



EVERGREEN LINE

SPECIAL ANNOUNCEMENT

PORTS OF LOS ANGELES AND LONG BEACH: CONTAINER DWELL FEE FREQUENTLY ASKED QUESTIONS

November 12th, 2021

Dear Valued Evergreen Customer:

The Ports of Long Beach and Los Angeles ("Port Authorities"), under the guidance of the Biden-Harris Supply Chain Disruptions Task Force and U.S. Department of Transportation, recently announced an addition to tariff rates, intended to allow for the collection of the newly-imposed Container Dwell Fee ("CDF"). This fee pertains to containers dwelling in port facilities for extended periods and is intended to promote expedited cargo movement in order to alleviate congestion at the ports. Evergreen will pass along this CDF, as imposed by the Ports of Los Angeles and Long Beach, along with any associated costs charged to containers left idle according to the provisions of the tariff.

Provisions of the tariff include:

- The assessment and collection of the (CDF) fee, commencing no earlier than November 15th and upon notice provided by the Executive Director at a public meeting of the Board ("Collection Commencement Date").
- All loaded import local containers on a terminal for more than 8 days at the Collection Commencement Date of the fee are deemed to be at 9 days for the purposes of fee charges per the designated fee schedule (see below). All loaded import intermodal containers on a terminal for more than 5 days at the Collection Commencement Date of the fee are deemed to be at 6 days for the purposes of fee charges per the above fee schedule.
- This Container Dwell fee will continue until terminated at the discretion of the Board. Violators may be subject to civil penalties.

In response to the questions and concerns expressed by customers regarding the CDF – Container Dwell Fee, we have prepared the following information for your reference:

FAQ

1. When will the Los Angeles and Long Beach port authorities begin to assess and collect the CDF?

Answer:

The assessment and collection of this fee shall commence no earlier than November 15, 2021.

Should there be any change to this schedule, we will update you at that time.

2. When do the Port Authorities begin to assess the CDF?

Answer:

a. Eight (8) days after a Local Import Loaded Container is discharged from the vessel. A Local Import Loaded Container is one that is transported by truck to a point outside the Port directly from one of the Port's premises.

And

b. Five (5) days after an Intermodal Import Container is discharged from the vessel. An Intermodal Import Container is one that is transported by rail to a point outside California directly from one of the Port's premises.

- Saturdays, Sundays and Holidays are included in the fee's calculation.

3. How much will the CDF be?

Answer:

The CDF will be charged by the Port at the following rates:

a. Local Import Loaded Container

| Days in Terminal | Daily Charge (USD) | Cumulative Charge (USD) |
|--|--------------------|-------------------------|
| 9 | \$100 | \$100 |
| 10 | \$200 | \$300 |
| 11 | \$300 | \$600 |
| 12 | \$400 | \$1,000 |
| 13 | \$500 | \$1,500 |
| More than 13, incremental \$100 increases per day with no limit. | | |

b. Intermodal Import Loaded Container

| Days in Terminal | Daily Charge (USD) | Cumulative Charge (USD) |
|--|--------------------|-------------------------|
| 6 | \$100 | \$100 |
| 7 | \$200 | \$300 |
| 8 | \$300 | \$600 |
| 9 | \$400 | \$1,000 |
| 10 | \$500 | \$1,500 |
| More than 10, incremental \$100 increases per day with no limit. | | |

FAQ

4. Who shall pay the CDF?

Answer:

Evergreen's Tariff Rule 010-001 clarifies that CDF is to be assessed to account of the Customer.

5. Are customers required to pay the CDF even if delays are due to customs examinations, etc.?

Answer:

Customer shall pay the CDF in any situation beyond carrier's control.

6. Will the CDF apply to door moves and rail moves?

Answer:

CDF will not apply to door moves under carrier haulage and (IPI) rail moves unless delays were a result from preferred truckers, freight or customs hold, customer own faults and any factor beyond carrier's control.

7. Will customers be exempt from the CDF if there is a "no new surcharge" clause in their service contract with carrier?

Answer:

CDF is a fee imposed by the Port Authority and is intended to resolve port congestion. It is not a surcharge for service, and therefore "no new surcharge" clauses do not exempt customers' duty to pay CDF.

8. What is the process for customers to pay CDF?

Answer:

Evergreen is working on the payment platform to expedite the collection process. In the interim, a supplemental invoice will be issued after cargo release. Please contact your Evergreen Customer Service Team or Sales Representative with any questions you may have. A comprehensive contact list can be found at <https://www.evergreen-shipping.us/egsweb/jsp/officelist.jsp>

We thank you for your attention and continued support.