



6/18/2009

Implementing greater efficiency and environmental impact reduction through a new chassis management program

To Our Valued Customers,

We are pleased to announce that we will implement a new chassis sharing process in the New York / New Jersey region beginning in the third quarter 2009 which will lead to a number of benefits for our customers. The implementation of this new chassis sharing model is expected to provide greater efficiency in the use of chassis, improve overall cargo transport safety, and reduce the environmental footprint of container shipping overall.

The new business model entails making available our fleet of over 5,000 chassis to industry users conducting business in the NY/NJ region. Once implemented, chassis will be made available through the Maersk Equipment Services Company (MESOC) and they will provide leasing and pool management services through a new division, Direct ChassisLink.

Some additional notes:

- ◆ Customers outside the New York / New Jersey region will continue to utilize chassis as they do today
- ◆ Implementation of this new business model in other regions will be rolled out in 2010

In this model, "Truckers will be able to utilize the same chassis for multiple moves at different terminals, for different Lines, thereby driving out inefficiencies and providing supply chain benefits only truckers controlling the chassis can deliver. When fully implemented, it will improve air quality and reduce port area congestion," said Maersk Inc. Vice President Andy Chinigo, who is heading the initial phases of the project. "This model offers superior flexibility to its users and will provide greater efficiencies than achievable today."

The environmental benefits of this new venture are also significant. Truckers will spend less time in lines on marine terminals to pick up a chassis, have quicker turns, thus getting the added benefit of better serving the needs of customers for fast transit which will result in a decrease of emissions. "Drayage trucks using pooled chassis could save up to 0.8 gallons per trip, reducing nitrogen oxide and particulate matter emissions," said Lee Kindberg, Maersk's Environmental Director. "This approach is more sustainable for the environment. The US Environmental Protection Agency (EPA) DrayFLEET model estimates that if all drayage nationally switched to this model, the carbon footprint of drayage would be reduced by 50,000 to 70,000 tons per year, or the equivalent of saving over 5 million gallons of gasoline. This will directly benefit the communities in which we work and live."



The new chassis fleet business model will contribute to improved safety in the Marine Terminals. By removing large quantities of chassis stored in the terminals it will reduce congestion and contribute to better traffic flow. In addition to terminal efficiencies, the safety of the chassis themselves will be improved. "When a driver holds a chassis longer, there will be less wear and tear on the equipment compared to the current practices in which chassis are connected and disconnected from trucks constantly," said Bill Williams, Maersk Line Vice President of Health, Safety & Environment.

As with any change to business operations, we have carefully evaluated the impact and remain sensitive to changes that our customers may experience. It is our objective to improve service delivery for our customers, with specific emphasis on product reliability and simplicity. Attached to this advisory are a series of Frequently Asked Questions intended to answer some common questions about this new business model.

As always, thank you for your business, and we look forward to serving your transportation needs in the future.

On behalf of,

Maersk Line



Frequently Asked Questions

Q. Why is Maersk Line doing this?

A. Maersk Line seeks to implement solutions in container shipping that provide for efficiency, cost reduction and/or avoidance, added safety and improve the environmental footprint of our business. This change in our chassis management model is one way to achieve these goals. In addition, this model is used elsewhere to drive efficiency into container shipping and is supportive of U.S. environmental and infrastructure goals. Lastly, supply chain efficiencies and cost savings are possible that have not been achievable in any other model.

Q. Why is Maersk Line the only ocean carrier doing this right now?

A. We believe this model is the right model for the industry, the environment and infrastructure, and will benefit everyone involved in the supply chain.

Q. What are the benefits expected from this change?

A. US EPA's DrayFLEET model estimates that if all drayage nationally switched to this model, the Carbon footprint of drayage would be reduced by 50,000 to 70,000 tons of CO₂ per year. This is equivalent to carbon used by over a million tree seedlings (1,163,057) grown for 10 years, or the carbon sequestered annually by over 10,000 acres of pine or fir forests. Drayage emissions are directly related to fuel use. Efficiency reduces fuel use, and thereby reduces emissions.

Q. The Phase I roll-out is 3rd quarter 2009 in the NY/NJ Port Authority area. What about the rest of the country?

A. The rest of the country will continue to utilize Maersk chassis as they do today. Expansion of this model to other areas of the country will be rolled out in 2010.

Q. Who is Direct ChassisLink?

A. Direct ChassisLink is a division/new venture of MESC that expands their business model beyond just leasing and M&R to actual chassis pool management.

Q. Is there a fee for using the chassis?

A. Yes, Direct ChassisLink will bill draymen directly for use of the chassis on per calendar day basis. The fee for use of the chassis is estimated to be between \$8 and \$12 dollars per day. Further details regarding the fees will be forthcoming in subsequent communication.

Q. How many times can a chassis be used?

A. Draymen can use the same chassis as frequently as they want during that day and the charge is the same. If they use the chassis 5 times on one day they still only pay for that single day as long as the chassis is returned the same day it is originally taken out. If they return the chassis on a different day then it was first picked up they pay a charge for each day.



Q. How does this impact the Store Door customer?

A. Under carrier haulage arrangements Maersk Line is responsible for the door delivery. Truckers performing store door deliveries on behalf of Maersk Line will be billed for their use of the chassis from Direct ChassisLink. Truckers will then bill Maersk Line their costs separately.

Q. What is the impact on Port or CY bills of lading?

A. The draymen hired by the customer will have to provide their own chassis or obtain one from the chassis pool. The customer and their draymen will make their own decisions on the cost.

Q. What will happen to the Maersk Blue chassis?

A. Direct ChassisLink takes ownership of those chassis and will make them available for a daily usage fee.