

3 June 2011

Dear Stakeholders,

Port Metro Vancouver and the terminal operators thank all of the companies for participating in the Terminal Gate Compliance Initiative information sessions. As stated in the sessions, it is the goal of the terminal operators in conjunction with Port Metro Vancouver to improve the efficiency of the Asia Pacific Gateway and in this case specifically the terminals' truck gates. Collaboratively we have developed a new system in which we believe will further enhance the efficiency of the terminals' truck gates for legitimate business. Today we experience cancellations or no shows for up to 50% of the appointments made. In order to incite a behaviour that improves on this figure we have developed a system of charging \$1 per filled appointment and \$25 per cancelled appointment.

During the information sessions we received many questions, concerns and suggestions. We are committed to reviewing the questions and incorporating as many suggestions as possible into a revised program; a revised presentation and Q&A document will be published on the PMV and terminal operators websites no later than June 15<sup>th</sup>.

After these sessions, the terminal operators and PMV came together to discuss the concerns raised and the initiative has been revised to meet some of these concerns; a follow-up meeting will not be held.

- Trial Period will run from June 1st through August 31st; trial invoices will be sent out for each month during this phase
- Full Implementation will be on September 1<sup>st</sup> with invoicing on October 1<sup>st</sup>
- Completion Incentive: trucking companies will be credited up to 5% of their cancelled appointments fees depending on compliance rates.
  - For instance if 100 appointments were booked and 95 appointments were transacted there would be a credit for the 5% missed appointments equal to the cancellation fees, so the invoice payable would be \$100 for the secured appointments.
  - We believe that this leeway will allow for some flexibility, and will cover day-to-day issues such as truck breakdowns, traffic issues, etc., without requiring trucking companies to call the terminals.


The terminal operators and the PMV believe that all stakeholders must be accountable for their part in terminal gate compliance. We are willing to accept 5% inefficiency in order to assist all parties in coming together to provide a more efficient port-wide gate system.

We hope that these changes address some of the concerns that were received during the stakeholder meetings. It is truly the intention of the terminal operators and Port Metro Vancouver to change the appointment behaviour which will lead to improved gate compliance.

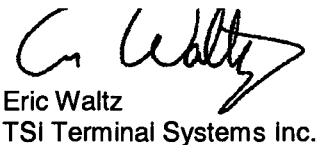
Best Regards,



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DP World



Jeff Scott  
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TSI Terminal Systems Inc.



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