

No. 1 Answer.

Vendor confidential information is hereto authorized by LBWD/Ratelineer to be made public as the NHSLC deems necessary or applicable.

No. 2 Answer.

Pursuant to original Ratelineer Exhibit 11 (Exhibit 1 herein), Ratelineer has agreed to comply with all Federal and State terms, including part I of I 9, and part II. Vis: all employees will be required to sign and company will permit a "zero" tolerance policy thereto.

No. 3 a.) Answer

Confusion acknowledged. Laconia Best Warehousing and Distribution Corp dba RATELINER would enter into the Master Transportation Contract with the NHSLC, subject to terms and conditions required by the NHSLC.

b.) Answer.

All entities, save for Olympic (Olympic is not a sub-contractor or other party to this proposal) are all WTG entities, referred to collectively as "WTG." Under the WTG heading, you have their Motor Carrier arm ATLDIST, LLC aka Atlantic Distribution (the proposed sub-contractor MC). Attached as Exhibit 2 please find Certificate of Good Standing(s) for the WTG parent company, WTG-TTS, LLC and ATLDIST, LLC (the actual mc sub-contractor). Note: Gerry Gordon for WTG will be present on June 28th meeting with the EC.

c.) Answer.

A number of contracts exist by and between LBWD/Ratelineer and WTG as of this writing. Two (2) primary recitations of the parties' contractual relationship, and one "St J" (the independent Ratelineer Freight Broker of record) are incorporated herein as Exhibit 3. Importantly, Ratelineer and WTG have agreed to enter into a singular sub-contractor agreement that will be contingent upon NHSLC approval.

No. 4 Answer.

Ratliner is the dba for Laconia Best Warehousing and Distribution Corp (LBWD). The current LBWD/Ratliner financial statement (this May) is hereto attached as Exhibit 4.

No. 5 a.) Answer

The primary high valuation LBWD client products being warehoused are attributable to EFI-Vutek of Meredith, NH. EFI manufactures Ink-Jet printers and is one of the state's top dollar volume exporters, as well as they sell domestically. LBWD holds a long-term whse and freight logistics contract with EFI: LBWD operates a 34,000 sf warehouse primarily for EFI at 76 Lexington Drive in Laconia.

b.) Answer

Attached please find EFI generated statement of 6/20/13 (by Paul Ribeiro, Sr. Manager Mfg Operations) certifying to avg warehouse placement value of \$8,604 to \$10,849 million. While our warehousing services include other client goods, the only logical explanation we can offer for the deficiency in the original value representation seemingly goes to a retail (market value) value mis-statement as opposed to Mr. Ribeiro's EFI's book value price, *see exhibit 5.*

No. 6

- a) Answer. The EC assumption as to the division formula of end deliveries between the two motor carriers is generally correct, except for the other layer of defining operations. First, WTG will more particularly be charged with performing the FTL-single store/consignee and *drop* trailer deliveries, as well as they will regularly perform Seacoast “stop-offs” when requested by Rateliner. Second, if a given day’s work load (such as a Monday following a holiday weekend) meets and exceeds the Rateliner ST equipment capacity (the business plan calls for 10 new trucks, in combination with 5 present-day trucks), WTG has agreed to perform more or less zone specific “stop-off” deliveries: including Rockingham, Merrimack and Hillsboro county stop-offs.

Importantly, the Rateliner agreement with WTG will not preclude us for performing volume deliveries save for Rockingham County, and provided same do not comprise more than 16 pallets per single-store delivery (the capacity of a tandem-axle ST).

- b) Answer. First alternative proposal D-1 does include and specifically requires that a portion of the licensee deliveries be placed under the NHSLC contract umbrella. While the primary, Proposal D, is not conditioned upon the inclusion of licensee business, Rateliner wishes to make it abundantly clear that Alternative Proposal D-1 does require added licensee volume thereunder. **IMPORTANTLY, SECOND AND THIRD ALTERNATIVE PROPOSAL(S) D-2 AND D-3 DO NOT REQUIRE A LICENSEE INCLUSION, but- for clarity purposes, D-2 and D-3 also do not include a statewide single-source proposal (although WTG is conditionally willing to enter into direct contract for the volume store deliveries).**

No. 7 answer.

The answer, in part, to no. 6 is “no”, First Alternative Proposal D-1 does require licensee fee services. Based on the (i) Rateliner assumption that that question no. 6 may very well have meant to refer to Proposal D (the primary), or that (ii) Alternative Proposals D-2 and D-3 empathetically waived the condition of licensee deliveries falling within the any RFP contract award, Rateliner respectfully submits its complete Routing Plan under answer no. 8. Importantly, Rateliner, in fact, overlooked the RFP revised appendix M format requirement. Given the turn-around time for today’s “answers” package, no routing exhibit can be submitted today as requested. One will be prepared for transfer to the NHSLC on Monday the 24th, as well as answer no. 8 does closely parallel same criteria, apology again.

No. 8 answer.

Routing abstract was included under RFP exhibit 22 (second “worksheet”), meant to refer to pgs 64-68. Note: we now find that all Exhibit pages regrettably did not receive the intended or assigned page numbers, with apology. Two (2) “worksheet” docs were included under or 19 Exhibit 22. The first of the two admittedly did not follow the *Route* plan based on the revised Appendix M model (to be provided under question no 7). It was submitted as “specific zone *Step-Off* Delivery Plan-worksheet” formed around original RFP Appendices H and I.

The second document exhibit (5 pages) is a very internal worksheet entitled “LBWD (Rateline) Assumption of Framework for Pricing as of 5/1/13,” see Exhibit 6 hereunder.

No. 8 Answer

Specific Zone “Stop-Off” Delivery Plan-Worksheet Only Longer Zone Runs (# of ROUTE trucks per day)

	Monday	Tuesday	Wednesday	Thursday	Friday
Keene/Cheshire	1 trk- Mon (4 stops)	2 trk- Tues (7 stops)		2 trk- Thurs (8 stops)	2 trk- Fri (8 stops)
Coos/Carroll County		1 trk- Tues (4 stops)		1 trk- Thurs (3 stops)	2 trk- Fri (8 stops)
Seacoast/Strafford	2 trk- Mon (8 stops)	2 trk-Tues (9 stops) (or via WTG)			2 trk- Fri (8 stops) (or via WTG)
Upper Valley/VT Border/Sullivan	2 trk- Mon (5 stops)	1 trk- Tues (9 stops)	2 trk- Weds (8 stops)	1 trk- Thurs (2 stops)	1 trk- Fri (4 stops)
Grafton County				1 trk- Thurs (2 stops)	1 trk- Fri (2 stops)
Belknap/Lakes Region/Winn.		2 trk- Tues (10 stops)	1 trk- Weds (3 stops)	2 trk- Thurs (8 stops)	2 trk- Fri (6 stops)
Merrimack, Hillsboro and Belknap Counties	5 Tandem & 2 Single-Axles (in reserve)	2 Tandem & 2 Single-Axles (in reserve)	7 Tandem & 2 Single-Axles (in reserve)	3 Tandem & 2 Single-Axles (in reserve)	2 Tandems & 2 Single-Axles (in reserve)

Monday - 5 Total Tandem-Axle Trucks; 7 Trks in reserve: Merrimack & Hillsboro

Tuesday - 8 Total Tandem-Axle Trucks; 4 Trks in reserve: Merrimack & Hillsboro

Wednesday - 3 Total Tandem-Axle Trucks; 9 Trks in reserve: Merrimack & Hillsboro

Thursday - 7 Total Tandem-Axle Trucks; 5 Trks in reserve: Merrimack & Hillsboro

Friday - 8 Total Tandem-Axle Trucks; 4 Trks in reserve: Merrimack & Hillsboro

31 Total/wk “Longer Zone Run” Routes

7 (6.2) Truck/Route trips (“Long Runs)/avg/day; 6 (5.8) avg trucks in reserve per day

Sat - 14 Trks in reserve

Sun- 14 Trks in reserve

- Where the numbers in parenthesis appear next to the day of the week, this number is intended to decrease the number of area (10 call) stores for delivery as of equal

No. 8 Answer

Synopsis of

Merrimack & Hillsboro Counties Delivery Plan

(Maximum no. of "stop-off" Deliveries/no. of plt dels. per day)

Via Rateliner

I.

1. Max number of store dels per day (not moving via WTG): 19
2. Average number of plts del per day (not moving via WTG): 90

II. No set *Routes* have been entered for Hillsboro and Merrimack due to the close proximity of store sites, and the established number of trucks in "local" delivery reserve: Routes will be more spontaneous based on *day-to-day* demand.

Note 1: 90 pallets per day requires 6 (5.6) trks per day consisting of 16 pallets per truck, Mon. through Fri. See reserve number of trucks (pg no 1 of 3) for daily Hillsboro and Merrimack county dels; including 14 "in reserve" for Sat and Sun.

III.

	Str No.	City	Avg No. of Plts		Str No.	City	Avg No. of Plts
1.	1	Concord	4	11.	50	Nashua	7
2.	3	Manch	1	12.	51	Pelham	4
3.	4	Hooksett	4	13.	53	Hudson	4
4.	10	Manch	5	14.	55	Bedford	4
5.	20	Derry	3	15.	58	Goffstown	7
6.	27	Nashua	4	16.	59	Merrimack	4
7.	30	Milford	4	17.	69	Nashua	8
8.	31	Manch	5	18.	72	Concord	5
9.	32	Nashua	6	19.	74	Londonderry	5
10.	33	Manch	6				

Note 2: The Rateliner model cpm, see Exhibit 8, is placed at \$1.725 per mile. If Hillsboro and Merrimack Counties require an average of six (6) trks to perform 90 plt dels/day (the case lot delivery absorption places the average cs count/plt at 40 cs), 3600 cs per day (a high) ÷ by 6 trks is a cs lot delivery min. guideline of only 600 cs/trk: a 12 pallet (50 cs/plt) capacity (an under-capacity plan).

Note 3: 6 trks x 210 miles per day of strictly Hillsboro and Merrimack Counties (1260 miles x \$1.725 per mile) points to a Rateliner operating cost of \$2,173.00.

Note 4: a \$2,173.00 operating cost before marginal utilization of equipment (non W & S p/u's on return to terminal) is paired against projected NHSLC revenue of \$2,700.00/day (3600 cs x .75/cs).

No. 9 Answer

- a. Answer. The savings analogy, as represented, is of course directly linked to the NHSLC RFP Appendix J, the Jan 1, 2013 thru Oct 31, 2013 Law Schedule of Pricing and *fsc* charges. Further basis for explanation found under ~~Exhibit 3~~ *ANSWER 8.* herein.
- b. Answer. This estimate is not based on alternative Proposal D-1; it is based on Proposal D (the primary; \$.75 *all in* per case).
- c. Answer. The estimate excludes licensee deliveries; no licensee deliveries were entered in or contingent upon the Rateliner savings representation in question.

Assumption(s) of Savings Representation

I. Assumptions

1. An estimated aggregate total state store dels is placed at \$3.650M cs per annum (projected for year 2013 through year 2014).
2. The estimated breakdown in the Law classicl delivery categories are believed to be :
 - a. 1/3 of all cases are dock dels [1/3 is a conservative estimate, the actual number of cases delivered by "dock" may even be less, but the more conservative approach is the best support for the instant task. 1/3 of the total case deliveries is 1.215M cs.
 - b. 2/3 of all cases are *non-dock* deliveries, or 2.431M cs are assessed one or the other of the higher *non-dock* Law fees (not less than 57 stores-75% of all store dels), vis:
 - 1.622M cs (categorized as "hand unload" dels)
 - 811K cs (categorized as "lift gate" dels)

3. The current Law dock delivery rates, including *fsc*, are:

I.	Weekday	Other
	.71	.86

The current Law hand delivery rates including *fsc* are:

II.	Weekday	Other
	1.02	1.28

The current Law *lift gate* del, including *fsc*, rates are:

I.	Weekday	Other
	.86	1.06

III. The fee service dollar values for the two (2) fold Law *non-dock* deliveries are:

- 1.622M cs – *hand unload*
(90% are estimates to be delivered on a weekday), or 1.460M cs are rated at 1.02/cs

i. ANNUALIZED *HAND UNLOAD* SUBTOTAL: \$1.489,200.00

162,200 cs (10% are therefore estimated to be delivered on a weekend/holiday: (rated at 1.28 cs)

ii. ANNUALIZED SUBTOTAL: \$207,616;

Total “*hand delivery*” transportation cost: \$1.696,816M

IV. 811K cs, the balance of *non-dock* cs lot deliveries, “*lift gates*,” are rated as follows:

90% of 811K cs are presumed to be delivered on weekdays,
729,900 cs x .86, or

i. ANNUALIZED SUBTOTAL \$627,714

10% of 811K cs, or 81,100 cs presumed to be delivered on weekends/holidays,
81,100 x 1.06 cs =

ii. ANNUALIZED SUBTOTAL: \$85,966

Total “*lift gate*” delivery transportation cost:

\$713,680.00

V. THE SUBTOTAL LAW “*NON-DOCK*” DELIVERY CHARGE ARE ESTIMATED TO BE:

\$2,410,496.00

VI. The 1.215M cs “dock” deliveries (based on the like 90/10 %) are allocated as follows:

- i. Weekday: 1.093M cs @ .71 cs,
\$776,385
- ii. Weekends/Holidays: 121,500 @ .86 cs,
\$104,490

**SUBTOTAL ANNUAL DOCK DELIVERIES:
\$880,875**

VII.

1. TOTAL ESTIMATED ANNUAL LAW FEES:

\$3,291,371

2. CORRESPONDING RATELINER ANNUAL FEE OF .75 cs x 3, 650M cs:

\$2,737,500

3. PROJECTED SAVINGS UPSHOT UNTO THE NHSLC:

\$553,871 (16.81%)

No. 10 answer.

7.

Reference Exhibit 15 of Rateliner RFP reply, see Exhibit ~~7~~ hereunder, the core ten (10) tandem-axle S/T's will be ordered (will be manufactured); and will be fully operational at the commencement of the contract. In further reply, RSD has agreed to contact the factory (both Navistar and Morgan Truck Bodies) to ascertain the cut-off date necessary to effectuate delivery by 11/1/13. Because RSD is a NATIONAL LEASE affiliate, if custom equipment is delayed due to a later contract award date, National will provide in-term tandem-axle equipment until the new equipment arrival date.

Note: Rateliner just took delivery of the two (2) equipment models incidental to the infrastructure proposed to meet the RFP minimum delivery guidelines. Both equipment models are available to the EC for soonest inspection.

No. 11 Answer.

Laconia is the intended "transload" terminal: strictly by way of a pallet seal integrity program. All WTG sub-contractor loads will be loaded-to-ride, including under the traditional trailer "sealed load" system.

No. 12 Answer.

Respectfully submit that supporting documentation for the \$1M relief representation will require additional lead time to properly assemble. Possibly can be supported by a third-party opinion, as well as our documentation, information will certainly follow, and at the soonest.

No. 13 a) Answer.

D-2 rates are .65 *all in* per case-all specific point/str deliveries; all operating days.

D-3 rates are .60 *all in* per case-all specific point/str deliveries; no volume requisite; all stores within points list; all operating days

Note: Neither of the above are state-wide coverage proposals, see WTG.

b) Answer.

Fuel surcharge to only state affected as of \$4.50/gallon purchases.

C) Answer.

Rate proposal will only apply to the specific point/retail stores and not to licensees.

Note: A licensee proposal at matching rates, at the NHSLC's option, is not "off the table."

No. 14 Answer.

Primary Proposal D.
(Appendix D)

.75 cents per case *all in* statewide

Note 1: Rates are “workin in” for not less than 18 month intervals.

Note 2: Rates apply to all days of the week delivery catagories.

Note 3: Rates are *all in, fsc* to apply as of \$4.50/gallon purchases.

Note 4: No other condition precedents.

First Alternative Proposal D-1.
(Appendix D-1)

.70 cents per case *all in* statewide

Note 1: Rates are “locked in” for not less than 18 month intervals.

Note 2: Rates apply to all days of the week delivery catagories.

Note 3: Rates are *all in, fsc* to apply as of \$4.50/gallon purchases.

Note 4: Rates include a “licensee rider” to the transportation contract.

Note 5: No other condition precedents.

Second Alternative Proposal D-2
(Appendix D-2)

.65 cents per case *all in*: specific points/stores

Note 1: Rates are “locked in” for not less than 18 month intervals.

Note 2: Rates apply to all days of the week delivery catagories.

Note 3: Rates are *all in, fsc* to apply as of \$4.50/gallon purchases.

Note 4: No other condition precedents

Third Alternative Proposal D-3
(Appendix D-3)

.60 cents per case *all in*: specific points/stores

Note 1: Rates are “locked in” for not less than 18 month intervals.

Note 2: Rates apply to all days of the week delivery catagories.

Note 3: Rates are *all in, fsc* to apply as of \$4.50/gallon purchases.

Note 4: No other condition precedents