

New MARPOL regulation in place from 1st of July 2010

4.6.2010

Dear Customer,

On the 1st of July 2010 new Marpol regulations will come into force. The bunker burnt by the vessels trading in the Baltic/North Sea SECA's (Sulphur Emission Control Areas) will have to contain 1% sulphur vs present level of 1.5%

This change has affected the lines' and vessels' operators already in June: the 1.5% bunker has to be burnt out totally by the 1st of July 2010, therefore the bunker purchased for vessels in June is already "1% sulphur".

Due to this change we have started to track prices of 1% fuel already in June. Respectively the next BAF announcement on the 1st of July 2010 will be based on the average June price for 1% fuel.

Retrospective statistics of the prices quotations of 1.5% and 1% bunker revealed the difference of USD 11-15 per mt. This gap can wide or narrow in the future. It's difficult to predict how the prices will behave in view of increased demand. The latest price statistics is available on www.bunkerworld.com.

Let's look positive on this change and consider it as our mutual contribution to protection of environment.

Pls don't hesitate to contact us if additional info is required.

Best regards

Tschudi Lines Baltic Sea AS

Tschudi Lines North Sea AS