



14 March 2011

IMPORTANT CIRCULAR TO OUR VALUED CUSTOMERS

CURRENCY AND BUNKER ADJUSTMENT FACTOR (“CABAF”) SURCHARGES

We wish to advise all customers of adjustments to our current CABAF's for all services from New Zealand, reflecting recent movements in the USD/NZD exchange rate, and in the price of ships' bunker fuels.

Our current CAF is 18.6% on sea freight. Since our last CAF review, the NZD has strengthened by 22%, justifying a reduction in CAF by 4.09%.

Our current BAF is plus 47.8% on sea freight. Since our last BAF review, the cost of ship's bunkers has risen by 16.5%, justifying a corresponding increase in BAF.

If we took a purely mathematical approach to these fluctuations, the net change to our CABAF would be plus 12.41%. We are, however, mindful of the present economic climate and difficult trading conditions faced by many of our customers. We will, therefore, only be imposing a lesser total adjustment of plus 10% across both CAF and BAF combined.

We regret the necessity even for this increase, but trust that our customers will recognize that these are unavoidable costs of our continuing to provide our current shipping routes and levels of service. The resultant new CABAF of 59.9% will take effect as follows:

Southern Lily V270 loading AKL: 07 April 2011

Should you have any questions, please contact your nearest (Reef) agent.

In the meantime, we thank you for your ongoing support

**EWEN GRANT
TRADE MANAGER**

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