



Royal Hawaiian Express

1901 RAYMER AVENUE • FULLERTON, CALIFORNIA 92833
651 SANDOVAL WAY • HAYWARD, CALIFORNIA 94544
2660 GOLDEN STATE BOULEVARD • FOWLER, CALIFORNIA 93625
6050 KING DRIVE • VENTURA, CALIFORNIA 93003
9125 DOWDY DRIVE • SAN DIEGO, CALIFORNIA 92126
96-1379 WAIHONA STREET • PEARL CITY, HAWAII 96782

January 6, 2017

Dear Valued Hawaii Customers,

On December 27, 2016, the State of Hawaii's Department of Transportation Harbors Division announced, amendments to "rules relating to services and procedures, charges, tolls and fees." These fees are to support the growth, expansion and development consistent with "the system-wide Harbors Modernization Plan making Hawaiian commercial harbors more adaptable to the changing needs of the cargo transport industry." The fees being increased are the Harbor Use Fee ("wharfage") and Port Security Fee. The first of these increases will be effective February 1, 2017.

There are three effective dates planned in the next 18 months. Wharfage fees will increase 17% per cubic foot effective February 1, 2017, 15% on October 1, 2017 and 15% on July 1, 2018. The Security Fee will have similar increase dates, on a per container basis, applying separately to Oahu and Neighbor Islands. Oahu will increase \$15.00, \$17.25 and \$19.84 and the Neighbor Islands will be \$22.50, \$25.87 and \$29.76 on the respective effective dates.

Royal Hawaiian Express will manage these fees as a pass through expense in the form of wharfage effective February 1, 2017. Our wharfage rate will increase from \$0.31 to \$0.34 per cubic foot. We anticipate similar pass through adjustments being made on October 1, 2017 and July 1, 2018 and will provide separate announcements for those adjustments closer to that time. Again, our new rate for wharfage will incorporate both the wharfage and the security fee.

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

SERVICE TWICE A WEEK TO THE HAWAIIAN ISLANDS
CALIFORNIA (714) 388-3500 FAX (714) 388-3499
HAWAII (808) 454-8600 FAX (808) 456-6692

WWW.RPMCSI.COM