

January 12, 2010

WINTER OLYMPICS DELIVERIES

The logistical reality of the “**Vancouver 2010 Winter Olympic Paralympic Games**” is upon us. With the various security initiatives, government restrictions, permits, traffic congestion due road closures and the influx of tourists to this international event, deliveries of goods to key areas in Greater Vancouver and along the Sea to Sky corridor to Whistler BC will be restricted and efficiencies impacting the cost of deliveries affected.

Road closures in the area have been in place since November 2009 and more are occurring as we near the opening ceremonies. Some areas are restricted to deliveries between Midnight and 6:00 AM. Detailed information, updates and maps of the closures/restricted zones are readily available at www.vanoc.com.

- 1- For deliveries to the core affected areas (*defined below*) in Vancouver, we will be assessing an operational surcharge to help in offsetting the costs incurred in delivering or picking up in these areas. The level of surcharge is in line with the levels in place during the Atlanta Olympics of 1996.

In addition to the ‘normal’ freight charges, the operation surcharge to the defined areas in Greater Vancouver will be applied on the actual weight in CDN funds at:

Minimum	Under 1,999 lbs	2,000 to 4,999 lbs	5,000 to 9,999 lbs.	10,000 lbs and up.	Maximum
\$20.00	\$2.00 / cwt	\$1.54 / cwt	\$1.22 / cwt	\$1.04 / cwt	\$150.00

This will apply if the place of pick up or delivery is within the following Postal FSA: V5Y, V5Z, V6B, V6C, V6E, V6G, V6Z, V7X, V7Y

This will be applied for shipments with a pick up date effective Jan 25, 2010 and expiring on February 20, 2010.

- 2- For Deliveries along the Sea to Sky Corridor to Whistler BC, although congestion will impede deliveries to a few cities en route, the interline costs to Whistler from Vancouver will rise 80%. Beyond charges to Whistler will be rated at the temporary adjusted levels with existing “*through rated*” moves to Whistler rated to Vancouver plus the temporary adjusted beyond rates.

Fuel surcharges will apply on both these charges as they are part of the “*fuel related*” delivery service.

To mitigate the impact of these incurred costs to both of us, some receivers have made arrangements for off site delivery locations outside of the restricted areas which we can accommodate with appropriate instructions on the bill of lading, thus avoiding the surcharge.