

Royal Hawaiian Express

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December 8, 2016

Dear Valued Hawaii Customer,

The Hawaii ocean carriers, Matson Navigation, and Pasha Hawaii, have filed general rate increases with an effective date of January 8, 2017. With this filing for westbound cargo movement, per container rates will increase by \$225. Increased charges for eastbound movement and other incremental services were also filed.

To offset the impact of this general rate increase, Royal Hawaiian Express will implement an increase to its ocean rates of \$0.16 per cubic foot for LCL shipments and \$225.00 per FCL effective January 8, 2017. This increase is not a direct pass through of the full increase, yet is intended to offset these mandates imposed by the steamship lines.

Wharfage rate increases will be published by the State of Hawaii to support new infrastructure at each of the island's port facilities. We will provide notification of these increases as they are made available to us.

Royal Hawaiian Express consistently strives to reduce unnecessary costs while improving operating efficiencies. We are committed to industry setting benchmarks for the highest quality of service and value added benefits for your transportation dollar. Our commitment to corporate and infrastructure investment ensures stability, safety and longevity for our clients and our personnel.

Please contact your local Sales Representative or a Royal Hawaiian Express Customer Service Representative regarding questions you may have. We value and look forward to your continued support and business partnership!

Sincerely, Royal Hawaiian Express Hawaii Marketing