

RICKMERS MARITIME

RICKMERS TRUST MANAGEMENT PTE. LTD.

Newsletter

16th Edition,
AUGUST 2012



Dear Investor,

Taking stock of the year so far, I am glad to note that while the global economic climate continues its uncertain path, our business has been performing well, with all sixteen container vessels fully employed. However, we remain vigilant and continue to monitor the key developments in the global market to evaluate how these may impact our business going forward.

In June, I participated in the fifth biennial Three Peaks Challenge, scaling three of the UK's highest mountains in support of the charity Sailors' Society. Our team raised a total of £35,000 which secured us the award for highest fundraising team. I would like to take this opportunity to thank all those who sponsored our team; your donations will go to a most worthy cause. While the weather conditions were challenging, the experience was greatly meaningful, and I invite you to read more about the challenge in this issue of our newsletter.

Also in this issue, we continue our series on the major container ports around the world. In the past we have highlighted some of the key container ports in Asia and the United States. In this issue we introduce you to the Port of Rotterdam. Port of Rotterdam is currently the busiest container port in Europe and, having been around since the 14th century, it makes for an interesting read.

On the back page we put the spotlight on the role and responsibilities of the perhaps lesser known, but no less crucial Second Officer, the next in our series featuring the crew members of the Rickmers fleet. Finally, our glossary in this edition offers definitions of more legal terms commonly used in shipping.

As always, we aim to bring you an interesting and enjoyable read, and I hope we have managed to do that. Should you have any feedback or suggestions, please feel free to let us know.

Thomas Preben Hansen

Chief Executive Officer
Rickmers Trust Management Pte. Ltd.

RICKMERS CARES!

Team of three from Rickmers conquers three of the UK's highest peaks in less than 24 hours and raises £35,000 for charity



*The Rickmers team setting off.
From left to right: Thomas, Ignace and Sean.*

On 18 June 2012, the Rickmers team – made up of Thomas Preben Hansen, CEO of Rickmers Trust Management, Ignace Van Meenen, CFO of Rickmers Group and Board Member of Rickmers Trust Management, and Sean Carney, President & CEO of Rickmers-Linie (America) Inc, took part in the fifth biennial Three Peaks Challenge, scaling three of the UK's highest peaks, all for a good cause – to raise funds for the UK charity Sailors' Society. The trio raised an impressive £35,000 for the charity, more than six times the minimum target of £5,500.

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RICKMERS CARES! (CONTINUED)

At the event, 39 teams conquered Ben Nevis (1,344 metres), Helvellyn (950 metres) and Snowdon (1,085 metres) in 24 hours. Spirits were high, despite the brutal weather conditions on the day, as the teams kept their focus on the meaningful cause they were supporting for this event.

The walkers set off with the Bunge team 'Force Majeur' completing Ben Nevis first, but upon arrival at a fog-smothered Helvellyn, safety was paramount and the groups were only permitted to ascend to the half-way point. Fortunately, fair weather reigned for the last leg of the challenge and they were able to descend Snowdon in the sunshine.

This year's event proved to be one of the most successful held so far and saw competitors from within the shipping industry travelling from as far as the USA, Australia, Hong Kong and India to take part. The biennial event also boasted an impressive team of mountain marshals, including time-keepers, coach monitors, drivers, medics and night marshals, all of whom volunteered to work around the clock ensuring the teams completed their journeys safely.

At the end of the day, a celebratory dinner was held at the Mersey Maritime Museum. At the dinner, the CEO of the Sailors' Society, Robert Adams thanked the sponsors Cargill, Rio Tinto and Rightship for their support of the Three Peaks Challenge, and also shared more information about the charity's work and the 'sense of belonging' it brings to over 1.2 million seafarers.

The fastest overall teams, the fastest teams for each peak and the highest fundraisers were also honoured at the dinner, and Rickmers was lauded as the team which raised the most funds.

Speaking about their achievements at raising the most funds, Thomas said, "This was an extremely meaningful challenge as it reaches out to our fellow seafarers, and we would like to thank all our friends and supporters whose contributions made it possible for us to secure the top award."

About Sailors' Society

Founded in 1818, the Sailors' Society is an international support charity that cares for the personal, professional and spiritual needs of merchant mariners around the globe. The Society works in many countries to assist all seafarers, without distinction of faith or nationality, to enrich and enhance their well-being, both in port and whilst away at sea.

The Society is present at many of the key ports around the globe where it maintains a staff of professional chaplains who are experienced in multi-faith and cross-cultural work. Its chaplains and volunteers assist thousands of merchant seafarers each year; extending a hand of friendship, hospitality and pastoral care to all those seafarers they meet regardless of their rank or circumstance.

As part of its round-the-clock mission, the Sailors' Society provides a wide spectrum of support services – chaplaincy, spiritual guidance and counsel, provision of welfare support to seafarers and their families, assistance with continuing maritime education and, when in dire need, financial help.

Website:
<http://www.sailors-society.org/Pages/default.aspx>



The Rickmers team with their award for the most funds raised.



CORPORATE UPDATES

23 APRIL 2012

Rickmers Maritime held its 2012 Annual General Meeting (AGM) at No.1 Marina Boulevard. All resolutions set out in the Notice of the AGM were duly passed.

23 APRIL 2012

Rickmers Maritime announced the Trust's performance for its first quarter FY2012 (1Q2012). Net profit for 1Q2012 was US\$8.24 million, while charter revenue remained stable at US\$35.69 million and cash flow from operating activities totalled US\$24.89 million. The Trust also

repaid US\$13.29 million of debt in 1Q2012, further paring down bank debt to US\$608.63 million as at 31 March 2012. For 1Q2012, The Trust's distribution remained unchanged at 0.60 US cents per unit.

6 AUGUST 2012

Rickmers Maritime releases its financial results for 2Q2012 and 1H2012 ended 30 June 2012. To access Rickmers Maritime's 2Q2012 and 1H2012 results announcement and presentation, please visit <http://www.rickmers-maritime.com>

MAJOR CONTAINER PORTS AROUND THE WORLD

Busiest Port in Europe: Rotterdam

In the first three instalments of this series, we visited the ports of Singapore, Shanghai and Los Angeles / Long Beach. In the 4th instalment, we travel to Europe to look at the continent's busiest port, the Port of Rotterdam in the Netherlands.



Aerial view of the Port of Rotterdam.

The Port of Rotterdam covers 105 square kilometres, stretching over a distance of 40 kilometres and consisting of many different parts, from the pretty city-centre harbour of Delfshaven, to the industrial areas at Maasvlakte. To understand its sprawling size we have to turn to its rich history. The port goes back to at least the 14th century, when docks were built in Rotterdam town on the banks of the Nieuwe Maas River. In 1350 an inland shipping canal, the Rotterdamse Schie, was cut which gave the town of 2,000 inhabitants access to the larger towns to the north and allowed it to become a transshipment hub between Holland, England and Germany. By the 17th century it was one of the six trading seats of the Dutch East India Company, the largest of the European Asia-trade companies.

Growing towards the sea

As Rotterdam developed from a small town to a major trading entrepot, the port grew with it. Rotterdam was located inland with a large delta area of shifting waterways between it and the North Sea. In the 19th century the journey between the town and the sea was difficult, with ships having to pick their way along the waterways and around Voorne-Putten Island in a journey that could last days or even weeks. To improve this, a 6.5 kilometre long canal, the Nieuwe Waterweg (New Waterway) was built to connect the Rhine and Meuse Rivers to the sea. The canal was finished by 1872 and as a result industrial activity formed on the banks of the Waterweg and shipping activities moved slowly westwards away from the city. New docks and harbour basins were built along it and in the 1960s these were extended further by the completion of the Maasvlakte, a land reclamation into the North Sea on the south side of the mouth of the Waterweg. This south side of the canal encompassing Maasvlakte became "Europoort" in the 1970's (literally "gate to Europe") and has been heavily industrialised with petrochemical refineries, storage tanks, bulk iron ore and coal depots, container and new motor vehicle

terminals. In 2008 construction started on Maasvlakte 2, a further reclamation of 2,000 hectares of land behind a 4-kilometre dike. It will include a 20-metre deep dock, will be capable of handling 2.35 million containers per year and should be ready for its first ship in 2013.

Connecting the continent

The Port of Rotterdam is known for its petrochemical and cargo transshipment handling and the success of the port is due to its connections to the rest of Europe. The Rhine and Maas rivers enable smaller ships to take cargo into the industrial Ruhr area of Germany as well as Switzerland, Belgium and France. Rotterdam is also connected to its great rival the Port of Antwerp by the Rhine-Scheldt canal and the Betuwerote freight railway runs straight into Germany. Rail connectivity will be strengthened by new routes currently being built to Poland, the Czech Republic and Hungary. Furthermore the A15 highway starts in Maasvlakte and also runs into Germany.

Vital statistics

Rotterdam was the world's busiest port by cargo tonnage from 1962 until 2004 when it was overtaken by Shanghai. In 2006 the port was the seventh busiest in the world in terms of twenty foot equivalent containers (TEU) handled and in 2011 the port handled 434.6 million tonnes of container throughput. Approximately 34,000 ocean-going vessels and 133,000 inland vessels use the port each year and direct employment of 70,000 jobs has been created. Various container terminals are located in Rotterdam, including Maersk, ECT (part of Hutchison Ports), and Euromax and the port still acts as it did in the 14th century; as a major European transshipment hub. Many of the goods for the London Olympics this month will transit through Rotterdam on their way to the UK.

Deep water facilities

To receive the largest draught vessels Rotterdam has a very interesting facility. The Euromaasgeul is a dredged 600-metre wide channel that extends from the port for 57 kilometres into the North Sea. The channel is divided into two sections, the Maasgeul, for vessels of between 14 and 20 metres to enter the mouth of the port. The second section, the Eurogeul, is for vessels of over 20 metres to navigate south out into the North Sea and English Channel. The channel is constantly dredged with 5 to 7 million tonnes of sand removed every year and at high tide the Euromaasgeul allows the largest ships in the world to enter port. These facilities, as well as its geographic position and rich history, ensure that the Port of Rotterdam should maintain its status as Europe's busiest port and major transshipment hub.

Sources:

http://en.wikipedia.org/wiki/Port_of_Rotterdam
<http://en.wikipedia.org/wiki/Rotterdam>
<http://en.wikipedia.org/wiki/Maasvlakte>
http://en.wikipedia.org/wiki/Maasvlakte_2
<http://en.wikipedia.org/wiki/Eurogeul>
<http://www.portofrotterdam.com/en/Pages/default.aspx>

Image sources:

<http://www.portofrotterdam.com/en/Port/port-in-picture/wallpapers/Pages/default.aspx>

SPECIAL FEATURE: WHAT DOES IT TAKE TO BE A SECOND OFFICER?

Most people are familiar with the Captain, the Chief Engineer and the First Officer when they think of the key fleet members onboard a vessel. However, in this issue, we hope to share with you the significant role a Second Officer plays in ensuring a safe and smooth journey as well.

1. What is the role of a Second Officer and what are his/her key responsibilities?

A Second Officer keeps navigational watch at sea and cargo watch in port. The responsibilities include charting a safe passage plan; exterior Global Maritime Distress Safety System (GMDSS) communication during emergency situations; conducting regular checks and tests on the bridge and GMDSS equipment; proper maintenance of all charts and publications on board; overseeing medicines, equipment and medical treatment for minor ailments onboard the vessel; and recording illness or injury in the medical log.

2. What are the qualifications required to become a Second Officer?

A Second Officer needs to have a Bachelor's Degree in Maritime Transportation with a major in Nautical Science, a National operational level license, a Certificate of competency in accordance with the provision of the International Convention on Standard of Training, Certification and Watch Keeping for Seafarers, 1978, as amended in 1995 (STCW), and the ability to perform ship operations in navigation, cargo handling, care for people onboard and radio communications. In addition, they need to have sufficient sea and working experience for the type of ship that they have been assigned.

3. How does the part of the Second Officer differ to that of the First Officer?

The difference between the role of a First Officer and a Second Officer is rather distinct. While a First Officer takes charge of handling ballast water, cargo planning, calculation of ship stability and stress, seaworthiness and deck maintenance; the Second Officer calculates the passage plan from berth to berth, keeps records of navigational warnings, temporary and preliminary notices and provides GMDSS operating guidance for the ship master in distress situations. The Second Officer also provides assistance with cargo operations under the First Officer's instructions.

4. For how long does one usually need to be a Second Officer before being promoted to First Officer?

A Second Officer promotion to First Officer will require about six or more contracts which is around 3 to 4 years of service as a junior officer. He must



Second Officer Ko Ko Naing of ANL Windarra.

also demonstrate strong experience with cargo handling operations, which vary from one type of ship to another and needs to be able to manage the maintenance of the ship and training of junior officers and crew.

5. What are the ideal qualities of a successful Second Officer?

A successful Second Officer excels in managing multiple responsibilities, has a keen eye for details and also has strong leadership and operational skills. All of these are key to excelling in the tasks of a Second Officer.

6. Describe a typical day in the life of a Second Officer on board a containership?

The daily duties of a Second Officer vary at sea but include:

- Keeping navigational watch on the vessel
- Ensuring the upkeep of all onboard navigational charts, publications and navigation warnings
- Testing and checking the bridge and GMDSS radio equipment regularly
- Daily computation and recording of the noon calculation
- Keeping proper maintenance of the ships' medical and stationery inventory

In addition, a Second Officer assists the Chief Officer in cargo operations, frequently assesses the safety and security of the ship and maintains kind and civil co-operation with all shore persons and crews when on port duty.

Contributed by Captain Ernesto I. Yutadco of Rickmers Shipmanagement (Singapore) Pte. Ltd.

GLOSSARY

LEGAL TERMS USED IN SHIPPING (G-J)

General Average - A principle of maritime law where in the event of emergency, if cargo is jettisoned or expenses incurred, the loss is shared proportionately by all parties with a financial interest in the voyage.

Good faith - A principle found throughout the civil law, to the effect that parties must negotiate and carry out a contract honestly and fairly.

Good Samaritan doctrine - A common law doctrine whereby a person who voluntarily assumes a duty owed by another and then breaches that duty becomes liable to the one who is injured as a result of the breach. The general maritime law, however, requires that the voluntary conduct be reckless and wanton.

Hague Conference on Private International Law - An intergovernmental organisation founded in 1893 to promote uniformity of private international law. The Conference has drafted over 30 conventions on diverse subjects of private international law, over 20 of which conventions are in force in different countries.

In personam (against the person) - A type of legal proceeding directed against the defendant personally (e.g. an action for breach of contract, the commission of a tort or the possession of property). Where an action in personam is successful, the judgment may be enforced against all of the defendant's assets, real and personal, moveable and immoveable.

Joint liability - Two or more debtors who are obligated to the same creditor for the same obligation are "jointly liable" where they may only be compelled to perform the obligation separately and only up to their respective shares of the debt.

Jurisdiction - A term referring to the nature and extent of the legal authority bestowed upon a legislature to enact laws (legislative jurisdiction) or of courts to hear and determine actions and other legal proceedings (judicial jurisdiction), as determined by international conventions or national laws.

Source: <http://www.mcjill.ca/maritimelaw/glossaries/maritime/>