Crowley Liner	Date Filed:	Date Effective:	Rule 18	Revision:	8
Org 025816	5/10/2019	6/10/2019	Vessel Fuel Surcharge	Publishing Code:	Α
Tariff 001					

Vessel Fuel Charges

Except as otherwise provided, all rates herein are subject to a Vessel Fuel Charge (VFS) or Vessel Fuel Index Charge (VFI). This charge is applicable on all cargo Northbound and Southbound.

- For all Open Tariff rates filed prior to April 1st 2019 and for all contracts effective prior to April 1st 2019, the Vessel Fuel Surcharge (VFS) will apply as outlined below.
- Effective April 1, 2019, Crowley will implement a new Vessel Fuel Index (VFI) to comply with these regulations. All new Contract and Tariff rates effective April 1, 2019 will utilize this new Vessel Fuel Index (VFI). Existing Contracts will be converted to the new VFI throughout the course of the year.

<u>Vessel Fuel Surcharge – VFS Charge (prior to 4/1/19)</u>

All shipments U.S. to/from Honduras, Guatemala, Nicaragua, El Salvador, Costa Rica, Panama and Dominican Republic

20' DC	\$366
20' RE	\$473
40' DC	\$732
40' NOR	\$732
40' RE	\$847
45' DC	\$836
45' RE	\$936
NIT	\$732

All shipments U.S. to/from Haiti

20' DC	\$278
20' RE	\$386
40' DC	\$556
40' NOR	\$556
40' RE	\$671
45' DC	\$637
45' RE	\$737

NIT	\$556
VEHICLE	\$31

All shipments U.S. to/from Caribbean

Islands (except ABC and Cayman Islands)

20' DC	\$391
20' RE	\$499
40' DC	\$782
40' RE	\$897
45' DC	\$894
NIT	\$782
VEHICLE	\$210

All shipments U.S. to/from Cayman Islands

20' DC	\$260
20' RE	\$268
40' DC	\$520
40' RE	\$535
45' DC	\$585
VEHICLE	\$76

All shipments U.S. to/from ABC Islands

20' DC	\$121
20' RE	\$129
40' DC	\$242
40' RE	\$257
45' DC	\$269

All shipments Puerto Rico to/from Caribbean and

Latin America (except Dominican Republic)

20' DC	\$373
20' RE	\$481
40' DC	\$746
40' RE	\$861
45' DC	\$853
VEHICLE	\$210

All shipments Puerto Rico to/from Dominican Republic

\$188
\$196
\$376
\$391
\$407

All Interport shipments (from non-U.S./non-PR locations to/from non-U.S./non-PR locations)

\$188
\$196
\$376
\$391
\$407
\$407
\$722
\$36

Vessel Fuel Index – VFI Charge (Effective 4/1/19)

On January 1, 2020 the International Maritime Organization (IMO) is implementing new regulations which further reduce sulfur content in fuel from 3.5% to 0.5% aboard vessels operating outside of designated Emission Control Areas (ECAs). Within the North American, Puerto Rico & USVI Emission Control Areas (ECAs), sulfur content will remain at 0.1% as was previous established on January 1, 2015. Additional information regarding these regulations can be found on the IMO website.

In compliance with these new regulations, Crowley will convert to using the new 0.5% low sulfur fuel in the applicable international theaters as required. These regulatory fuel requirements are expected to result in substantially higher fuel costs.

Effective April 1, 2019, Crowley will implement a new Vessel Fuel Index (VFI) to comply with these regulations. All new Contract and Tariff rates effective April 1, 2019 will utilize this new Vessel Fuel Index (VFI). Existing Contracts will be converted to the new VFI throughout the course of the year. (Again, this index WILL NOT apply on shipments between the U.S. and Puerto Rico, where a separate Puerto Rico Vessel Fuel Index is currently in effect).

To begin, Crowley will use <u>Bunkerworld.com</u> to monitor the average monthly price per metric ton of the current 3.5% sulfur IFO 380 fuel burned in these international trades today, and subsequently, the price of the 0.5% low sulfur fuel. Those averages will then be used in conjunction with the table below, to determine adjustments in fuel charges. Any adjustments, if necessary, will be made with at least 30 days' notice and be effective on the 1st day of the following month.

We anticipate the additional cost of purchasing 0.5% low sulfur fuel will need to be realized ahead of the January 2020 implementation date so to have the correct fuels onboard vessels to be in compliance with the January 1 regulations. Therefore, later this year, we will apply the cost of 0.5% low sulfur fuel utilizing the same Vessel Fuel Index (VFI) below to determine any changes.

Index table can be found here:

http://www.crowley.com/crowley-vessel-fuel-index/

All tariff and contract rates will be subject to a Vessel Fuel Index (VFI) charge as outlined below:

- All shipments between U.S. and Latin America.
- All shipments between U.S. and Caribbean Islands.
- All shipments between Puerto Rico/USVI and Caribbean Islands.
- All shipments between Puerto Rico/USVI and Latin America.
- All shipments between non-U.S., non-Puerto Rico and non-USVI locations (Foreign-Foreign/Interport).

20' DC	\$225
20' RE	\$293
40' DC	\$450
40' NOR	\$450
40' RE	\$585
45' DC	\$506
45' RE	\$658
<mark>53'</mark>	<mark>\$596</mark>
NIT	\$450
VEHICLE	\$51

Due to International Maritime Organization's rule to reduce sulfur content in fuels from 3.5% to 0.5% beginning in January, 2020, Crowley reserves the right to adjust fuel as necessary in accordance with any related fuel cost increases by complying with the IMO 2020 regulation.