

RICKMERS MARITIME

RICKMERS TRUST MANAGEMENT PTE. LTD.

Newsletter

14th Edition,
FEBRUARY 2012



Dear Investor,

I hope the new year has treated you well thus far.

However, a new year does not necessarily equate change. The daunting macro-economic challenges which dominated the headlines last year remain and require swift and decisive action by our global leaders if 2012 is to bring any tangible improvement to the global economy. The tasks of 2012 are of paramount importance and the outcome will impact world economic growth for not only 2012 but in the years

or decades to come. As of the time of writing, all our ships are actively trading which is a proof of open borders and continued global trade. Trade being one of the key pillars of the global economy, I remain optimistic that the Year of the Dragon has a good chance of turning things in a positive direction.

In this February edition of our newsletter, we continue featuring some of the special series started in the last issue, and also include some new updates for your interest. To start off, we take a look at some handy shipping related applications for smartphones and tablet computers. In this nation of extremely high mobile phone penetration rate, and technology-savvy generation, I'm sure these will appeal to many of you.

We welcomed a new Board member in November last year, Dr Ignace Van Meenen. Find out more about him in our brief introduction, and please join me in welcoming him aboard. We continue our journey to other major ports around the world, and bring you to the Port of Shanghai to find out what makes it the busiest port in the world. Next, we shift our spotlight from the port to onboard the ship, where we feature the role and responsibilities of the Chief Engineer in our special back-page feature. This position is crucial as the Chief Engineer is responsible for all operations and maintenance of engineering equipment throughout the entire ship.

Finally, our glossary starts a new theme of defining some of the legal terms used in shipping.

With that, I wish you a fascinating and enjoyable read. Should you have any feedback or suggestions, please feel free to let us know, as we are always interested to hear your views.

Thomas Preben Hansen
Chief Executive Officer
Rickmers Trust Management Pte. Ltd.

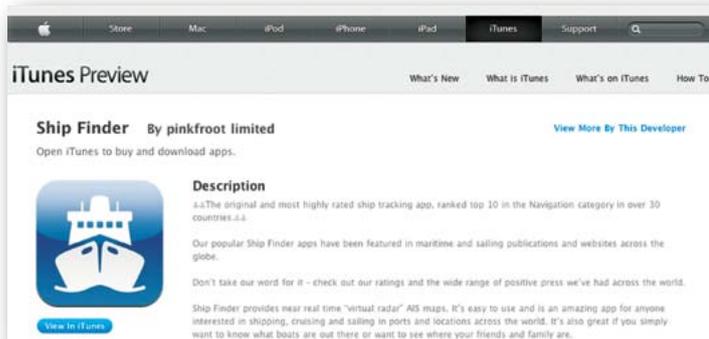
SMART(PHONE) SHIPPING

We live in the age of technology, with virtually instant accessibility to information and resources literally at our fingertips. As smartphones and tablet computers are becoming practically ubiquitous in our lives, it is unsurprising that one can find applications available for anything and everything.

Here are some of the applications created and tailored for shipping, and their various purposes:

(i) Search for ships

There are a number of applications that provide near real-time "virtual radar" AIS maps. These are useful for anyone interested in shipping, cruising and sailing in ports and other locations across the world. They also help users see the various vessels that are out there or even locate the vessels that their friends and family are on. One example below: Ship Finder on iTunes



<http://itunes.apple.com/gb/app/ship-finder/id319726819?mt=8>

(ii) Reference materials

Manuals and reference texts are often bulky and tedious to haul onboard of ships, so some applications which allow access to the full text of manuals or reference materials for their work. For instance, this application on website AppShopper provides the complete text of Title 46 Code of Federal Regulations, Shipping for download on iDevices such as iPhone or iPad.



<http://appshopper.com/reference/title-46-code-of-federal-regulations-shipping>

(Continues on next page)



SMART(PHONE) SHIPPING (CONTINUED)

(iii) Navigation aids

Applications such as the iNavX are marine navigation apps that provide access to thousands of charts and maps, and users can use the built-in location services to plot their positions in real-time for navigation. The multi-touch scrolling, zoom and rotation features make navigating a breeze.



iNavX™ - Marine Navigation App for iPhone, iPod touch and iPad

iNavX™ brings the freely available, official and up to date NOAA RNC raster United States waters marine charts to your iPhone, iPod touch and iPad. Included detailed chart coverage: West Coast, Gulf Coast, East Coast, Great Lakes, Alaska, Hawaii, and US Virgin Islands.

One app for all your devices with access to thousands of charts and maps: official CHS Canada charts, Navionics Gold charts, Fish'N'Chip charts, HotMaps, NV, Verlag charts, Hilton's Fishing charts, TRAK Canada lakes fishing maps and Solteknik European waters charts may be purchased separately from X-Traverse.

With iNavX™ you can use the built in location services (i.e. GPS, cell tower, WiFi) to plot your position in real-time on the multi-touch scrolling and zooming and rotating (including course up) marine chart.

Using the iPhone's, iPod touch's and iPad's WiFi connection, iNavX™ can act as a repeater for popular marine navigation software that supports NMEA data over TCP/IP such as MacENC and Coastal Explorer. This includes GPS, AIS receivers & transponders, and Instruments (Depth, Speed, Wind, etc.)

<http://www.inavx.com>

(iv) Accessing vessel schedules and cargo tracking

If you need to access real-time vessel schedules for cargo tracking and other information, there are also applications that would come in handy, like the iHanjin Shipping e-Service, which provides real-time updates relating to the Hanjin Shipping fleet.

Screenshots iHanjin:



http://www.androidzoom.com/android_applications/business/ihanjin_bcvpp.html

NEW ADDITION TO THE RICKMERS TRUST MANAGEMENT BOARD



We are very pleased to welcome Dr Ignace Van Meenen as a Non-Executive Director and member of the Board of Rickmers Trust Management (RTM). Dr Van Meenen was appointed to the RTM Board in November 2011, having joined Rickmers Group as the Chief Financial Officer (CFO) in September 2011.

A multi-linguist, Dr Van Meenen read law at Universiteit Gent and University of Osnabrück and currently resides in Germany. He began his professional career in the investment division of Deutsche Bank AG in Germany and USA. Thereafter, Dr Van Meenen held leading management positions including Director of Finance at the mining & chemical group RAG AG (now Evonik Industries) and CFO at international media company RTL Group S.A. and real estate firm DIC Group. As CFO of Rickmers Group, Dr

Van Meenen is actively involved in refining the corporate processes and ensuring the smooth running of the organisation.

Commenting on the current financial scene in shipping, he stated, "Shipping finds itself in a consolidation phase leading to a paradigm shift. At the same time, classic capital procurement models are no longer working. In order to assume an active role in the marketplace, it is therefore essential that we adapt our processes since new sources of funding require efficient financial and corporate governance."

We are very enthusiastic on Dr Van Meenen's appointment to the Board. We believe his knowledge and experience will be a great asset to Rickmers Maritime.

CORPORATE UPDATES

14 NOVEMBER 2011

Rickmers Maritime announces the financial performance of the Trust for the third quarter ended 30 September 2011 (3Q2011). For 3Q2011, charter revenue came in at US\$38.2 million and cash flow from operating activities amounted to US\$30.3 million. Cash flow available for distribution (before payment to debt capital providers) rose 1% from US\$29.9 million in 3Q2010 to US\$30.0 million this quarter. The Trust continued to deleverage its balance sheet by paring down its outstanding bank loans of US\$670.96 million at the end of 2010 to US\$635.1 million as at 30 September 2011. Distribution to unitholders remained at 0.6 US cents per unit for 3Q2011.

27 DECEMBER 2011

Rickmers Maritime announces the appointment of Ms Cecelia Ong Sulin as joint company secretary in place of Ms Lynn Wan Tiew Leng with effect from 27 December 2011.

13 FEBRUARY 2012

Rickmers Maritime releases its financial results for the full year ended 31 December 2011 (FY2011). To access Rickmers Maritime's FY2011 results announcement and presentation, please visit <http://www.rickmer-maritime.com>



MAJOR CONTAINER PORTS AROUND THE WORLD

Busiest port by total tonnage: Shanghai

In our last issue, we introduced you to the Port of Singapore. In this quarter, we shall take a look at the Port of Shanghai, the busiest port in the world – World’s Busiest Port by cargo tonnage since 2005, and World’s Busiest Container Port by container traffic in 2010.*

The Port of Shanghai is situated at the middle of the 18,000km-long Chinese coastline, where the Yangtze River, known as “the Golden Waterway”, flows into the sea. The leading port in the T-shaped waterway network composed by the Yangtze River and the coastline, it is also China’s largest comprehensive port and one of the country’s most important gateways for foreign trade. The annual import and export trade through Shanghai, in terms of value, accounts for a quarter of China’s total foreign trade. The port’s container throughput in 2010 reached 29.069 million TEUs, ranking it the largest container port in the world.



There are three major container port areas, namely Wusongkou, Waigaoqiao and Yangshan in the Port:

| Area | Operator | Terminals |
|-------------------------|---|---|
| Wusongkou | Shanghai Container Terminals (SCT) Company Limited | <ul style="list-style-type: none"> - Three container terminals - Totalling 10 berths, 2,300 metres of quays - 550 thousand square metres of container yards |
| Waigaoqiao | Shanghai Pudong International Container Terminals Limited | <ul style="list-style-type: none"> - 1 terminal on the Yangtze’s south bank in the Waigaoqiao Free Trade Zone - 900 metres of quays in three berths that can accommodate 5th and 6th generation container ships - Covers a total area of 50 hectares |
| | SIPG Zhendong Container Terminal | <ul style="list-style-type: none"> - Located on the Yangtze’s west bank about 85 kilometres from the river’s mouth - 1,566 metres of quays in five container berths - Covers over 160 hectares |
| | East Container Terminal Company Limited | <ul style="list-style-type: none"> - 1,250 metres of quays in four container berths - More than 150 hectares |
| | Shanghai Mingdong Container Terminals Limited | <ul style="list-style-type: none"> - 1,100 metres of quays in four container berths - 163 hectares |
| Yangshan Deepwater Port | Shanghai Shengdong International Container Terminal | <ul style="list-style-type: none"> - 3,000 metre-long deepwater quay, and 34 of the world’s most modern container quay cranes as well as ample additional handling and transportation equipment and facilities |

Container liner services from the Port of Shanghai cover all major ports around the world. More than 2,000 container ships depart from the port every month, en route to North America, Europe, the Mediterranean, Africa, Australia, Asia, and many other regions.

Shanghai International Port (Group) Co. Ltd. (SIPG) is the exclusive operator of all the public terminals in the Port of Shanghai. In total, SIPG operates 125 berths on a total quay length of around 20 kilometres, among which, 82 of these berths can accommodate vessels of 10,000 dwt class or above. Other than the container terminal, SIPG also owns public bulk, breakbulk, specialised Ro/Ro terminal (for roll-on roll-off cargo) and cruise terminal.

SIPG is responsible for handling domestic and international cargo; and container-related operations: managing information on warehousing, processing, distribution, and port logistics; providing facilities for international passengers; piloting and towing vessels and forwarding freight; providing in-port services; leasing port equipment and facilities; and building, managing, and operating port and terminal facilities.

Going forward, this leading port has plans to maintain the healthy growth of its container-related businesses, secure major breakthroughs in the

transshipment business, and establish and reinforce Shanghai’s position as an international shipping leader. To achieve these goals, SIPG has identified three strategies – The Yangtze River Strategy, the Northeast Asia Strategy and the Internationalisation Strategy. The Yangtze River Strategy comprises in-depth optimisation of the Yangtze River ports, while fostering main feeding hub ports to fully exploit and develop the area. On the other hand, the Northeast Asia Strategy focuses on increasing the efficiency of the port areas by developing ship-to-ship transshipment operations with Yangshan Port area as the centre. The Internationalisation Strategy aims to foster the port’s capability of international operations and improve its levels of international management, geared both towards the domestic and international markets.

With these plans in place, the Port of Shanghai looks set to sustain the strong performance that it has shown over the past years. With Singapore’s and Hong Kong’s ports closely behind it in the international rankings by container volume and traffic, it would be interesting to observe the rankings of the three in the coming years.

*Rankings according to published cargo volume and container traffic

Sources:
<http://www.portshanghai.com.cn/en/>
<http://www.worldshipping.org/about-the-industry/global-trade/top-50-world-container-ports>
http://en.wikipedia.org/wiki/List_of_world's_busiest_container_ports
<http://www.lehe.com.cn/leng/shanghai.htm>



SPECIAL FEATURE: WHAT DOES IT TAKE TO BE A CHIEF ENGINEER?

1. Who is a Chief Engineer and what are his/her key responsibilities?

The Chief Engineer heads the Engine Department on a vessel. He/She is in charge of the operations and maintenance of all engineering equipment (propulsion, electrical plants and other machinery) throughout the vessel. He/She supervises all work that is done in the engine room. He/She also determines the consumables required by the vessel for all voyages, such as fuel and lubricating oil. The Chief Engineer shall always ensure that the engine room is ready for inspection by the local marine or safety authorities at all times.

2. What qualifications are required to become a Chief Engineer?

The Chief Engineer is required to hold a Bachelor's Degree in Maritime Transportation, majoring in Marine Engineering, a National Chief Engineer license and a Certificate of Competency in accordance with the provisions of the International Convention on Standards of Training, Certification and Watch Keeping for Seafarer, 1978, as amended in 1995 (STCW). He/She is able to perform Management Level Function and is fully responsible for the safe operation, care and maintenance of all mechanical machinery, electrical and electronic equipment of the vessel.

3. What are the various stages of training required before one can qualify as a Chief Engineer?

To qualify as a Chief Engineer, the pre-requisite skills and experience include the certified basic and advance training required by STCW, National and Flag State Authorities; sufficient sea experience as Second Engineer and in-depth knowledge of engines and machineries under different maker types and power capacity. The total time one takes to become a Chief Engineer of a ship is approximately six to nine years (from the day one starts sailing).

4. Which crew members fall under the responsibility of the Chief Engineer and how is the work divided amongst them?

All the engine room staff such as the electrician, fitter, 3rd Engineer and 2nd Engineer report to the Chief Engineer. Each crew has his/her own job scope or machinery/duties under their care. Other jobs not covered by their job scopes are normally delegated by the 2nd Engineer during the start of the day. Chief Engineer will discuss with the 2nd Engineer if he/she wishes another engineer or staff to carry out the job.

5. What are the ideal qualities that would make an effective Chief Engineer?

Dependability, attention to detail, ability to react quickly, to cope with unfamiliar situations, to work as a team and to understand and provide rapid instructions, initiative, ability to perform under pressure and effective communication as well as good planning skills are vital qualities of a Chief Engineer.

6. What is a common misconception about the role of a (Chief) Engineer?

An engineer may not have the glamorous role on board a ship of those working above deck, but this job is definitely not limited to the heavy "grunt work" of moving sturdy equipment, as many may presume. A modern engineering officer will have the knowledge and practical experience of many different forms of technology from simple mechanics to far more complicated technical matters, going through electrical, pneumatic, hydraulic and chemical systems and even as far as having some expertise with nuclear technology.

A maritime engineer should not only focus on the inner workings of the ship on which they are employed, but also ashore, where resources indispensable to the smooth running of a passenger, cargo or other craft may be found. Knowledge of systems and the know-how to apply them – and also ideas on how to develop them – are key parts of the job of a maritime engineering officer.

Contributed by Captain Ernesto I. Yutadco and Mr Paul De Costa of Rickmers Shipmanagement (Singapore) Pte. Ltd



GLOSSARY

LEGAL TERMS USED IN SHIPPING (A-C)

Ad Valorem - "According to Value". For example, an ad valorem freight rate is one based on the value of the cargo, rather than on its weight or its cubic measurement.

Afreightment - In civil law jurisdictions, "afreightment" refers to a contract for the chartering of a ship or some principal part of it. In England, the term is used to refer to the contract for the carriage of goods in a ship, either under a bill of lading or a charterparty.

Appraisement - The evaluation of a ship by a qualified, court-appointed evaluator before its judicial sale. This practice permits the court to make an informed judgment as to whether the judicial sale price is fair and proper.

Bail - Personal security provided by a defendant to the court to prevent the arrest of a ship or to secure its release from arrest.

Cabotage - A French term, also used in English, to refer to the coasting trade. Cabotage is often governed by statutes, requiring, for example, that only ships flying the flag of the coastal state concerned may engage in the coasting trade between ports of that state, unless waivers are obtained from the government of the state.

Common (public) carriage - Carriage performed by a common carrier, who undertakes to transport the public's goods from and to places advertised, usually on regular, liner routes and under liner bills of lading, in consideration of the payment of freight by the shipper.

Source:
<http://www.megill.calmaritimelawlglossaries/maritime>