## Dear ALL.

Refer to below customer advisory on trucking in US, please note said trucking shortage situation has continued to deteriorate to an unsustainable level.

Thus, for TPEB trade shipment from Asia to USA, Yang Ming will take below action first and keep monitoring the trucking situation for next step.

## 1. STOP quoting door rate for NEW door location.

2. STOP accepting customer's NEW door delivery without regular/weekly lifting record.

Dear Valued Customers,

As you may already be aware, there are trucking capacity constraints in the U.S. market which have negatively impacted delivery schedules and often led to unanticipated additional cost. We would like to share with you some of the factors that are contributing to the current challenges.

- Electronic Logging Device (ELD)
  - New federal mandate effective December 18, 2017 has created additional cost and has led to reduced trucking capacity and increased trucking rates as trucking vendors dial back their commitments to meet Hours of Service (or exit he business altogether)
- Holiday Closures
  - Christmas and New Year's closures typically lead to a slowdown/backlog of shipments awaiting delivery
- Severe Weather
  - The Chicago, Atlantic, and Gulf markets experienced severe weather leading to several port closures and delayed openings. This contributed further to a backlog and reduced trucking availability
- Chassis Supply
  - Chassis shortages in several markets created an additional challenge

To mitigate the impact of the above it has been our longstanding practice to pre-dispatch cargo prior to vessel arrival at the port and/or inland rail hub, provided there is proper customs clearance. In the meantime, we would like to share some suggestions Customers can follow to help mitigate delays.

- Obtain customs clearance at port of discharge
- o Submit ocean freight payment and & Original Bill of Lading as early as possible
- o Submit delivery instructions with valid point of contact as early as possible
- Remain flexible with warehouse appointment times

We recognize your supply chain may have been disrupted by events outside our control and we ask for your patience and partnership as we continue to find solutions to delivery your cargo as expeditiously as possible.

Thank you for your continued support of Yang Ming.

Sincerely,

Yan Ming (America) Corp.

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