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Dear Customer

## RE: IMO 2020 Low Sulphur Fuel Regulation

In strict accordance with the above regulation, AAL has migrated its entire fleet to the use of fuel with a sulphur content of 0.5% or less. This fuel comprises variants such as Low Sulphur Fuel Oil (LSFO), Ultra Low Sulphur Fuel Oil (ULSFO) and Low Sulphur Marine Gasoil (LS-MGO) - all currently more expensive than standard marine fuel. In this respect, adoption of same has had profound implications on the economics of our daily operations.

As a result of our increased bunkering costs, associated with the migration to low sulphur fuel, the BAF surcharge for breakbulk cargo booked on AUWC & AUWC liner sailings from 01<sup>st</sup> Jan 2020 will be raised by USD 6.00 per RT (new total BAF USD 16.00 per RT).

There will also be an increase in Container BAF Prices with 20` BAF increasing to USD 480 per unit and 40`/48` increasing to USD 960 per unit.

The above will come into effect on AAL's Liner Services as of the following Sailings:

<b>Vessel</b>	<b>Voyage</b>
AAL Shanghai or sub	01ES20
AAL Bangkok or sub	01WS20

In the meantime, we thank you for your continued support and for joining AAL in helping to deliver a new era of sustainable shipping for our industry and the global community.

Please do not hesitate to contact us, with any queries related to this matter.

Yours faithfully

The AAL Management Team  
Brisbane, 18<sup>th</sup> December 2019