



*Together we go places*

25/05/2018

Dear customer,

We would like to keep you updated you on the previous communication regarding the **Emergency Bunker Surcharge (EBS)** with revised data.

A mentioned, the increase in bunker price in 2018 has been significantly higher than what had been expected and has now reached a level of 440 USD/ton in Europe, the highest since 2014. The increase is more than 20% compared to the beginning of 2018 and this unexpected development means that it is no longer possible for us to recover bunker costs through the standard bunker adjustment factors.

Due to the nature of this situation, Safmarine is introducing an **Emergency Bunker Surcharge (EBS)** as a necessary action to ensure a continued sustainable service to our customers.

EBS will be applicable to **all cargo on all trades** – except for export shipments from China<sup>1</sup>. The surcharge will be effective **1<sup>st</sup> June 2018** for non-regulated corridors and **1<sup>st</sup> July 2018** for regulated corridors.<sup>2</sup>

The surcharge tariffs are as follows:

Currency	DRY + Special Equipment			REEF		
	20'	40'	45'	20'	40'	45'
USD	60	120	120	90	180	180
EUR	50	100	100	75	150	150
GBP	45	90	90	65	130	130

Tariff adjustment mechanism:

The EBS tariff communicated above is based on a bunker price of USD 440 (IFO380 in Rotterdam). EBS tariff is subject to change as per below trigger events:

- Should the bunker price (IFO380 in Rotterdam) increase to a level of USD 530, EBS tariffs will be multiplied by a factor of 2.0.
- Should the bunker price (IFO380 in Rotterdam) decrease to a level of USD 370, EBS tariffs will be zero.

For your reference, we have also included the levels and the rate structure for some sample corridors to/from Europe valid from today until further notice. These charges may be changed in the future and we will notify you accordingly.

<sup>1</sup> Export shipments from Mainland China is excluded from EBS, whereas EBS will apply in Hong Kong and Taiwan.

<sup>2</sup> Regulated corridors include imports/exports from: US, Puerto Rico, American Samoa, Colombia and Taiwan.

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Origin	Destination	OF								OHC							
		20 DRY	40 DRY	40 HC	45 HC	20 REEF	40 HREEF	20 Special	40 Special	20 DRY	40 DRY	40 HC	45 HC	20 REEF	40 HREEF	20 Special	40 Special
Mersin	Shanghai	600 USD	800 USD	800 USD	1300 USD	1360 USD	1700 USD	600 USD	800 USD	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive
Jebel Ali	Rotterdam	750 USD	900 USD	900 USD	1200 USD	1150 USD	1750 USD	750 USD	900 USD	1050 AED	1470 AED	1470 AED	1470 AED	1050 AED	1470 AED	1050 AED	1470 AED
Origin	Destination	DHC								SBF							
		20 DRY	40 DRY	40 HC	45 HC	20 REEF	40 HREEF	20 Special	40 Special	20 DRY	40 DRY	40 HC	45 HC	20 REEF	40 HREEF	20 Special	40 Special
Mersin	Shanghai	625 CNY	980 CNY	980 CNY	1380 CNY	785 CNY	1185 CNY	785 CNY	1185 CNY	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive
Jebel Ali	Rotterdam	210 EUR	210 EUR	210 EUR	210 EUR	300 EUR	300 EUR	210 EUR	210 EUR	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive
Origin	Destination	ERS								LSS							
		20 DRY	40 DRY	40 HC	45 HC	20 REEF	40 HREEF	20 Special	40 Special	20 DRY	40 DRY	40 HC	45 HC	20 REEF	40 HREEF	20 Special	40 Special
Mersin	Shanghai	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	20 USD	40 USD	40 USD	40 USD	20 USD	40 USD	20 USD	40 USD
Jebel Ali	Rotterdam	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive	Inclusive
Origin	Destination	PSS															
		20 DRY	40 DRY	40 HC	45 HC	20 REEF	40 HREEF	20 Special	40 Special								
Mersin	Shanghai	0 USD	0 USD	0 USD	0 USD	0 USD	0 USD	0 USD	0 USD								
Jebel Ali	Rotterdam	0 USD	0 USD	0 USD	0 USD	0 USD	0 USD	0 USD	0 USD								

- \* The above rates are also subject to other applicable surcharges, including local charges and contingency charges.
- \* The above surcharge acronyms mean: OF (Ocean Freight), OHC (Origin Terminal Handling Charge), DHC (Destination Terminal Handling Charge), ERS (Emergency Risk Surcharge), SBF (Standard Bunker Adjustment Factor), LSS (Low Sulphur Surcharge) and PSS (Peak Season Surcharge).
- \* These rates are unaffected by, and do not affect, any tariff notified, published or filed in accordance with local regulatory requirements.
- \* For trades subject to the US Shipping Act or the China Maritime Regulations, quotations or surcharges that vary from the Safmarine tariff shall not be binding on Safmarine unless included in a service contract or service contract amendment that has been filed with the Federal Maritime Commission (FMC) or the Shanghai Shipping Exchange, as applicable.

We assure you we will follow the market trends closely and adjust the tariffs as soon as the bunker price makes that possible.

If you have any questions, please feel free to reach out to your local Safmarine agent. Our contact details are available on [safmarine.com](http://safmarine.com).

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Sincerely,

Safmarine Greater China