

DB Schenker Integration FAQ's

Benefits of the merger: what's new; what's changing; what's staying the same

Q: *When will the integration between Schenker, Inc. and BAX Global be completed in the USA?*

A: The legal integration between Schenker, Inc. and BAX Global in the USA is effective March 1, 2009. We took the necessary time to integrate so that we could thoroughly test our systems enhancements to ensure a smooth transition for our customers. Our goal has always been a careful and deliberate integration that maintains a high level of customer service for our customers.

However, in most cases our organizations have been working towards combining operations for the last two years.

Q: *What is the company name?*

A: The legal name of the integrated company in the USA is Schenker, Inc. However, our parent, Deutsche Bahn AG, has rebranded their entire portfolio of companies as "DB," so we will now be known in this industry under the brand name DB Schenker. All of DB's global logistics business units are now using this same DB Schenker branding. Legal documents, terms and conditions, contracts, etc., will reference Schenker, Inc.

Q: *BAX Global no longer exists?*

A: BAX Global Inc. will continue as a separate entity. BAX is renowned for its USA network designed to handle B2B heavy weight freight. This valuable distribution network runs through BAX's international HUB in Toledo, Ohio. BAX Global Inc. transportation and express consignment operating groups along with the Container Freight Station (CFS) located in Toledo, Ohio will not transition to Schenker on March 1, 2009. BAX Global Inc. will focus on serving the wholesale community of air cargo users as a neutral provider handling primarily domestic cargo under its BAX Forwarder Network (BFN) program. BAX will be an important air transportation supplier to DB Schenker. Our ability to use the BAX network will help us maintain our quality delivery performance.

Q: *What should customers who ship against Department of State authorized licenses do, if BAX Global is designated as the U.S. forwarder on their license?*

A: The Directorate of Defense Trade Controls (DDTC) has granted a waiver for any licensing authority that designates BAX Global as the US forwarder to also include rights for Schenker. This provisioning with DDTC will alleviate the burden to our customers and the government to process license amendments to add Schenker, Inc. as a US forwarder or to change the US forwarder from BAX Global to Schenker, Inc. The waiver has been posted on the Department of State website: <http://www.pmdotc.state.gov/>

After March 1st, shipments against current licenses that designate BAX Global as the U.S. forwarder should include a copy of the amendment waiver with the documents presented CBP at the port of departure/arrival. CBP recommends this as a temporary measure until all CBP agents are fully aware of the DDTC waiver affecting BAX Global and Schenker.

We recommend that any new license applications filed between now and March 1st include the following U.S. forwarder designations:

Schenker, Inc., a wholly owned subsidiary of Stinnes Corporation
150 Albany Avenue (and all locations throughout the United States)
Freeport NY 11520

BAX Global Inc., a wholly owned subsidiary of Stinnes Corporation,
440 Exchange (and all locations throughout the United States)
Irvine, CA 92602

After March 1st, simply list the Schenker name and address. Questions should be directed to the International Services Dept. in Irvine, Michelle Switzer, 714.442.7878 or email michelle.switzer@dbschenker.com or Tom McFarland, 714.442.7876 or email tom.mcfarland@dbschenker.com

Q: *Will the General Terms & Conditions change?*

A: The T's & C's will be harmonized between the two companies. These will be updated on the back of our domestic and international waybills and be amended in our standard contracts, NDA's, and tariffs. A copy will be found on our combined company website, www.dbschenkerusa.com or you can request a copy from your sales executive.

Q: *Will the company's Federal TAX ID change?*

A: The integrated company will use Schenker, Inc.'s existing federal tax ID, 13-5619239, effective March 1, 2009.

Q: *Will your SCAC code change?*

A: EDI transmissions with government and commercial customers include SCAC or other codes for identification purposes. Non-government customers can continue to use the current BAX code (BNAF). The existing EDI platform will be replaced in 2009 and that would be the best time to migrate to Schenker codes as it avoids double programming and testing efforts.

New customers, government customers, and new EDI connections should use Schenker, Inc.'s codes going forward:

Schenker Inc (US Motor Carrier) - SIFF

Schenker Inc (Forwarding) – SCNK

Q: *What about Power of Attorney forms?*

A: If you are an import customer, you should have already been contacted about providing a new POA form. We must have new forms on file before we can expedite your import shipments. This form will be available on the USA web site.

Q: *What about my invoices?*

A: The look of our invoices and statements will change to reflect our new brand and some new processes. The process will be familiar for formerly BAX customers. Invoicing will be centralized for domestic and export air shipments and your payments sent to regional processing centers as before. This may be new to customers who only did business with Schenker. One important point, while the logo you will see going forward is DB Schenker, the company's legal name is Schenker, Inc., so please make all checks out to Schenker, Inc.

One area that will change is that invoices will no longer be adjusted to reflect the adjusted amount. Instead a new invoice will be created for additional charges and a Credit Memo will be issued reflecting the amount credited. A new invoice number will be assigned for each. All original shipment data will be included and the specific HAWB number referenced is the link back to the original billing.

An Account Statement will now be issued to the customer during the first week of every month (new for former BAX customers) and will show a complete history of all open items.

A Payment Reminder Letter will also be sent to customers and is contingent upon the customer's terms of payment. The system updates daily and the letters print as invoices become past due beyond payment terms. This is new for both former BAX and Schenker customers.

Q. *And how are Import invoices affected?*

A. Import billing will continue to be generated by the local Branch. The look of our Import invoice for former BAX customers will also change to reflect the new accounting systems.

Q: *We pay via EDI; are there changes to EDI invoice messages?*

A: There are several changes as described below:

Invoice Number

Currently, the invoice number and the House Airway Bill (HAWB) fields on invoice EDI messages for domestic and export services carry the same value, that value being the HAWB. Going forward, the Schenker, Inc. invoice number will be carried in the invoice number field (the B302 data element of the 110, 210 x.12 messages). Unless another reference value is requested, the HAWB will be carried, as is, in the B303 data element. This is the default Schenker position. If a customer has previously required that the B303 data element be used for another purpose, the HAWB will be populated into the N902 data element with a qualifier of AW.

Customer Number

The number scheme for the customer's Bill To account number will also change. The value will be changed to correspond with the Schenker customer account number scheme. The customer's Bill To account number will be placed in the N902 data element of the N1 loop with a qualifier of BT or PE on all 110, 210 x.12 EDI messages. The Shipper and Consignee account numbers will not change and will continue to be reported in the N902 data element of the N1 loop with qualifiers of SH and CN.

SCAC Code

The BNAF SCAC code found in most 110, 210 x.12 EDI messages will remain the same for non-government customers.

Testing

Schenker and BAX began internal system integration testing for the merged systems in late December 2008. Several customers were contacted in December 2008 to evaluate and test EDI invoice messages as part of that

testing. Schenker and BAX will begin providing test messages to those customers in February 2009 as a result of end-to-end system testing that is occurring in January. For more information or if you would like to participate in this testing, please contact your Schenker / BAX account manager or the EDI Help Desk at EDIHelp@baxglobal.com.

Q: *What if I use a web service for shipment tracking or rate quotes?*

A: In preparation for our US Integration with Schenker, Inc. planned for March 1, we have setup Web Services to use our new domain (<https://secure.dbschenkerusa.com>). Our existing Web Services will be running in parallel with our new service to provide you with time to test the new URL and switch over your service before March 1. The existing and new URLs are shown below. For our existing web service users, please begin your testing and migration to our new URL as soon as possible to ensure a smooth transition.

Shipment Tracking

Existing URL - <http://www.baxglobal.com/XmlTracking/XmlTracking.aspx>

New URL - <http://www.dbschenkerusa.com/XmlTracking/XmlTracking.aspx>

Existing URL - <https://secure.baxglobal.com/XmlTracking/XmlTracking.aspx>

New URL - <https://secure.dbschenkerusa.com/XmlTracking/XmlTracking.aspx>

Pickup Request

Existing URL

<https://secure.baxglobal.com/XmlPickupRequest/WebService/MyXmlPur.aspx>

New URL -

<https://secure.dbschenkerusa.com/XmlPickupRequest/WebService/MyXmlPur.aspx>

Schema changes

1. <xs:element name="MyBaxPickupRequest"> is now
<xs:element name="PickupRequests">
2. Some of the values allowed in <xs:simpleType name="ServiceLevelType"> have changed.

Rate Quote

Existing URL -

<https://secure.baxglobal.com/XMLRateQuote/webservice/XMLRateQuote.asmx>

New URL -

<https://secure.dbschenkerusa.com/XMLRateQuote/WebService/XMLRateQuote.aspx>

Schema changes

1. Request schema file name changed from BaxRateQuoteRequest.xsd to RateQuoteRequest.xsd.
2. Response schema file name changed from BaxRateQuoteResponse.xsd to RateQuoteResponse.xsd .
3. <xs:element name="BAXRateQuoteRequest"> is now
<xs:element name="BAXRateQuoteResponse">
4. <xs:element name="BAXRateQuoteRequest"> is now
<xs:element name="RateQuoteResponse">
5. Some of the values allowed in <xs:element name="InternationalServiceLevel"> and <xs:simpleType name="ServiceLevelType"> have changed.

Q. Will my account number stay the same?

- A. There will be no change for existing Schenker customers. For BAX customers, the 'Bill to' account numbers will change to a new 6-digit SAP version. The Shipping account number will remain as the 9-digit number issued by BAX. Both the Shipping Account Number and the newly issued 'Bill to' can be used for shipment tracking or questions to customer service about your shipment.

Note to sales: A customer's SAP account numbers is available in CCSM. To find the US SAP & NAD numbers, enter the customer's Argus account number in the CCSM screen. Place your cursor on the account number in the CUST NBR field, and press F11. The ProCarS / SAP Account Numbers and Misc screen will list the US SAP number, US NAD (Name and Address, ProCarS account number), Credit information, and other details (see screenshot below).

If the account number is a billing account, the SAP NBR and the NAD NBR will be the same. If it is a non-billing account number that has been linked with a ProCarS number, the SAP NBR will be 999999 or blank, and the NAD NBR will be listed. If the NAD NBR is blank, then the account has either not been loaded yet or it is not linked to an existing account. All numbers should be available after February 23, 2009.

Q. *How will I know what my new account number is?*

A. A flyer indicating the nature of the changes on the new invoice will highlight that the Shipping Account Number and the Billing Account Number will now be different values. This flyer will accompany all invoices for a period of 30 days. Your sales executive can also provide this information and flyer to you.

Q. *Will I still use my BAX account number to ship?*

A: Yes; you will continue to reference this account number when creating a waybill. This number is generally tied to your shipping location and your agreed upon shipping rates/tariff. This number will be referenced on your invoice in addition to your new billing account number.

Q. *Can I use either my new billing number or my old BAX account number for USA domestic tracking/rate quote?*

A: The SAP number and Argus account numbers will be linked, so there should be no problem using either number for tracking and rate quotes.

Q: *Will the North America Domestic products change?*

A: We will offer the same suite of time-definite and guaranteed products; no product or service changes will occur. We're just updating the names to reflect the new company brand name. Our main domestic products include:

— Guaranteed Products

- DB SCHENKER ***guaranteed first arrival***
- DB SCHENKER ***guaranteed overnight***
- DB SCHENKER ***guaranteed second day***
- DB SCHENKER ***guaranteed saver*** (formerly BAXSaver)

— Standard Products

- DB SCHENKER ***standard overnight***
- DB SCHENKER ***standard second day***
- DB SCHENKER ***standard economy***

— Specialty Products

- DB SCHENKER ***white glove*** (formerly BAXConnex)
- DB SCHENKER ***constant surveillance***
- DB SCHENKER ***next flight available***

Q: *What about the international products?*

A: The good news here is that you'll have a much broader range of international options, both from an USA export/import offering and globally. Now our USA-based customers who do business in Europe have access to the continent's largest rail freight operator. DB Schenker is also the largest provider of European ground transport. Here in the USA, customers can benefit from DB Schenker's position as number 2 in global airfreight with a complete package of time-definite and guaranteed air products. To name a few of the most commonly used products:

— DB SCHENKER *jetcargo*

- *first*
- *business*
- *economy*
- *special*

— DB SCHENKER *jetexpress*

However, export customers of BAX will continue to use the BAX international products (express, standard and deferred) for which they have an established tariff until the export systems' integration is completed in May.

Q: *I understand that there are many more ocean freight options now.*

A: DB Schenker is a leader in ocean freight forwarding, ranking number 3 in the world in terms of usage of the ocean carriers' cargo space. There are several ocean products including LCL, FCL, Project Cargo and sea-air multi-modal options. We only use the best ocean carriers that offer frequent sailing schedules and are known for quality service. Your sales executive can provide a complete range of ocean forwarding options to you.

Q: *What about the company website?*

A: There's a new combined company website that offers the information about the combined company, its products, and tools you were used to having. The new url is www.dbschenkerusa.com.

Q: *What about MyBAX?*

A: You'll have the same applications available and you'll still use the same login and password. We've renamed the extranet **My eSchenkerUSA**. We've freshened up the look of the tools, but everything else will be very familiar.