

September 7, 2017

Dear Southwest Airlines Cargo Customer,

Over the past 20 years our passenger load factor has steadily climbed from 63.7% in 1997 to a second quarter record of 85.6% in 2017. While this is a good thing for Southwest Airlines, it does put a strain on our entire operation. Additionally, more passengers mean more bags, and with our *Bags Fly Free* policy and our narrow body fleet of Boeing 737s, it limits the capacity that we have available for air cargo.

This issue has been exacerbated by the changing profile of the average shipment which often includes smaller items being shipped in larger boxes.

With this in mind, effective October 1, 2017, Southwest Airlines Cargo will be changing our current dim factor to 166 in alignment with the traditional international standard. This will not affect all Customers, but it may have an impact on those that ship lighter shipments depending upon how they are packaged. To the degree possible, we encourage Customers to utilize packaging solutions that will limit exposure to dimensional weight pricing.

Our goal at Southwest Airlines Cargo has been and always will be to provide the most reliable air cargo service to our valued Customers in the markets that we serve. By adjusting our dim factor, we hope to encourage the most efficient use of the limited belly space we have available to the benefit of our Customers and Southwest Airlines.

If you have any questions or concerns related to this change, please contact your Area Sales Manager or our Cargo Customer Care Center at 1-800-533-1222. We thank you for your understanding, and we sincerely thank you for your business.

Best regards,

Southwest Airlines Cargo