



June 2018

RE: Freight Adjustment Increase Effective July 16, 2018-REVISED

The transportation industry in all of North America is facing unprecedented times. It is a situation that is not only affecting AQUASALT, LLC, but ALL businesses and industries across the United States. We are being faced with higher freight and fuel expenses, truck and driver shortages, regulatory compliance demands, and an overall increase in delivery service failures.

The addition of new laws and regulations has presented significant challenges in transportation and are resulting in costs to reach historical highs. Transitions to federally enforce on-board ELD (Electronic Logging Devices) as well as changes in allowed driving hours have played major roles in creating an unparalleled climate in transportation. Driver shortages are rapidly on the rise, which elevates the load to truck ratios at all of our shipping origins and destinations meaning there are more loads needing to be hauled for businesses and industries than there are trucks available.

These factors ultimately drive up freight rates significantly. Even though freight rates have gone up –and will continue to go up –the truck shortage will be an issue for several years to come. This shortage will continue to cause service delays.

AQUASALT, LLC can no longer absorb the escalating expenses in freight; therefore we will be implementing a freight adjustment increase on all loads delivered on/after July 16, 2018.

The wholesale price of a bag of Salt will rise ~15.8% .

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