS

What boxcar types are currently managed by the NABP?

Today, there are three pool segments in the NABP: (1) 50-foot Standard/Plate-C boxcars; (2) 50-foot High Capacity Plate-F boxcars and (3) 60-foot High Capacity Plate-F boxcars where specific attributes are spelled-out below.

What type/condition standards exist for entering cars into the pool?

Prior to entering pool distribution, a contributing railroad must certify that the equipment meets the physical and quality standards of each pool (see interchange Rule 1, 6). Reference the car characteristic guidelines for the applicable car type below.

	50' Standard	50' Plate - F	60' Plate - F
Inside Width	9' 6"	9' 6"	9' 6" or 9' 7"
Inside Height Min.		12' 8"	13'
Door Width	10' or 12'	10' or 12'	16'
Door Height		12' 4"	12' 4"
Door Configuration	Sliding or Plug	Single Plug	Double Plug Door
Gross Weight	220,000 lbs.	286,000 lbs.	286,000 lbs.
Car Type Code	A & B		
Floor Type	Wood	<u>Nailable</u> Steel	Knurled <u>Nailable</u> steel
Draft System	Rigid (Fixed) or Cushion (EOCC)	Cushion (EOCC)	Cushion (EOCC) or Dual Draft Gear
Commodity Grades	Grade A (except Sugar – STCC 2062110) or approved by committee	Any but K, N or W	Any but K, N or W
Anchors		(Optional) Wall anchors and (30) two-slot continuous floor anchors	(Optional) Wall anchors and (38) two-slot floor anchors
Active Pool Codes (Serviceable)	9990610 – Rigid Underframe 9990611 – Cushion Underframe	9990640	9990620
Reject Pool Codes (Need repairs etc.)	9990612 – Rigid Underframe 9990613 – Cushion Underframe	9990642	9990622
Car Grade	Newly contributed cars must be of Grade "A" quality. At least "B" Grade quality cars may be contributed if cars are returning to the same pool within 36 months of previous withdraw. All cars maintained to at least a "B" Grade quality.		

Does the pool accept cars that are “close” to the pool standards? Why not?

No, pooling works because truly homogenous cars can be relied on by all shippers to arrive outfitted exactly like a prior boxcar. This means that load patterns and securement devices can be standardized for loading efficiency. If a boxcar were to show-up out of specification, it could mean a shipper rejection and would lead to less-than-optimized usage and waste switching resources. The pool works because the boxcars have standard specifications that solve most shippers’ needs and because they are maintained to a reasonable (Grade A or B) standard.

What other car requirements exist for contributed railcars?

The following are required:

- Meet requirements of the AAR Interchange Rules;
- Doors must be free of holes, watertight and fixtures (including hasps, etc.) in good condition and operable by one person;
- Floors must be smooth and straight, no splinters, no leaks, no oil spots and no contamination;
- Roof must be watertight;
- Lining must have interior smooth, be watertight, clean, without holes, bulges or splinters;
- Steel ends and side walls must be free of major rust or damage areas; and
- Car must be light tested to determine water tightness.

In order to maintain the equipment to the above standards, the NABP signatory railroads have established Allowed Commodities and a Maintenance Agreement.

What notification should be given on contributed cars?

Any contributions to the pool should be submitted to the pool operator in writing. The pool operator will use the following criteria to determine when in the distribution cycle new contributions are effectively added to the pool: (1) Current car location records, (2) Number of cars being contributed, and (3) Day of the week relative to the weekly network distribution.

How does the Maintenance Agreement for Rejected or Downgraded NABP Cars in 999 pools work?

The purpose of the Maintenance Agreement is to maintain all the cars within the pool operation in a Grade A or B condition. The agreement requires that any signatory railroad in possession of a car not in Grade A or B condition repair the car to meet Grade A specifications (if the number of hours to repair are within Rule 108, Paragraph 1 in the Field Manual of the AAR Interchange Rules requirements – currently 36 hours with trucks, 25 hours without trucks).

The North American Boxcar Pool Executive Committee has established “Standard Procedures for Maintaining Commodity Grade A for all Box Cars in Pools” as follows:

1. Handling line signatory railroad will be required to inspect all pool cars requiring repairs, without securing prior consent of the owner.
2. Rule 108, Paragraph 1, must be observed to identify the limits of repairs, beyond which car owner's consent is required, or disposition to a shop can be requested.
3. Railroad repair facility or contract shop will perform repairs necessary to maintain Car Grade A classification as defined in Rule 1, Paragraph 6 in the Field Manual of the AAR Interchange Rules.
4. Car owners will be directly responsible for settlement of all repair bills for repairs performed at either a railroad repair facility and/or a contract shop.
5. Handling line haul signatory railroads are responsible for making arrangements to clean known dirty cars that are in their possession.

NABP POOL RULES

What are the basics of the pool rules?

Detailed rules follow, but the key points are that (1) Signatories have the right to reload any pooled boxcar on their line if they have contributed cars to the same pool; (2) If a participant has too many cars online, it may be required to forward empty cars to other signatories as determined by the Pool Manager; and (3) Failure to comply could result in a penalty assessed on a “per car” basis.

How does the pool process work each week?

- Notification - Pool signatories will be notified on a weekly basis regarding their deficit or excess capacity. The formula used to facilitate the rebalancing of equipment across pool participants will be a committee decision.
- Response (RR) – Within 24 hours, a deficit pool participant may request that cars up to its deficit capacity be directed to its lines. Within 24 hours, an excess pool participant may request off-line disposition on car in excess of its allocation.
- Response (Pool Operator) – The pool operator will then facilitate a conference call with signatories to discuss outlets and sources for equipment. The pool operator will evaluate the options based on factors such as: inventory location, destination, interchange points, time and mileage constraints.
- The pool operator will issue disposition instructions (DIs) to signatory railroads to move cars in accordance with allocation requirements and note any instance of non-compliance and issue violation notifications as required.
- Reports – On an ongoing basis and schedule to be determined, the pool operator will provide pool signatories measurement reports.

How does pool compliance work and what are the penalties for nonconformance?

Pool Signatories shall accept, forward, receive and move in interchange, free of charge to the Pool Operator or other Pool Signatories, the number of cars directed, in accordance with distribution instructions issued by the Pool Operator.

A Pool Participant’s failure to comply with distribution instructions (“Distribution Instruction Non-compliance”), except failure that is the result of a properly documented condition of force majeure, result in a per car penalty charge for every car in non-compliance. The per car penalty charge is \$500 or such other charge as may be established from time to time by the Executive Committee. The following are conditions of force majeure: Act of God, authority of law, adverse weather necessitating suspension of operations on a line, fire, explosion, labor disputes, embargo, war, insurrection, threatened or actual act of terrorism, derailment, or other conditions beyond the pool participant’s control.

Distribution instruction non-compliance is defined as a Pool Participant’s failure to deliver the specified number of cars to the designated road within a 240-hour period or a Pool Participant’s failure to accept the specified number of cars when offered in interchange. Each car that is not delivered or accepted in accordance with the foregoing shall be considered an instance of non-compliance.

It is the responsibility of the Pool Operator to monitor compliance with equipment movement instructions and to maintain a database of compliance available to all Pool signatories for their review.

Whenever the Pool Operator 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 signatory railroad will be notified with an email and a delivered hard copy within 14 days of the date of directive non-compliance and advised of the amount of penalties due. The email will be sent to the railroad contacts as listed on the Executive Committee Contact list and, specifically, to the attention of the voting signatory. The signatory railroad shall have 14 days from the receipt of such notice to offer proof that it had not failed to comply. If the non-complying participant disagrees with the compliance data, as provided by the Pool Operator, it has the option of submitting the case for arbitration.

Otherwise, it shall remit payment to TTX, who will act as a third-party clearinghouse between signatories.

Are signatory railroads required to bridge the flow of empty equipment to other signatories?

On occasion, a signatory road may be deficit and not share an interchange with a signatory railroad with surplus equipment. When this occurs, the use of an intermediate or a “bridge signatory railroad” will be required. Bridge responsibility will be dependent on how many cars online potential bridge signatory railroads have at the time of weekly distribution.

The below steps will be followed to calculate bridge responsibility:

- 1) Sum total cars online between ALL possible intermediate signatory railroads.
- 2) Divide each participant’s online count by the total calculated in Step 1 to determine each signatory railroad’s percentage of cars online.
- 3) After all surplus cars on signatory railroads with a direct interchange are utilized for distribution, multiply the percentages calculated in Step 2 against the balance of cars remaining to be directed to the deficit signatory railroad. The product will be each intermediate signatory railroad’s “bridge responsibility.”

When demand shifts, can contributed capacity be loaned to other railroads? What are the rules?

There are rules in place to provide a mechanism for a short-term change in contribution between Pool Signatories in order to provide more flexibility in the distribution of cars in the pool.

“Loaning” or “Loan” is defined as the offer by a Pool Participant of a number of cars to another Pool Participant for a temporary period (of a stated or unstated term) and acceptance of that offer by another Pool Participant for use of cars in a NABP Pool. Loaned Cars will only be used in the NABP Pool. The result of the Loan is that the Pool Participant loaning the cars (the “Lender”) has correspondingly fewer cars in its Contribution, and the Pool Participant receiving the cars (“Borrower”) has correspondingly more during the period of the Loan. A Loan does not necessitate pool cars to change possession between Pool Signatories. The Lender, regardless of term of the Loan or lack thereof, may revoke the Loan on 60 days’ written notice to the Borrower, with a copy to the Pool Manager (TTX). (60 days is the minimum term of the Loan). No Pool Participant may Loan its entire pool contribution.

A. Loan arrangements may be established as follows:

- 1) Pool Signatories enter into an agreement for a Loan and send written notification to TTX. Such notification shall include the Loan term period (if applicable), the number of

cars subject to the loan, and the car specifications such as car type, loading capabilities, etc.

-or-

1) If a Pool Participant desires to serve as either a Lender or a Borrower, it shall so notify TTX describing the particulars of its offer/request, including number of cars, term, and car types, loading capabilities, etc.

2) TTX shall notify the other Pool Signatories of the content of the offer/request described in the previous paragraph (the requester may elect to remain anonymous).

3) Pool Signatories wishing to respond to an offer/request as a Lender or Borrower shall contact the Pool Participant identified in the TTX notice to establish the numbers of cars, term, car types, etc. for a Loan. Once a Loan agreement is determined, written notice to TTX from both Lender(s) and Borrower(s) shall be provided, including the number of cars offered and confirming their specification meets the request and the time period of the Loan (if no period is specified the Loan term is unlimited).

B. Loan term will commence when the entire number of the Loan Cars have been successfully transferred to the borrower's Contribution and TTX notifies the other Pool Signatories of the fulfillment of the request.

C. The term of a Loan shall end as agreed by the parties provided, however, that if a Loan is made with no fixed period it shall continue until revoked by the Lender as set forth above.

D. The Borrower may terminate the Loan upon 60 days written notice to Lender and TTX, but only after 30 days passing from Loan's start date.

Should the Borrower withdraw all of its cars from the applicable NABP Pool, then the Loan of cars in such pool shall terminate upon 30 days' notice. Should the Lender decrease its Contribution to the applicable NABP pool below the number of cars subject to an existing Loan, then the Loan shall terminate upon 30 days' notice.

What are the NABP onboarding requirements?

Any common carrier railroad that has boxcars meeting the NABP-required specifications may participate in the North American Boxcar Pool (NABP). The Pool Manager (TTX) will assist in verifying that the cars meet all requirements. Each signatory railroad will be permitted one voting representative to the NABP Executive Committee. Anyone participating in pool-related activities must be an active employee of the signatory railroad.

Before becoming an active participant in the NABP, prospective signatories must complete the following:

A. Deliver a formal written notification to the Executive Committee of its intent to join the NABP at least 30 days prior to becoming an "active" participant.

B. Upon receipt of this notification, the Pool Manager will provide the following documents to be promptly reviewed, signed, and returned:

1. Boxcar Pooling Agreement – agreement among all the NABP signatories, setting forth the terms and conditions under which pool signatories agree to centralized distribution of their cars.

2. NABP Management Agreement – agreement between TTX and the NABP Executive Committee, on behalf of its signatories, setting forth the terms and conditions under which TTX manages the pool for the pool signatories.

C. Obtain from Railinc Reported Data the number of boxcar loads originated in prior year. The maximum contribution level is equivalent to load originations divided by eleven (11) estimated cycles per year (max contribution = load originations ÷ 11).

D. Provide written confirmation from a third-party shop or inspector verifying that all candidate cars are of Grade A quality.

E. Adherence to the minimum car reporting standards (refer to the Boxcar Pool Data Requirements section of the NABP Guidelines).

F. A one-time financial contribution may also be required, as determined by the NABP Executive Committee.

G. To synchronize with the pool's weekly distribution cycle, official pool participation "start date" will take place on a Monday, at least 30 days following receipt of the notice to join; start date is also subject to signed Boxcar Pooling Agreement and NABP Management Agreement.

H. One week prior to the "start date," the list of car initials and numbers to be contributed must be submitted to the Pool Manager to allow sufficient time for any administrative work to be completed.

These requirements are intended to facilitate the onboarding process. For a general overview of pool management, the NABP Guidelines are also available for review. Potential and existing participants should be aware of car hire implications associated with participation in the NABP. Topics related to car hire as it pertains to pooling are outside of the scope of NABP pool management.

How does a signatory railroad decrease its NABP contribution?

The Pool Manager (TTX) will assist a signatory railroad that wishes to decrease its participation in a pool or pools.

In order for a signatory railroad to decrease its participation in a pool or pools of the NABP, signatories must complete the following:

A. Deliver a formal written notification to the Executive Committee of its intent to decrease its participation in a pool or pools of the NABP at least 30 days prior to start of withdrawal process.

B. Upon receipt of this notification, the Pool Manager will determine the number of cars contributed to the pool to determine the reduction method.

C. The rate of reduction will be limited by the greater of the two options to ensure minimal operational disruption to all pool signatories:

1. 25% of the signatory railroad's contribution to the pool per week

OR

2. 100 cars per week

D. Should a signatory railroad desire to decrease its participation to zero cars (i.e., complete withdrawal from a pool), the above weekly limits allow time for that signatory railroad to accomplish its objective within at most four weeks after the 30-day notice.

1. To synchronize the pool's weekly distribution cycle, official pool withdrawal "start date" will take place on the 1st Friday following the 30-day notification period.

E. The Pool Manager will notify the signatory railroad how many cars may be withdrawn each week.

F. Signatory railroad must advise the Pool Manager of the car numbers being withdrawn each week.

These requirements are intended to facilitate the withdrawal process. For a general overview of pool management, the NABP Guidelines are also available for review. Potential and existing participants should be aware of car hire implications associated with participation in the NABP. Topics related to car hire as it pertains to pooling are outside of the scope of NABP pool management.

Can any commodity be loaded in an NABP boxcar?

The pool provides for loading of just about all commodities, but there are some commodities that are prohibited based on the high likelihood that the commodity will damage boxcars or lead to a residue that would preclude future loadings (e.g., carbon black, hides, sugar, etc.). Pool rules contain a list of prohibited commodities that is regularly discussed and updated by the NABP Executive Committee based on changes in commodity make-up, packaging, and load securement trends.

GENERAL QUESTIONS

How would participation in the NABP help my railroad to order additional cars on a weekly basis to meet increases in demand?

If a railroad currently has a group of boxcars that ship out loaded and return empty, then that road must wait for cars to return. If loadings are heavy one week, then it will likely create a shortage in the following week while waiting for those cars to return. In a pooled environment, the originating railroad can always order up to its entitlement and be protected even after a heavy loading week. Therefore, the pooled environment is more flexible and allows for heavier periods of loading.

Does the NABP provide a benefit compared to a dedicated fleet?

Yes. In a pooled environment, loaded railcars will not travel back to the loading railroad and instead will be sent to another loading point that is closer. This reduces the empty mileage and empty transit time and allows each contributed boxcar to handle more loads in any given timeframe. A dedicated fleet typically experiences as many days returning to the origin point as it took to reach destination. This means that empty miles equal loaded miles or 100% empty mileage compared to the loaded side.

Does the North American Boxcar Pool provide a forum for negotiating car-hire rates?

Absolutely not. Compensation for the use of pool railcars is outside the scope of the NABP pooling agreement, and discussions regarding car-hire rates (and other commercial matters) within the NABP are strictly prohibited. Cars contributed to the pool remain the property of the contributing railroads, and car hire rates are negotiated bilaterally outside of the NABP structure between the railroad contributing the boxcars and all the other roads that might use the boxcar through the normal Bid-and-Offer process.

Given the pool process, it is likely that railcars contributed by any railroad will not be the cars provided back to that railroad. Therefore, the contributing railroad will need to participate in the Bid-and-Offer process with the other pool signatories to address car-hire on the cars it likely will receive.

If I have a week with low output, and the other railroads do not want my excess capacity, will I have to take my equipment share?

Yes. Contribution of equipment to a national pool is a right and an obligation of participation. The pool operator notifies signatory railroads on a weekly basis regarding their deficit or excess capacity, based on contributed equipment. This may result in a participant receiving equipment, up to its contribution, regardless of immediate demand against that equipment.

Is my railroad responsible for arranging storage of contributed equipment?

Each participating railroad is responsible for making arrangements to store up to the amount of equipment contributed to the national pool.

Will I have to pay car-hire for NABP railcars on my line if I do not need the cars?

Yes. Car-hire is owed to each car owner per the terms negotiated bilaterally with the car owner. The NABP participation does not convey any terms for car-hire. Potential and existing participants should be

aware of car hire implications associated with participation in the NABP. Topics related to car hire as it pertains to pooling are outside of the scope of NABP pool management.

What factors should my railroad consider when deciding how many cars to place in the pool?

The main factor for determining any railroad's contribution to the NABP pool(s) will be the amount of originated traffic. The maximum contribution level is equivalent to load originations divided by eleven (11) estimated cycles per year. A railroad should also consider the loads it receives in interchange as those cars will count towards its on-line entitlement too. The number of cars that a railroad ultimately contributes to the pool is its individual decision.

Can our railroad have a mixed fleet – some dedicated and some in the NABP pool?

Yes. There is no restriction on what any railroad can do outside of the NABP.

Will my railroad have to accept boxcars on directive that we do not need to meet our customer demand in times of surplus?

Yes, entitlement is a right and an obligation. However, during each week's discussions with the other signatories, the surplus can be offered, and it may be utilized by other signatories who happen to need excess capacity.

Does being a pool participant guarantee supply to my customers?

Not necessarily. Each railroad must contemplate times of better and worse network operations. At times, orders will be placed and distribution instructions issued that will go unfilled. There are penalties that are provided through the pool rules. However, there are no guarantees.

If we get a pool car in interchange that arrives dirty or loaded with dunnage/trash, what is my railroad's responsibility?

Participant railroads are responsible for making arrangements to clean known dirty cars that are in their possession, so as to make them suitable for the next shipper. Car service rules apply for equipment rejected at interchange.

A railroad may clean the car at its own cost or return the car to the prior terminating railroad for cleaning.

Our railroad has railcars that are close to the NABP equipment specification – will those be accepted?

No. The strength of the pool comes from the homogeneity of the fleet. There can be no deviation from the pool attribute requirements. Should cars be entered that later turn out to be out-of-tolerance, they will be removed from the pool and returned to the contributor.

We currently utilize boxcars in an assigned group on our railroad. We want to contribute these cars. We know they are in good condition. Do we still have to run these through shop to confirm their Grade-A status?

Yes. The reason the pool has stayed successful for so long is the confidence that shippers have knowing that all the cars are in good working order. A shop certification is the only way to ensure that standard is met with newly contributed boxcars.

Will the pool operator regulate bunching at interchange points?

Operational interchanges between signatory railroads are dependent on the agreements and performance of those signatory railroads interchanging the equipment. Interchanges are not a pool-level responsibility. The pool operator will measure the number of boxcars that interchange for the purposes of measuring distribution compliance regardless of the timing pattern to which they arrive.

Our railroad wants to join the NABP pool(s), but the connecting railroad is not a pool participant. How is that handled?

This would need to be a topic of discussion with your connecting carrier. Prior to joining the pool, equipment supply options – between your line and your connecting carrier need to be fully understood.

Once a railroad joins NABP, what type of metrics are provided by the Pool Operator?

To encourage the efficiency of the pool, the pool operator (TTX Company) provides a myriad of operating metrics to the pool signatories at the overall pool level. These aggregated metrics include order and compliance trends, empty/loaded mileage and time ratios, idle fleet statistics, notice of disallowed commodities, bad-order trends, and many other metrics to gauge the health and efficiency of the overall pool. Metrics are shared and discussed at the Executive Committee meetings. The pool operator also provides information specific to each railroad directly. New metrics are discussed and may be implemented from time-to-time as determined by the pool signatories.

Our railroad does not directly participate in NABP today but rather sponsors cars to another road. How would those cars instead be contributed to NABP in our railroad's name?

A railroad would need to contact the pool operator (TTX Company) and provide notice of its intent to join the pool. All the requirements for joining the pool must be met. Identified boxcars would require certification of Grade-A status through a shopping event. Once certified the cars would be entered into the pool by the pool operator. If the boxcars previously were in the pool under another railroad's name (and therefore previously certified) the assignment information would merely be transferred to the newly joining railroad. In this case, the boxcars would not require any physical movement as the assignment change would be a paper transfer.

What happens if one of our contributed boxcars bad orders or requires a home shop event?

If a boxcar bad orders, then it would be repaired by the road who possesses the car and billing would occur through normal AAR railcar billing procedures. If the cars repairs exceed those of a running repair agent, it would be marked for home shop and the Pool Operator would request a shop suggestion from the contributing railroad. Repairs would be directly paid to the shop by the contributing railroad. During the bad order process, the pool operator would remove the boxcar from the pool and from that signatory railroad's entitlement.

Who is responsible for preventative maintenance of the boxcar in the various pools?

Each railroad is responsible for its own boxcars for all short-term and long-term repairs and upkeep.

Where can I find information on how TTX boxcars are paid for, managed, and maintained?

All the rules and operating procedures for TTX boxcars are delineated in TTX Company's own governing car contracts, which are separate from NABP's. Please contact TTX for all questions pertaining to TTX.