

Ocean Network Express – Customer Advisory

Response to Exceptional Surge in Bunker Fuel Costs

Dear Valued ONE Customer,

ONE has encountered progressive and significant inflation of fuel costs over recent months. Bunker fuel prices have increased by more than 25% during 2018 and could escalate still further. This sustained surge in fuel costs has greatly impacted our cost base. The escalating cost situation has now reached the point at which ONE are forced to respond by adjusting our approach to bunker related pricing components.

In order to adjust to these changed circumstances, ONE will implement a Bunker cost Recovery Surcharge (BRS) charge on a widespread basis.

Where applicable (i.e. except for export cargo from Mainland China), BRS will be implemented as per below table. The BRS quantum will vary by Trade Lane and will be derived via a logical & equitable calculation mechanism.

In the meantime, The BRS will not be applied if a customer has a mutually agreed floating BAF mechanism in place as a part of their contract construction.

ONE continues to explore all avenues to mitigate fuel consumption and costs for the benefit of the environment and supply chain costs of our valued customers.

Additional to note:

Please visit our website for related Basic Ocean Freight rates, Low Sulphur Surcharge (LSF), THC (origin or destination), Peak Season surcharges and Security related surcharges which are accessible at:

<https://eua.one-line.com/standard-page/eua-local-surcharges>

<https://eua.one-line.com/standard-page/europe-fak-ocean-tariff>

https://ecommm.one-line.com/ecom/CUP_HOM_3116.do

Other charges such as local charges and contingency charges may apply.

Further information relating to the implementation of this charge, and the appropriately revised pricing for your post-BRS implementation shipments, will be available via our ONE sales contact.

Thank you for your ongoing support and understanding of the exceptional circumstances behind this BRS charge implementation.

BRS (Except export from Mainland China)				
Trade	Trade Lane (Direction)	DRY (US\$/TEU)	Reefer (US\$/TEU)	Effective date
Trans Pacific	Asia - USWC (EB/WB)	\$50	\$90	15 July 2018
	Asia - USEC (EB/WB)	\$50	\$90	15 July 2018
Trans Atlantic	USEC - North Europe (WB/EB)	\$50	\$80	6 July 2018
	USEC - Mediterranean (WB/EB)	\$50	\$80	6 July 2018
	USWC - Europe (WB/EB)	\$50	\$80	6 July 2018
Europe	Asia - Europe (WB/EB)	\$50	\$110	1 July 2018
	Oceania - Europe (WB/EB)	\$50	\$110	1 July 2018
	Asia - Mediterranean (WB/EB)	\$50	\$110	1 July 2018
	Intra - Europe (WB/EB)	\$50	\$110	1 July 2018
	Intra - Mediterranean (WB/EB)	\$50	\$110	1 July 2018
Latin America	Asia - Latin EC (SB/NB)	\$60	\$90	1 July 2018
	Asia - Latin WC (SB/NB)	\$60	\$90	1 July 2018
	Intra Latin West & Latin West - North America (SB/NB)	\$60	\$90	1 July 2018
	Intra Latin East & Latin East - North America (SB/NB)	\$60	\$90	1 July 2018
East Asia	Intra Asia (SB/NB)	\$20	\$30	1 July 2018
West Asia	Asia -Gulf (WB/EB)	\$40	\$60	1 July 2018
	Asia - ISC (WB/EB)	\$40	\$60	1 July 2018
	Asia Red Sea (WB/EB)	\$40	\$60	1 July 2018
Oceania	Asia - Australia (SB/NB)	\$60	\$90	1 July 2018
	Asia - New Zealand (SB/NB)	\$60	\$90	1 July 2018
Europe/Africa	Europe - South Africa (NB/SB)	\$42	\$58	1 July 2018
	Europe - East/West Africa and Intra Africa (NB/SB)	\$37	\$50	1 July 2018
US/Africa	South Africa - USEC (WB/EB)	\$60	\$90	6 July 2018
	South Africa - USWC (WB/EB)	\$60	\$90	6 July 2018
	West Africa - USWC (WB/EB)	\$60	\$90	6 July 2018
	West Africa - USEC (via Mediterranean) (WB/EB)	\$60	\$90	6 July 2018
	West Africa - USEC (via North Europe) (WB/EB)	\$60	\$90	6 July 2018
Africa	Asia - Africa (WB/EB)	\$60	\$90	1 July 2018

The BRS is valid until further notice.

Sincerely,
Ocean Network Express Pte. Ltd.