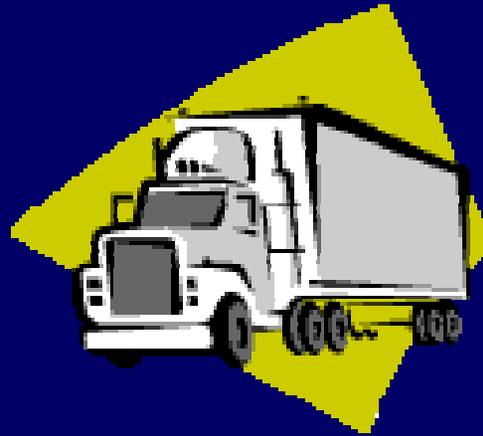
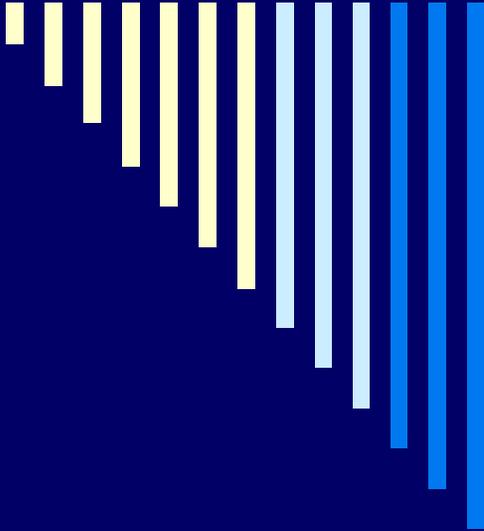
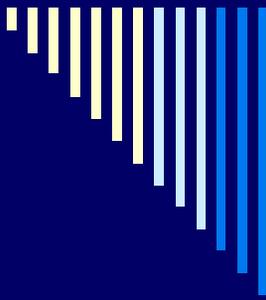


eTARIFF 400-N

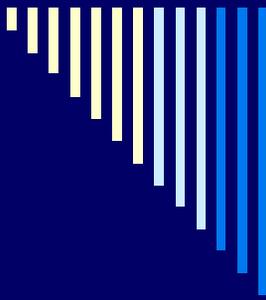


**Welcome to the
AMSA – Introduction to Tariff 400-N
David Hauenstein – Director
Technical Programs**



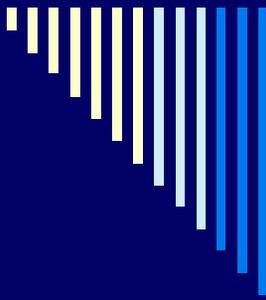
What is Tariff 400-N anyway?

A replacement of Tariff 400-M
(that mirrors GSA Tender 415)
that is an electronic Zip Code driven,
modified “single-factor” tariff.



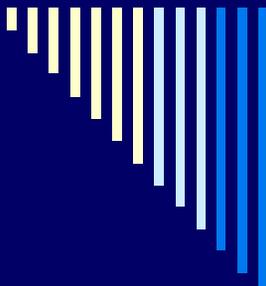
Why replace the Tariff?

- ❑ Old Tariff was too complex – product of 60 years of revisions.
 - ❑ Source of customer confusion; estimating problems and billing errors.
 - ❑ Tariff needed to be modernized and made easier to use and to understand.
-



Major Components of New Tariff

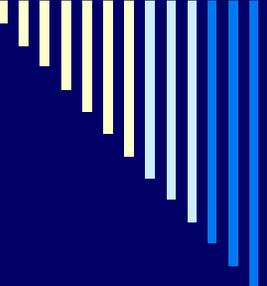
- Counties and Service Areas Converted to 3-Digit Zip Code based Line Haul Rates that are Geographic and Labor Cost Based.
 - Complex accessorials cancelled and replaced with a hundredweight origin/destination charge shown as separate rate item.
 - Automated to provide totally electronic shipment rating and estimating.
-



Reflects Carrier's Costs of Operation

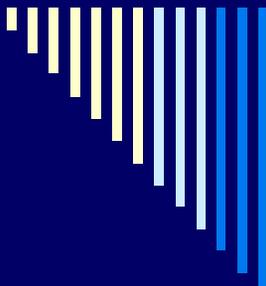
Cost-Based Transportation Charges Developed to Reflect Origin/Destination Costs:

- **Geographic Costs** - Cost of doing business in zip areas (travel expenses, meals, hotel rooms, taxes, tires, rent, utilities, and building repairs).
 - **Labor Costs** – Personnel costs (warehousemen, packers, helpers, and local drivers).
-



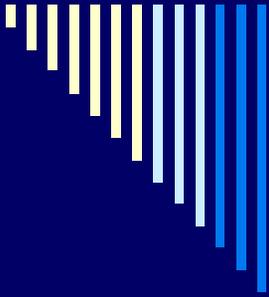
Restructured Transportation Charges

- Zip Code-Based Charges still include loading, unloading, vehicle transportation and basic 60¢ valuation (or in the case of GSA – FVP valuation).
 - Charges also reflect operating expenses; same distance moves are no longer rated the same.
 - As a result, some rates went up and some went down - based on location where service is performed.
-



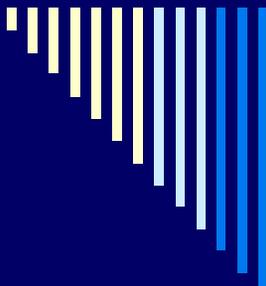
High-Frequency Service Items Bundled for Efficiency

- ATC, Stairs, Elevator, Long Carry and Piano and Organ Carry revenue incorporated into new Origin/Destination Service Fee.
 - Weight based charges published in new Item 135 by Service Area/Zip Code.
-



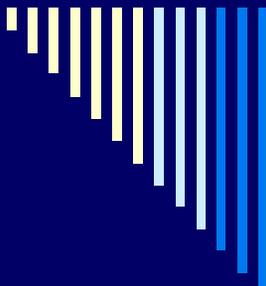
Packing/Container Service Simplified

- ❑ Packing rates apply on *per hundredweight basis for full pack jobs or per container basis for partial pack jobs* based on shipper's election ("Max-Pack" Effect).
- ❑ Uses Hundredweight Packing Rates that are simple to bill and result in increased load efficiencies.
- ❑ Rates based on One Carton Per 100 Pounds.
- ❑ Overtime, Debris Removal & Crating provisions retained.



Accessorials Restructured and Simplified

- Bulky articles simplified with one rate for all classifications.
 - Bridges & Tolls changed to apply as advanced charges (Item 35).
 - SIT P & D extended to apply on 50 mile radius with the transportation charges.
-



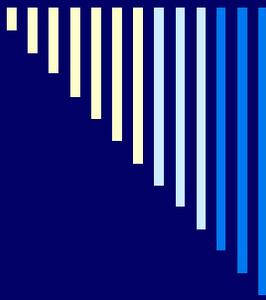
Obsolete Items Cancelled – GSA Items to be Retained

OBSOLETE ITEMS CANCELLED -

- ❑ Shipments on Tour, COD Shipments
- ❑ Signature Service, Travel Time
- ❑ Empty Miles, Advertising on Carrier Equipment, Forklifts
- ❑ Papering & Banding, Supervisory Personnel

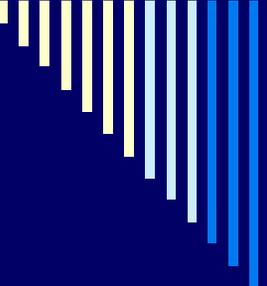
GSA ITEMS RETAINED -

- ❑ GSA Level of Carrier Liability for Loss & Damage
 - ❑ Fuel Surcharge (Mileage-Based)
-



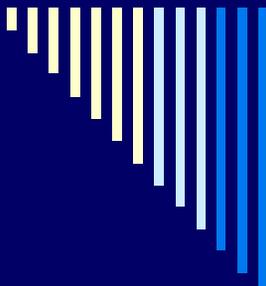
New Tariff Attributes

- ❑ Provides quick and easy way to estimate and rate shipments.
 - ❑ Provides MORE accurate billing with LESS paperwork and LESS need for auditing.
 - ❑ Utilizes hundredweight packing rates that are simple to bill and result in increased load efficiencies.
 - ❑ Automated pricing system that's easy to understand and to explain.
-



Customer (and Industry) Benefits

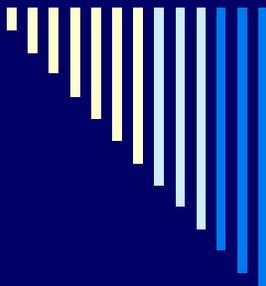
- Fewer billing errors; fewer line items on invoices
 - Reduced audit costs with simplified invoices
 - Less confusing to the transferee; most services included in O/D service fee
 - Controlled packing costs with cwt pricing
 - Easy to understand costs based on zip codes
 - No more surprise origin and destination charges
-



Tariff 400-N became effective January 2002

*The industry's first electronic tariff
that's a proven solution with accurate
zip code based pricing that's fast,
easy to use and easy to understand.*





New Tariff 600 Tentatively Scheduled for January 2008

- New Tariff will promote even more simplification.**
 - More Accessorials will be eliminated with no more separate itemization – Bulky Articles, Extra Stops, Mini-Warehouse Pickup and Delivery.**
 - Separate Insurance-Related Surcharge will be eliminated and incorporated into line-haul.**
 - Rates will be reduced to market-based levels – a 50% reduction of transportation rates and a 25% reduction of SIT rates.**
-