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Re: Fuel Surcharge - LTL Carpet Shipments

August 15, 2011

Due to the rising costs of diesel fuel, Watkins and Shepard Trucking, Inc is forced to add a fuel surcharge to all of our shipments. In an effort to standardize the fuel surcharge process, we have come up with a chart which will determine the fuel surcharge percentage. This surcharge will be applied to all shipments that occur under our general and contract rates. The fuel surcharge will be adjusted on Monday of each week based on AAA Daily Fuel Gauge Report <http://fuelgaugereport.aaa.com/?redirectto=http://fuelgaugereport.opisnet.com/index.asp> In times of rapid escalation Watkins and Shepard may find it necessary to adjust fuel surcharges more than once per week.

**When the US National Diesel Fuel Index is:**

At Least	But less than	Fuel Surcharge Amount
\$3.50	\$3.55	34.5
\$3.55	\$3.60	35.0
\$3.60	\$3.65	35.5
\$3.65	\$3.70	36.0
\$3.70	\$3.75	36.5
\$3.75	\$3.80	37.0
\$3.80	\$3.85	37.5
\$3.85	\$3.90	38.0
\$3.90	\$3.95	38.5
\$3.95	\$4.00	39.0
\$4.00	\$4.05	39.5
\$4.05	\$4.10	40.0
\$4.10	\$4.15	40.5
\$4.15	\$4.20	41.0
\$4.20	\$4.25	41.5
\$4.25	\$4.30	42.0
\$4.30	\$4.35	42.5
\$4.35	\$4.40	43.0
\$4.40	\$4.45	43.5
\$4.45	\$4.50	44.0
\$4.50	\$4.55	44.5
\$4.55	\$4.60	45.0
\$4.60	\$4.65	45.5
\$4.65	\$4.70	46.0
\$4.70	\$4.75	46.5
\$4.75	\$4.80	47.0
\$4.80	\$4.85	47.5
\$4.85	\$4.90	48.0
\$4.90	\$4.95	48.5
\$4.95	\$5.00	49.0

At \$5.00 and above, the fuel surcharge will increase 0.5% with each five cent increase in the weekly fuel index. Watkins and Shepard Trucking, Inc reserves the right to adjust this chart from time to time.