

# RATE ADJUSTMENT ANNOUNCEMENT

December 6<sup>th</sup>, 2011

Dear Valued Shipper:

Due to increasing costs throughout our infrastructure, Spee Dee Delivery will implement a rate adjustment effective January 2<sup>nd</sup>, 2012.

The net cost increase for packages weighing 1-70 lbs. will be 2.2% across all zones. This is based upon a rate increase of 3.2% (and a 1% reduction in the fuel surcharge assessed by Spee Dee Delivery and the national carriers). There will also be a nominal increase for packages weighing 71-150 lbs. across all zones. In addition, there are slight adjustments in our LTL rates and service guidelines. Updated rates are available at [www.speedeedelivery.com](http://www.speedeedelivery.com).

Due to the reduction in the Dim Factor from 194 to 166 by the national carriers a year ago, shippers continue to see higher prices on their larger packages. Using the Spee Dee Delivery *length + girth* formula, shippers save a substantial amount on actual shipping charges.

## COST COMPARISON

	Spee Dee Delivery	Competitor
Commercial Delivery Area Surcharge	No Charge	\$2.00
Residential Delivery Area Surcharge	No Charge	\$2.75
Residential Surcharge	No Charge	\$2.55
Additional Handling / Over 60" in Length	No Charge	\$8.50
Additional Handling / Unboxed Items	No Charge	\$8.50
Heavy Weight Surcharge / 71+ lbs.	No Charge	\$8.50
Hazardous Materials	\$14.00	\$27.50
Oversize / Dim Factor	Length + Girth	L x W x H ÷ 166
A.O.D. Indirect Delivery	\$2.50	\$2.00
A.O.D. Direct Delivery	\$2.75	\$3.50
A.O.D. Adult Signature	\$3.00	\$4.50
A.O.D. Hard Copy Signature Card	\$.50	N/A

Spee Dee Delivery has traditionally provided an Acknowledgment of Delivery (A.O.D.) Service for our customers. Due to customer requests, we are now offering three A.O.D. Service options:

**A.O.D. Indirect Delivery** – requires Spee Dee Delivery driver to obtain a signature at the delivery address, a neighbor, or a signed delivery notice.

**A.O.D. Direct Delivery** – requires Spee Dee Delivery driver to obtain a signature at the delivery address.

**A.O.D. Adult Signature** – requires Spee Dee Delivery driver to obtain a signature from an adult 21 or older at the delivery address (ID required).

In addition to the above options, shippers that require a hard copy signature will be able to request an A.O.D. Hard Copy Signature Card for a \$.50 fee. Shippers that continue to use manual logbooks and wish to utilize our A.O.D. Service must use an A.O.D. Hard Copy Signature Card and will be charged \$3.50 for the A.O.D. Service and hard copy signature.

Included with this letter are rates on single packages, Shipment Weight, LTL, and accessororial charges. New rate information will be delivered by your Spee Dee Delivery driver no later than December 30<sup>th</sup>, 2011. Our drivers will also deliver updated *free* software to Spee Dee Ship users before the end of the year. ***It is very important that shippers install the new software immediately. The software will automatically change to 2012 rates on January 2<sup>nd</sup>. Along with our 2012 rates, Spee Dee Ship version 3.12.0 contains several important updates.*** In the meantime, Spee Dee Delivery rates will be available to download at [www.speedeedelivery.com](http://www.speedeedelivery.com).

If you have any questions about how our rates compare, visit us at [www.speedeedelivery.com](http://www.speedeedelivery.com) or feel free to contact us at (800) 862-5578. Thank you for choosing Spee Dee Delivery as your preferred carrier in the Midwest.

Sincerely,

Craig E. Heurung  
Sales Manager

*Equal Opportunity Employer*