

1. International Group General Excess of Loss Reinsurance Contract Renewal 2012/2013

The International Group RI rates (per GT) including Hydra premium, Collective Overspill Cover and excess war risk P & I for the year commencing 20 February 2012 are as follows:-

| Tonnage Category | 2012 rate per gt | % change from 2011 |
|-------------------|------------------|--------------------|
| DIRTY TANKERS | \$0.6515 | - 7.43 |
| CLEAN TANKERS | \$0.2798 | - 8.41 |
| DRY CARGO VESSELS | \$0.3561 | - 3.99 |
| PASSENGER VESSELS | \$1.3992 | - 5.33 |

For chartered tankers, reinsurance costs including \$0.0037 per GT for excess war risks will be \$0.1768, and for chartered dries \$0.0861 (both rates unchanged from 2011).

2. U.S. Oil Pollution Surcharge 2012

For 2012, rates have been reduced by 30%.

This results in the following voyage surcharges for 2012:

2012 OIL POLLUTION SURCHARGE US VOYAGES

| | Non SBT | SBT |
|---|----------------------|--|
| | 2012 | 2012 |
| (A) Tankers of more than 1000 gt LOOP/Lightening | \$0.0476 \$0.0238 | \$0.0396 per ton per voyage \$0.0198 per ton per voyage |
| (B) Tankers of 1000 gt or either less or | \$48 \$960 | \$40 per voyage \$800 per annum |
| (C) Parcel tankers carrying less than 5,000 metric tons of persistent oil as cargo | \$143 | \$119 per voyage |
| (D) Parcel tankers carrying 5,000 – 9,999 metric tons of persistent oil as cargo | \$357 | \$297 per voyage |