



Wednesday September 26th 2018

To Our Valued Customers,

BUNKER ADJUSTMENT FACTOR

During the last two years, the costs of fuel has increased by no less than 92% and is continuing to rise, currently exceeding US\$500.00 per metric ton (versus US\$255.00 per metric ton in September 2016).

Regretfully, it is no longer possible for Armacup to absorb these increases and has left us with no other option than to implement a Bunker Adjustment Factor (BAF).

The following BAF will be applied effective first sailing in November (Carrera v1821):

From Japan to:	Australia, Fiji, New Caledonia	New Zealand
Used Vehicles <23cbm	US\$ 35.00 / unit	NZ\$ 55.00 / unit
Used Vehicles >23 cbm & Machinery	US\$ 3.50 / cbm	NZ\$ 5.00 / cbm

The Bunker Adjustment Factor will be reviewed again in January 2019 and adjusted if required.

Unlike the majority of shipping lines and transport companies, Armacup does not have an history of implementing Bunker Adjustment Factors. We are committed to providing lowest possible shipping costs and this is only the third recovery we are implementing in the entire history of Armacup. However, in a very volatile global economic and bunker market, we are seeking your understanding and support in maintaining a sustainable shipping service.

Yours Sincerely,

Armacup