

March 2012

**Subject: Rate structure review**

**Objective: Expanding your reach despite the cost increase**

Starting  
April 1<sup>st</sup>,  
**Long distance**  
rates are **\$27.95**  
per day  
every day!

Dear Member:

It is well known that “necessity is the mother of invention”. Our necessity was to find a way to improve our bottom line, but still keep prices reasonable and attractive.

We undertook this challenging task and are now pleased to report that we have reached our objective.

Since 2006, expenses related to gas, maintenance and vehicle depreciation, just to mention the main ones, have skyrocketed by 44%. Since 2010 alone, they’ve jumped by another 29% when we replaced the Echo, which comprised the bulk of our fleet, with the Yaris, which is more expensive to maintain. On top of that, vehicle acquisition costs have also been climbing since 2008, when more features, such as air-conditioning, became standard.

Faced with this situation, we realized we could no longer simply adjust our rates to inflation without reflecting on ways to mitigate the negative effects of these increases. This reflection led us to adopt a new rate strategy, which will allow us to increase our revenues on short trips and bolster our competitive position—much weakened over the last few years—on longer trips. What do these changes mean on a practical level?(non-exhaustive list)

- The rate per kilometre increases slightly (+2¢) for the base fare on the first 50 km for all our packages and then decreases at the 51<sup>st</sup> km (except for package A).
- The hourly rate increases a bit for packages A, B and C, but the daily rate is reduced and capped at 10 hours instead of 11.
- The *Long distance* rate rises to 15¢ per kilometre for the first 300 km (currently at 13.8¢, taking the “gas price surcharge” into account), and drops to 12¢ per kilometre thereafter.

Given that nearly 80% of local trips are at or under 50 kilometres, these changes shouldn’t affect your wallet too much. What’s more, the volume will help us offset the rate decrease in effect at the 51<sup>st</sup> km instead of at the 101<sup>st</sup> km - as it had been the case previously. The same reasoning applies for the *Long distance* rates (i.e. starting at the 301<sup>st</sup> km), whereby:

- the daily rate is reduced to \$27.95 per day (seven days a week).

Overall, the revamped rate structure involves a slight price increase for trips of 50 km or less and a slight price decrease for most trips over 50 km.

An adjustment was also made to the conditions of packages A and B so that members will be able to

- automatically take advantage of the *Le Lièvre* package, should it be more cost-effective, as well as get \$1 off the hourly rate (= *Le Lièvre Super*).

With this new pricing flexibility, members of packages A and B will be able to save a few dollars for when they have to make a quick, but longer, round-trip. For instance, a package B member who does a 60km trip in one hour on a Friday will henceforth pay \$12.95 (15¢/km X 60 km + \$3.95/h) instead of \$20.78 (32¢/km X 50 km + 23¢/km X 10 km + \$2.48/h).

Even so, despite these changes, Communauto’s rates remain, by far, the lowest of all carsharing companies in North America. Go to [www.communauto.com/amerique/en/](http://www.communauto.com/amerique/en/) and compare the different plans. Rest assured that we will continue to double our efforts, in 2012, to offer you the best, in order to compete, as effectively as possible, with car ownership.

Please see the reverse side for all the details regarding our rate structure review. Comments or questions? Feel free to write us and let us know what you think.

The Management

( *New rate schedule at the back* ✎ )



# Rate Schedule 2012



Communauto reserves the right to modify its rates at any time with a notice.  
Please note: the applicable rate is determined by the starting date of the reservation.

## OUR BASIC RATES

GAS AND INSURANCE INCLUDED

	A	B	C	Le Lièvre
Refundable membership fee	\$ 500	\$ 500	\$ 500	\$ 0
Annual dues	\$ 360	\$ 145	\$ 39 <sup>1</sup>	\$ 39 <sup>1</sup>
Price per kilometre > 50 km	¢ 23	¢ 32 ¢ 23	¢ 39 ¢ 30	¢ 15
Price per hour Monday to Wednesday Thursday to Sunday	\$ 1.87/hr. - \$ 18.70/day \$ 2.48/hr. - \$ 24.80/day			\$ 4.95/hr. <sup>2</sup> \$ 49.50/day
Access to the <i>Workweek rate</i> 10h for \$16.80, 40km included, 42¢/additional km	yes	no	no	no

New rates effective  
May 1<sup>st</sup>

<sup>1</sup> \$0.00 (zero dollars) if you have a dual subscription with a public transportation company that includes package C or the *Le Lièvre* package. The cost of the other packages remains the same.

<sup>2</sup> These rates apply Monday to Friday. Saturday and Sunday: \$5.95/hour or \$59.50/day.

Please note that the 15% supplement on the cost of the Matrix no longer applies.



### Package A or B subscription?

Automatically get the best price between the rate of your package and the *Le Lièvre Super* package (\$1 off the regular hourly rate of *Le Lièvre*).

## OUR LONG DISTANCE RATES

Offered to A, B and C packages

GAS AND INSURANCE INCLUDED

	time <sup>+</sup>	km 0-300 km	km > 300 km
LOW SEASON			
Per day 1 day = 24 h <sup>1</sup>	\$ 27.95		
Per week 7 days <sup>1</sup>	\$ 195.65		
		¢ 15/km	¢ 12/km
HIGH SEASON <sup>2</sup>			
Per day 1 day = 24 h <sup>1</sup>	\$ 33.95		
Per week 7 days <sup>1</sup>	\$ 237.65		

New rates effective  
April 1<sup>st</sup>

<sup>1</sup> A \$10/hour charge is applied for each additional hour, the maximum being the cost of an extra day.

<sup>2</sup> High season: from June 15<sup>th</sup> to September 15<sup>th</sup> inclusively.

A « gas price supplement » can be applied according to the fluctuations of the oil market.

## LOWERING THE DEDUCTIBLE

OPTIONAL

	individual membership annual fixed cost	family membership annual fixed cost to add per joint-member <sup>1</sup>
\$ 0 per accident	\$ 46.50 /year	+ \$ 46.50 /year <sup>1</sup>
\$ 250 per accident	\$ 31.50 /year	+ \$ 31.50 /year <sup>1</sup>
\$ 500 per accident	\$ - /year	\$ - /year

<sup>1</sup> This option is not available to "children" less than 21 years old who subscribe to a family membership account.

No deductible is charged in the case of a not-at-fault accident.

Starting May 1st these new rates will apply to the option of lowering your deductible as well as for renewals.