

# SEKO SYNERGY

## Business Update



24th September 2008

Dear Customer,

With effect from October 17th 2008, liner shipping conferences serving Europe will cease to exist. As a result of this change and the deregulation of how freight and UK ancillary charges are applied, container shipping lines will create their own tariffs for the Bunker Adjustment Factor (BAF) and Currency Adjustment Factor (CAF) and freight rates as well as other charges such as fuel surcharge and terminal handling.

Seko Synergy has been monitoring this situation closely in order to advise its customers on the impact of these changes but in respect of BAF and CAF, we are still awaiting each lines' official confirmation of their new charges. We will keep you advised on the lines' new pricing structures as soon as possible.

In the case of UK Terminal Handling Charges (UK THC), shipping lines have kept to the same charging mechanism for over 20 years of GBP 69.00 per container regardless of container size. With the increasing associated costs, the lines have been forced to review this figure and while each line may charge a slightly different figure, it appears most lines will be increasing their costs to between £ 105.00 to £ 110.00 per container effective from 1st October 2008. Seko Synergy will pass on these and any other additional charges at cost.

The lines we work with are intent on simplifying this change as much as possible with, for example, a reduced number of charges and, where possible, the creation of common charges on all trades to and from Europe. We have asked the lines to provide us with the calculation and determination of their tariffs and charges.

Once the lines have provided all of the information we have requested, we will provide you with a further update on the new tariffs and charges.

If you have any further questions, please speak to your Seko Synergy sales representative, who will be happy to answer your questions.

Yours faithfully,

**KEITH O'BRIEN**  
Managing Director

