

The logo for Dakota, Minnesota & Eastern Railroad Corporation, featuring the letters "DM&E" in a bold, blue, sans-serif font. The letters are underlined with a thick yellow horizontal bar.The logo for Iowa, Chicago & Eastern Railroad Corporation, featuring the letters "IC&E" in a bold, blue, sans-serif font. The letters are underlined with a thick yellow horizontal bar.

**DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION
IOWA, CHICAGO & EASTERN RAILROAD CORPORATION
*CEDAR AMERICAN RAIL HOLDINGS, INC., AGENT***

**CARH 9002 A TARIFF
MILEAGE BASED FUEL SURCHARGE TARIFF**

**APPLYING ON ALL CARLOAD TRAFFIC
MOVING FROM, TO
OR
VIA STATIONS
ON
DAKOTA, MINNESOTA & EASTERN RAILROAD
IOWA, CHICAGO & EASTERN RAILROAD**

SPECIAL NOTICE

**THE SURCHARGE PROVISIONS OF THIS TARIFF ARE ISSUED AND MADE EFFECTIVE SOLELY FOR
OFFSETTING INCREASED FUEL COSTS.**

ISSUED: JUNE 11, 2007

EFFECTIVE: JUNE 11, 2007

**ISSUED BY:
CEDAR AMERICAN RAIL HOLDINGS, INC.
FOR THE ACCOUNTS OF
DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION
IOWA, CHICAGO & EASTERN RAILROAD CORPORATION
140 N. PHILLIPS AVENUE
SIOUX FALLS, SD 57104**

CARH 9002 A FUEL SURCHARGE TARIFF

SURCHARGE TO OFFSET FUEL COSTS

All tariffs, quotes and all other pricing documents subject to this tariff shall be assessed a fuel surcharge based on rail mileage. Miscellaneous and accessorial charges will not be subject to this fuel surcharge.

This Fuel Surcharge will apply on the following traffic:

- A. All carload traffic originating on the DME/ICE.
- B. All joint line carload traffic originating at stations on carriers other than the DME/ICE received at interchange points by the DME/ICE and handled beyond such interchange points via the DME/ICE under AAR Accounting Rule 11 billing.
- C. All joint line carload traffic originating at stations on carriers other than the DME/ICE, received at interchange points by the DME/ICE and terminating at stations on the DME/ICE, where rates are contained in DME/ICE pricing documents and freight charge billing is performed by the DME/ICE.
- D. DME and ICE miles will be calculated using the mileages contained in ALK Technologies 'PC*Miler'.
- E. **Mileage calculations for all traffic originating or terminating at stations within the Chicago, IL, Kansas City, MO/KS or Minneapolis/St Paul, MN switching districts, or routed to or from Chicago, Kansas City or Minneapolis/St Paul under AAR Accounting Rule 11 billing will use the PC*Miler ICE station of Chicago, IL, St Paul, MN or Kansas City, MO, respectively.**
- F. The foregoing Surcharge will be billed against the payor of the freight charges.

FUEL SURCHARGE TABLE

When the U.S. Average Price of Retail On-Highway Diesel Fuel (HDF), as published by the U.S. Department of Energy and available from the Energy Information Administration at www.eia.doe.gov, exceeds an average of \$2.00 per gallon for the month 'Time Period', railroad retains the right to apply a Fuel Surcharge to the applicable freight charges in effect on the date the Fuel Surcharge is applied, hereinafter referred to as the "Base Freight Charge". If this option is exercised, the Fuel Surcharge will be applied according to the following table. Time Period is the second prior month.

Prior Time Period U.S. Average Price of On-Highway Diesel Fuel	Applicable Fuel Surcharge in Cents Per Rail Mile
\$.00 to 1.999	\$.00
2.00 to 2.039	.01
2.04 to 2.079	.02
2.08 to 2.119	.03
2.12 to 2.159	.04
2.16 to 2.199	.05
2.20 to 2.239	.06
2.24 to 2.279	.07
2.28 to 2.319	.08
2.32 to 2.359	.09
2.36 to 2.399	.10
2.40 to 2.439	.11
2.44 to 2.479	.12
2.48 to 2.519	.13
2.52 to 2.559	.14
2.56 to 2.599	.15
2.60 to 2.639	.16
2.64 to 2.679	.17
2.68 to 2.719	.18
2.72 to 2.759	.19
2.76 to 2.799	.20
2.80 to 2.839	.21
2.84 to 2.879	.22
2.88 to 2.919	.23
2.92 to 2.959	.24
2.96 to 2.999	.25
3.00 to 3.039	.26
3.04 to 3.079	.27
3.08 to 3.119	.28
3.12 to 3.159	.29
3.16 to 3.199	.30
3.20 to 3.239	.31
3.24 to 3.279	.32
3.28 to 3.319	.33
3.32 to 3.359	.34

Note: For each .04 cents per gallon increase thereafter, apply an additional .01 cent per rail mile.

Example:

- A. The fuel surcharge in the month of May 2007 will be .17 cents per rail mile, based on the average monthly price of HDF of \$2.667 per gallon, as calculated by the U. S. Dept. of Energy, for the month of March 2007.
- B. The Fuel Surcharge rate will be recalculated for each subsequent calendar month, as outlined above.
- C. Any Fuel Surcharge to be applied under this authority will be removed or reduced when the U.S. Average Price of On-Highway Diesel Fuel remains below the price which triggers a specific Surcharge amount for the prior Time Period. In no case will the freight charge be reduced below the Base Freight Charge nor will the application or removal of the Fuel Surcharge be retroactive.