

December 8<sup>th</sup>, 2020

**RE: Transpacific East-Bound BAF to USA/Canada for Q1 2021**

Dear Valued Customer,

We would like to advise the changes in the Bunker Adjustment Factor (BAF) levels for the 1<sup>st</sup> quarter of 2021 (Q1) that will be applied on our existing quotations and will come into effect on **January 1<sup>st</sup>, 2021** as listed below.

**Scope: Asia, including India Subcontinent to all destinations in Canada and USA**

To / Via <b>West Coast</b> Ports of Discharge	
Container Size	Difference from Q4 to <b>Q1</b>
20' standard container	Increase by + USD \$ 27
40' standard container (40' x 8'6")	Increase by + USD \$ 30
40' high cube container (40' x 9'6")	Increase by + USD \$ 34
45' container	Increase by + USD \$ 38

To / Via <b>East Coast</b> Ports of Discharge	
Container Size	Difference from Q4 to <b>Q1</b>
20' standard container	Increase by + USD \$ 47
40' standard container (40' x 8'6")	Increase by + USD \$ 53
40' high cube container (40' x 9'6")	Increase by + USD \$ 59
45' container	Increase by + USD \$ 66

IMO2020\*: Note that the BAF levels already include the costs resulted from the use of the Low Sulphur Fuel (VLSFO) as per new regulations from the International Maritime Organization (IMO)\*

Please do not hesitate to reach out to your local DB Schenker office if you have any question or need any further information.

Best Regards,

DB Schenker

**\*IMO2020 Low Sulphur Fuel Regulation**

The International Maritime Organization (IMO) has introduced new regulations to reduce marine pollution caused by the shipping industry. Since January 1<sup>st</sup> 2020, all vessels are required to use fuel with maximum 0.5% sulphur content\*.

(\* Maximum Sulphur content remains at 0.1% on Emission Controlled Areas established previously)