



TSA CARGO SECURITY CHANGES AND IMPACTS

Dear Valued Customers:

As an industry leader committed to protecting the security of cargo throughout the global logistics pipeline, AIT Worldwide Logistics continues to maintain strict compliance with the Transportation Security Administration (TSA) and its regulations for enforcing a more efficient and secure supply chain.

Effective February 1, 2009, the security program for Indirect Air Carriers (logistics providers such as AIT) and Direct Air Carriers (airlines) will experience new mandates related to screening cargo.

These screening implementations will have a significant impact on the logistics services, costs, and transit times provided by AIT.

Due to the highly confidential nature of supply chain security, screening procedures will not be made public.

Forthcoming on Sunday, February 1, customers can expect the following:

Shipment pre-alerts

According to the new regulations, it is no longer permissible for AIT to provide complete flight details prior to the shipment's departure. In addition, please note that flight details will not be communicated within our organization or with agents in the AIT network. Flight detail restrictions will not impact Customs Clearance or the delivery of your goods.

AIT can, however, continue providing the following information:

1. HAWB number
2. Anticipated departure and arrival times
3. Destination airport

Results of additional screening

As Indirect and Direct Air Carriers both react and adapt to cargo screening requirements, customers may experience increased wait times or stoppage.

In anticipation of screening delays, airline lockout times are adjusting while security costs are being reviewed by several air carriers.

As a result of this increased security burden, AIT will be both vigilant and proactive in taking the necessary steps to reduce any and all possible delays. However, we cannot guarantee that these security measures will not affect your commodities. Any additional fees levied by the carriers will be passed on, at cost, to customers. Unfortunately, AIT cannot mitigate them.

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Acceptance of unitized cargo

Strapping and shrink wrapping cargo will no longer exempt cargo from screening. Where possible, carriers will utilize alternate screening methods to ensure your cargo remains intact and unitized.

However, when these alternate methods do not allow for the complete inspection of your product, your cargo might be subject to physical inspection, potentially to the unit level.

As our commitment, AIT will closely monitor and work with identified air carriers to minimize physical inspection and utilize alternative screening methods.

To assist in this process, label each carton on your palletized cargo with full shipper and consignee information, along with any other unique identifiers.

Cargo originating from 3rd parties

For shipments originating from facilities other than your own, TSA regulations require that vendors present a government-issued photo ID to our drivers prior to taking cargo possession.

Failure to comply with presenting the proper form of identification will result in products not being recovered and available for transport.

It is imperative that you properly inform your 3rd party shipper sites immediately in order to make them aware of this important new security screening requirement.

AIT will **NOT** keep ID photocopies on file or use them for any other purpose other than confirming that the person tendering the goods matches the paperwork.

As further developments occur and additional rules or interpretations are made available, AIT will communicate accordingly.

Sandy Gregory, Director, Corporate Operations, is responsible for maintaining compliance at AIT and will continue to update the sales staff as further developments are identified. Sandy can be contacted at: sgregory@aitworldwide.com or 800-669-4AIT (4248) ext: 6315.

Should you require immediate assistance, please contact your local sales representative.

Thank you for your continued support and best regards,

Vaughn Moore
Vice President, Sales and Marketing

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