

Expeditors International of Washington, Inc.

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Federal Maritime Commission No. 2268 October 2, 2024

<u>Force Majeure Notice – U.S. East and Gulf Coast Port Disruption/</u> <u>International Longshoremen's Association Strike/Lockout</u>

Due to disruptions to port operations on the U.S. East and Gulf Coasts because of the strike/lockout involving the International Longshoremen's Association, AFL-CIO ("ILA"), ocean carriers have declared *force majeure* and/or have begun to adjust vessel and cargo operations. The disruptions stem from the work stoppage at all U.S. Atlantic and Gulf Coast ports from Maine to Texas ("Impacted Area") caused by the expiration of the master contract between the ILA and United States Maritime Alliance, Ltd. ("USMX"), that occurred on 12:01 a.m. EST on October 1, 2024 ("Strike/Lockout").

Current or anticipated Strike/Lockout impacts include announced port stoppages, limitations to available gate hours, and halting of cargo operations on or after September 30, 2024, in the Impacted Area; announced rail stoppages and local gate closures; and work scheduled on or before September 30, 2024, necessary to secure cranes and clear berths of cargo and equipment. In addition, many carriers anticipate diverting or anchoring vessels, which will unfortunately delay cargo movement. Therefore, effective immediately, by issuing this notice, Expeditors is declaring force majeure under our applicable contracts, tariffs, waybills and bills of lading for all shipments scheduled to pass through the Impacted Area. We are working diligently to minimize impacts to our customers' supply chains, but the current Strike/Lockout and related port disruptions, and our carriers' decisions to pause operations or reroute their vessels, are beyond our control. We are continuing to monitor developments, but we cannot say how long this situation may last. Accordingly, this declaration will remain in effect until further notice.

These unforeseen events make it impossible to transport cargo based on previously established routes and schedules. Therefore, our current schedules for shipments involving the Impacted Area will no longer apply. In addition, this situation may impact KPI's, transit time commitments, operational requirements, or other performance metrics. Therefore, until further notice, any delays or nonperformance attributable to this situation shall not be factored into these metrics and Expeditors shall have no liability for the same. We will work diligently to move cargo as alternative vessels, routes, and schedules become available and/or limited port operations resume, and reserve the right to reroute cargo, modify services and/or adjust operations accordingly to deal with the disruptions caused by this situation.

We apologize for the inconvenience this Strike/Lockout may cause our customers. If you have any questions, please contact your local Expeditors office.

Very truly yours,

EXPEDITORS INTERNATIONAL OF WASHINGTON, INC.