

DIRECT TRANSFER FACT SHEET

- KCBX will cease operations at its North location on 100th Street this June. In light of the recent variance
 request denials and other City regulations, KCBX has decided to stop handling bulk material at its North
 terminal. There are no immediate plans for the site.
- KCBX is beginning the process of decommissioning its North terminal. KCBX is working on reducing the piles so that by June the product piles from the North terminal will be removed. Next, the company will remove the staging pad base material which is currently under the piles of petroleum coke and coal. As a result of this work, some temporary piles of this base material (significantly smaller in size than the current piles) will remain on site until the decommissioning work is complete. Throughout this process, KCBX will continue to manage all operations in accordance with the City's rules and regulations, and the company will no longer have outdoor piles of bulk material at its North terminal, located at 3259 East 100th Street.
- On or before June 9, 2016, KCBX will no longer have outdoor piles of bulk material at its South terminal, located at 10730 Burley Avenue.
- After June 9, 2016, at the South terminal outdoor piles of product will no longer be used as part of the transloading process. Instead, the product will be transferred directly from rail to vessels and barges via the existing covered conveyer system, which is already compliant with the city's rules. Direct transfer is currently utilized for some customers today.
- No new permits would be required for direct transfer since KCBX currently moves some product this way and will not be adding equipment.
- KCBX does not anticipate overall traffic to and from the South facility to change significantly because of direct transfer. Overall shipments to and from the facility depend primarily on market demand.
- KCBX does not plan to use trucks for inbound or outbound shipments as a regular part of its business after the piles are removed.
- KCBX's extensive sampling data shows that dust from barges and railcars have not been an issue. KCBX
 follows material handling practices consistent with the city regulations to minimize the potential for dust.
 These practices include using covered conveyers, keeping the product damp and suspending operations in
 the event of high winds.
- **KCBX will continue to contribute to the local economy.** KCBX hopes to stay in business and continue contributing to the local economy, including paying approximately \$500,000 a year in local taxes to support schools and other community priorities including public safety. The company will also continue to be an active member of the local business community.
- Visit www.kcbxchicago.com for more information about KCBX, including more details about the recently announced changes to the terminals' operations.