



NOTICE: Los Angeles Demurrage

Dear Business Partner,

Over the past several months, the demurrage being paid by STG Logistics LA on behalf of its clients has gone up exponentially. STG can no longer continue to absorb these charges and effective August 9th, we will be passing these costs on to our customers. To continue to operate with the current terminal constraints, STG will outlay the demurrage fees at the terminal and will bill back all fees by the next business day. The demurrage total will be billed back in one additional invoice that will reference the container number and will include the terminal receipt as back-up documentation.

Prior notification of a demurrage will not be made, as we need to quickly cover the fees to proceed with speedy recoveries of containers. In addition to demurrage, STG will not cover per diem invoices going forward. Please alert your clients and inform them of the current Long Beach and Los Angeles port conditions that prevent us from returning empty containers timely. We continue to do our best in running an efficient operation to avoid these types of charges, but with record imports and current terminal conditions it is not possible to avoid this situation entirely.

If you have any questions, please contact your salesperson or account manager for further clarification.