



TO: All our valued customers
FROM: Jay Lee, Director, Business Analytics & Solutions
DATE: April 21st, 2021
SUBJECT: **Carbon Surcharge increasing to 1.25%**

To all our valued customer:

As of April 1st, 2021, the Canadian federal government increased the carbon tax by 33% to \$40/tonne. This is part of the Greenhouse Gas Pollution Pricing Act introduced in 2018 which targets the carbon tax to hit \$170/tonne by 2030.

The increase in the carbon tax is impacting all of us with the increased operating cost throughout our supply chain as well as increases to our utilities. These impacts are not sustainable under your current rate structure.

As a result of this change, it is necessary for us to increase our current carbon surcharge to 1.25% effective May 1st, 2021 for all shipments handled in our network.

This surcharge will be listed on your invoice under Carbon Surcharge as a single line item reflecting the increase.

As part of reducing the carbon emission to help offset the increasing carbon footprint, Fastfrate is implementing the no idle policy as well as increased use of more environmentally friendly intermodal mode option as the primary line-haul compared to the road mode.

Should you have any questions regarding the carbon surcharge and Fastfrate's initiatives with reduction to the carbon footprint, please contact your business development manager.

Sincere Regards,

A handwritten signature in black ink that reads "Jay Lee". The signature is written in a cursive, flowing style.

Jay Lee
Director, Business Analytics & Solutions