

MHC/MHCC POLICY (046.001) DEMURRAGE



Approved by:

Approver Title*

- Vice President, Operations - Process Owner
- CEO & Chairman - Approver
- President and COO - Approver
- Executive Vice President, Corporate Development - Approver
- Chief Financial Officer - Approver
- Executive Vice President, Commercial Sourcing - Approver
- Director, Client Experience - Approver
- Director, Commercial Operations - Approver

*Policy approvers must be manager level or above.

The information documented in this policy references the ISO 9001:2015 M. Holland Quality Management System Manual and M. Holland Procedures Manual

Purpose

To align M. Holland Company and M. Holland Canada Company with its suppliers' policies and reflect increasing transportation and railcar management costs across markets.

Scope

The Demurrage Policy applies to all customer orders that demurrage is applicable.

Details

This Demurrage Policy is effective as of March 1, 2023 and is cumulative as follows:

- \$50 fee per day after 60 days;
- \$100 fee per day after 90 days; and
- \$5,000 flat fee after 120 days in addition to \$100 per day until release.

For example, if there was constructive placement of a railcar and a customer does not return it for 130 days, the customer will be charged \$50 per day for days 61 to 90 plus \$100 per day for days 91 to 130 plus a \$5000 flat fee.

Amendments Table:

[All document changes must follow the process as stated in MHC Procedures Manual ISO 9001:2015, Section M06]

Version Number	Date Approved	Description of Changes	Policy Owner Approval	Sr. Manager Approval
.0	2.28.2023	Original	Joe Halsey	Marc Fern
.1	3.29.2023	Modified language in 3rd bullet to avoid confusion	Joe Halsey	Marc Fern