

State of California
and
California Overnight

Transportation Rate Agreement

Scope of Service

California Overnight tenders the following offer of services for Priority Overnight and Courier Pouch Service. These deliveries are for the State of California, Counties, Cities, Public School Districts, and other local government entities.

Definition of Service

Priority Overnight Delivery - On Call or Scheduled shipment of letters and packages shipped from California to all areas served as per the attached California Overnight Zip code service guide.

Overnight Courier Pouch - Daily scheduled weekday courier pouch services to and from regularly serviced locations. Please see attached service guide.

Saturday Service - Priority overnight deliveries performed on Saturday to areas specified within the attached service guide. Additional premium will apply.

Early Delivery Time - Priority overnight delivery prior to 8 am, see rate chart for costs and Zip code directory for guaranteed time in specific zip code.

See service guide for specific commitments and guarantee

Liability

Liability is limited to \$100 per package unless a higher value is declared at the time of shipment. Declared value above \$100 will be charged a rate of \$.50 per \$100 value or the fraction thereof. Maximum declared value per shipment is \$25,000.

Shipping Documentation and Automated Software

California Overnight will provide at no charge to customer, shipping manifests, appropriate stickers and shipping software which will provide automated manifesting, labeling, and tracking capabilities.

State Traffic Management Fee

A surcharge of (1.21%) one and 21/100 percent of the total shipping invoice will be assessed to the customer and listed as a separate line item on the invoice. California Overnight will collect these amounts for payment of Traffic Management for the use of this contract by state and local agencies in lieu of the usual administrative fees charged the users of the agreement by Traffic Management.

At the end of each contract quarter, California Overnight will issue a single check to Traffic Management representing the total surcharge amounts, within 30 days after the end of each contract quarter, and forward to the address designated in writing by Traffic Management.

Payment of the administrative fee shall be made to Traffic Management irrespective of reimbursement by each participating state and local agency, and must be paid as stated above.

Shipping Reports

A monthly report will be provided to Traffic Management containing the total number of shipments, weight, and amount of contract savings to the State, when compared against the full California Overnight tariff.

A quarterly report will also be provided and accompany the check issued to Traffic Management for DGS Management fees. This report will include the total revenue, per quarter, of each state account utilizing this contract as supporting documentation and reconciliation of Traffic Management fees.

This agreement will be valid for three years from the effective date of this tender. Either party upon sixty days written notice may amend or cancel this agreement.

Customer

State of California
1700 W National Drive
Sacramento, Ca. 95834
(916) 928-5842

DR Wallace
Dave Wallace

7-17-02
Date Signed

7-12-02
Effective Date

Carrier

California Overnight
1500 W National Drive
Sacramento, Ca. 95834
(916) 419-2040

[Signature]
Christopher Carlson

7/05/02
Date Signed

7-12-2002
Effective Date

State Of California

Service Type			Service Type			Service Type		
WEIGHT	SUNRISE	SUNRISE GOLD	WEIGHT	SUNRISE	SUNRISE GOLD	WEIGHT	SUNRISE	SUNRISE GOLD
LETTER	\$5.00	\$18.95						
1 LB	\$5.00	\$19.95	51 LBS	\$30.00	\$71.25	101 LBS	\$55.00	\$102.25
2	\$5.50	\$21.75	52	\$30.50	\$71.95	102	\$55.50	\$102.75
3	\$6.00	\$22.75	53	\$31.00	\$72.25	103	\$56.00	\$103.75
4	\$6.50	\$24.05	54	\$31.50	\$72.95	104	\$56.50	\$104.50
5	\$7.00	\$25.25	55	\$32.00	\$73.50	105	\$57.00	\$105.25
6	\$7.50	\$26.50	56	\$32.50	\$74.25	106	\$57.50	\$106.00
7	\$8.00	\$27.75	57	\$33.00	\$74.95	107	\$58.00	\$106.75
8	\$8.50	\$28.95	58	\$33.50	\$75.50	108	\$58.50	\$107.50
9	\$9.00	\$30.50	59	\$34.00	\$76.00	109	\$59.00	\$108.25
10	\$9.50	\$31.25	60	\$34.50	\$76.75	110	\$59.50	\$109.00
11	\$10.00	\$32.50	61	\$35.00	\$77.25	111	\$60.00	\$109.75
12	\$10.50	\$33.75	62	\$35.50	\$78.00	112	\$60.50	\$110.50
13	\$11.00	\$35.00	63	\$36.00	\$78.50	113	\$61.00	\$111.25
14	\$11.50	\$36.00	64	\$36.50	\$79.25	114	\$61.50	\$111.75
15	\$12.00	\$37.25	65	\$37.00	\$79.75	115	\$62.00	\$112.25
16	\$12.50	\$38.50	66	\$37.50	\$80.50	116	\$62.50	\$113.50
17	\$13.00	\$39.50	67	\$38.00	\$81.00	117	\$63.00	\$114.25
18	\$13.50	\$40.75	68	\$38.50	\$81.75	118	\$63.50	\$115.00
19	\$14.00	\$41.95	69	\$39.00	\$82.25	119	\$64.00	\$115.50
20	\$14.50	\$43.25	70	\$39.50	\$83.00	120	\$64.50	\$115.75
21	\$15.00	\$44.25	71	\$40.00	\$83.50	121	\$65.00	\$116.00
22	\$15.50	\$45.50	72	\$40.50	\$84.00	122	\$65.50	\$116.25
23	\$16.00	\$46.75	73	\$41.00	\$84.75	123	\$66.00	\$116.75
24	\$16.50	\$47.95	74	\$41.50	\$85.25	124	\$66.50	\$117.25
25	\$17.00	\$49.25	75	\$42.00	\$86.00	125	\$67.00	\$117.50
26	\$17.50	\$50.50	76	\$42.50	\$86.75	126	\$67.50	\$117.75
27	\$18.00	\$51.50	77	\$43.00	\$87.75	127	\$68.00	\$118.00
28	\$18.50	\$52.75	78	\$43.50	\$88.25	128	\$68.50	\$118.25
29	\$19.00	\$53.95	79	\$44.00	\$89.00	129	\$69.00	\$118.50
30	\$19.50	\$55.00	80	\$44.50	\$89.75	130	\$69.50	\$119.50
31	\$20.00	\$56.25	81	\$45.00	\$90.75	131	\$70.00	\$119.75
32	\$20.50	\$57.50	82	\$45.50	\$91.00	132	\$70.50	\$120.25
33	\$21.00	\$58.75	83	\$46.00	\$91.50	133	\$71.00	\$120.75
34	\$21.50	\$59.95	84	\$46.50	\$91.75	134	\$71.50	\$121.25
35	\$22.00	\$61.00	85	\$47.00	\$92.50	135	\$72.00	\$121.75
36	\$22.50	\$61.75	86	\$47.50	\$93.25	136	\$72.50	\$122.25
37	\$23.00	\$62.50	87	\$48.00	\$93.95	137	\$73.00	\$122.75
38	\$23.50	\$62.95	88	\$48.50	\$94.50	138	\$73.50	\$123.25
39	\$24.00	\$63.75	89	\$49.00	\$95.00	139	\$74.00	\$123.75
40	\$24.50	\$64.25	90	\$49.50	\$95.75	140	\$74.50	\$124.25
41	\$25.00	\$64.95	91	\$50.00	\$96.75	141	\$75.00	\$124.75
42	\$25.50	\$65.50	92	\$50.50	\$97.00	142	\$75.50	\$125.25
43	\$26.00	\$66.00	93	\$51.00	\$97.25	143	\$76.00	\$125.75
44	\$26.50	\$66.75	94	\$51.50	\$97.50	144	\$76.50	\$126.25
45	\$27.00	\$67.25	95	\$52.00	\$97.75	145	\$77.00	\$126.75
46	\$27.50	\$67.95	96	\$52.50	\$98.00	146	\$77.50	\$127.25
47	\$28.00	\$68.50	97	\$53.00	\$98.25	147	\$78.00	\$127.50
48	\$28.50	\$69.25	98	\$53.50	\$98.75	148	\$78.50	\$128.25
49	\$29.00	\$69.95	99	\$54.00	\$99.25	149	\$79.00	\$128.75
50	\$29.50	\$70.50	100	\$54.50	\$99.75	150	\$79.50	\$129.25

SHIPMENT CHARGES ARE CALCULATED ON A PER PIECE BASIS.

HEAVYWEIGHT SERVICE
 \$30.00 PER 100 POUNDS (\$0.30 PER LB.)
 \$90.00 MINIMUM CHARGE PER SHIPMENT
 NO WEIGHT LIMIT. AGGREGATE WEIGHT CHARGE.
 MAXIMUM ALLOWABLE WEIGHT PER PIECE IS 150 LBS

SATURDAY SERVICE - \$15.00 SURCHARGE - METRO AREAS
C.O.D. SERVICE FEE - \$5.00
CHARGE WEIGHT- GREATER OF ACTUAL WEIGHT OR 225 CUBIC INCHES PER LB.
DAILY SCHEDULED PICK UP SERVICE - NO CHARGE
ON CALL PICK UP SERVICE FEE - \$3.00 PER PICK UP LOCATION

SERVICE COMMITMENT: SUNRISE SERVICE - BY 10:30 A.M., SUNRISE GOLD - BY 8:00 A.M., HEAVYWEIGHT - NEXT DAY BY 5:00 P.M. *
 * DELIVERY TIMES ARE LATER IN SOME ZIP CODES. CHECK OUR SERVICE GUIDE OR CALL CUSTOMER SERVICE FOR EXACT TIMES.

State Of California
Out of state rates

Service Type			Service Type			Service Type		
WEIGHT	SUNRISE	SUNRISE GOLD	WEIGHT	SUNRISE	SUNRISE GOLD	WEIGHT	SUNRISE	SUNRISE GOLD
LETTER	\$6.00	\$18.95						
1 LB	\$6.00	\$20.95	51 LBS	\$31.00	\$93.95	101 LBS	\$56.00	\$148.85
2	\$6.50	\$22.50	52	\$31.50	\$95.05	102	\$56.50	\$149.85
3	\$7.00	\$23.95	53	\$32.00	\$96.15	103	\$57.00	\$150.85
4	\$7.50	\$25.50	54	\$32.50	\$97.25	104	\$57.50	\$151.85
5	\$8.00	\$26.95	55	\$33.00	\$98.35	105	\$58.00	\$152.85
6	\$8.50	\$28.50	56	\$33.50	\$99.45	106	\$58.50	\$153.85
7	\$9.00	\$30.15	57	\$34.00	\$100.55	107	\$59.00	\$154.85
8	\$9.50	\$31.80	58	\$34.50	\$101.65	108	\$59.50	\$155.85
9	\$10.00	\$33.45	59	\$35.00	\$102.75	109	\$60.00	\$156.85
10	\$10.50	\$35.10	60	\$35.50	\$103.85	110	\$60.50	\$157.85
11	\$11.00	\$36.75	61	\$36.00	\$104.95	111	\$61.00	\$158.85
12	\$11.50	\$38.40	62	\$36.50	\$106.05	112	\$61.50	\$159.85
13	\$12.00	\$40.05	63	\$37.00	\$107.15	113	\$62.00	\$160.85
14	\$12.50	\$41.70	64	\$37.50	\$108.25	114	\$62.50	\$161.85
15	\$13.00	\$43.35	65	\$38.00	\$109.35	115	\$63.00	\$162.85
16	\$13.50	\$45.00	66	\$38.50	\$110.45	116	\$63.50	\$163.85
17	\$14.00	\$46.65	67	\$39.00	\$111.55	117	\$64.00	\$164.85
18	\$14.50	\$48.30	68	\$39.50	\$112.65	118	\$64.50	\$165.85
19	\$15.00	\$49.95	69	\$40.00	\$113.75	119	\$65.00	\$166.85
20	\$15.50	\$51.60	70	\$40.50	\$114.85	120	\$65.50	\$167.85
21	\$16.00	\$53.25	71	\$41.00	\$115.95	121	\$66.00	\$168.85
22	\$16.50	\$54.90	72	\$41.50	\$117.05	122	\$66.50	\$169.85
23	\$17.00	\$56.55	73	\$42.00	\$118.15	123	\$67.00	\$170.85
24	\$17.50	\$58.20	74	\$42.50	\$119.25	124	\$67.50	\$171.85
25	\$18.00	\$59.85	75	\$43.00	\$120.35	125	\$68.00	\$172.85
26	\$18.50	\$61.50	76	\$43.50	\$121.45	126	\$68.50	\$173.85
27	\$19.00	\$63.15	77	\$44.00	\$122.55	127	\$69.00	\$174.85
28	\$19.50	\$64.80	78	\$44.50	\$123.65	128	\$69.50	\$175.85
29	\$20.00	\$66.45	79	\$45.00	\$124.75	129	\$70.00	\$176.85
30	\$20.50	\$68.10	80	\$45.50	\$125.85	130	\$70.50	\$177.85
31	\$21.00	\$69.75	81	\$46.00	\$126.95	131	\$71.00	\$178.85
32	\$21.50	\$71.40	82	\$46.50	\$128.05	132	\$71.50	\$179.85
33	\$22.00	\$73.05	83	\$47.00	\$129.15	133	\$72.00	\$180.85
34	\$22.50	\$74.70	84	\$47.50	\$130.25	134	\$72.50	\$181.85
35	\$23.00	\$76.35	85	\$48.00	\$131.35	135	\$73.00	\$182.85
36	\$23.50	\$77.45	86	\$48.50	\$132.45	136	\$73.50	\$183.85
37	\$24.00	\$78.55	87	\$49.00	\$133.55	137	\$74.00	\$184.85
38	\$24.50	\$79.65	88	\$49.50	\$134.65	138	\$74.50	\$185.85
39	\$25.00	\$80.75	89	\$50.00	\$135.75	139	\$75.00	\$186.85
40	\$25.50	\$81.85	90	\$50.50	\$136.85	140	\$75.50	\$187.85
41	\$26.00	\$82.95	91	\$51.00	\$137.95	141	\$76.00	\$188.85
42	\$26.50	\$84.05	92	\$51.50	\$139.05	142	\$76.50	\$189.85
43	\$27.00	\$85.15	93	\$52.00	\$140.15	143	\$77.00	\$190.85
44	\$27.50	\$86.25	94	\$52.50	\$141.25	144	\$77.50	\$191.85
45	\$28.00	\$87.35	95	\$53.00	\$142.35	145	\$78.00	\$192.85
46	\$28.50	\$88.45	96	\$53.50	\$143.45	146	\$78.50	\$193.85
47	\$29.00	\$89.55	97	\$54.00	\$144.55	147	\$79.00	\$194.85
48	\$29.50	\$90.65	98	\$54.50	\$145.65	148	\$79.50	\$195.85
49	\$30.00	\$91.75	99	\$55.00	\$146.75	149	\$80.00	\$196.85
50	\$30.50	\$92.85	100	\$55.50	\$147.85	150	\$80.50	\$197.85

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HEAVYWEIGHT SERVICE

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NO WEIGHT LIMIT. AGGREGATE WEIGHT CHARGE.
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* DELIVERY TIMES ARE LATER IN SOME ZIP CODES. CHECK OUR SERVICE GUIDE OR CALL CUSTOMER SERVICE FOR EXACT TIMES.

DAILY COURIER POUCH RATES

State, County, City, and Public School Districts
of California

\$110.00 per month - per direction - to all addresses in California.

\$125.00 per month - per direction - to all addresses out of state.

Weight Allowance per direction, per day: 10 pounds.

Excess weight over 10 pounds: \$0.25 per pound.

Pouch size is 13 inches by 17 inches.

California overnight will provide pouches free of charge.

Regularly scheduled courier pickup and delivery times for pouch services will be the same as sunrise service; please see attached service guide for exact times in each zip code.

Shipping software available for sending and tracking on all
Pouch service.



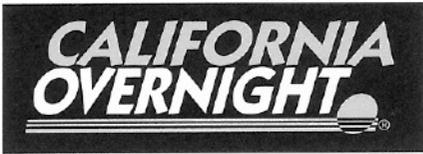
ADDENDUM X to TM/CO 302

VOLUME DISCOUNT PROGRAM

California Overnight Ground Parcel Service

Next Day Delivery by 5:00 P.M.

This volume discount program is designed only for use by the California Highway Patrol Headquarters and their Support Services in West Sacramento.



ADDENDUM XI to TM/CO 302

VOLUME DISCOUNT PROGRAM

CALIFORNIA OVERNIGHT GROUND PARCEL SERVICE

NEXT BUSINESS DAY DELIVERY BY 5:00 PM

This program is designed for large volume shippers of ground packages meeting California Overnight's shipper qualification profile. Rates are based on our CALTRAC ground rate program and rates may be discounted based on shipping volume.