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Frontier Supply Chain Solutions Inc.

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April 15th, 2021

**Private and confidential**

Flotech Controls Inc.

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Regina, SK

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**Parcel and LTL Consolidation**

With suppliers located throughout the United States, Flotech is well suited to take advantage of Frontier’s cross border logistics solution, Canada Express. In this model, Flotech’s vendors pre pay freight (often there is free shipping for US domestic orders) to Frontier’s warehouse where it is cross docked and shipped on a schedule of your choice. This can range from every day to once a week. The orders are entered into our web based platform, providing visibly and transparency. Frontier provides team service (2 drivers) overnight to Winnipeg, and then overnight to Regina resulting in 2-3 days of transit. The potential for savings using this process is evident in three ways:

1. Freight cost is reduced by sending one large shipment as opposed to multiple smaller ones
2. Custom fees are lessened because the orders are entered under a single clearance
3. When there are heavier items (skids) as a part of the consolidation, any small packages are processed for pennies on the dollar as the additional weight is insignificant.

**The benefits of consolidation with Frontier are:**

* Track all your orders our online portal
* Substantial savings on shipping costs by combining small parcel with LTL freight
* Reduce spend on custom brokerage by clearing customs as one shipment

**Costs**

|  |  |  |  |
| --- | --- | --- | --- |
| **Origin** | **Lbs** | **1-10 lbs** | **11+** |
| **Itasca, IL** | **Regina, SK** | 12.77 | 0.25 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Origin** | **Destination** | **Prov** | **M/C** | **L5C** | **M5C** | **1M** | **2M** | **5M** | **10M** |
| **Itasca, IL** | Regina | SK | 105.00 | 26.81 | 22.17 | 20.36 | 18.77 | 18.26 | 17.94 |

*- Rates Subject to FSC*

*- Standard Cubing Rules Apply*