

2 September 2016

To our Customers,

Re: INSOLVENCY OF HANJIN SHIPPING

With reference to the captioned matter, and as you may be aware, on 1 September 2016, the Seoul Central District Court (Bankruptcy Division 6) issued a decision accepting the application by Hanjin Shipping Co Ltd ("**Hanjin**") to commence insolvency administration.

Hanjin owned/operated vessels ("**Hanjin Vessels**") have already been subject to ship arrest applications worldwide and we understand that Hanjin Vessels are also being refused berth at various ports, particularly in the United States. Hanjin's vendors have also begun imposing surcharges for handling shipments in certain ports of discharge.

As a result, we expect major service disruptions not just to Hanjin shipments but also to shipments handled by other carriers as the supply of freight has been disrupted. We are closely monitoring the situation and will keep you duly informed on the developments. We will also try to mitigate any potential adverse impact on your shipments and will contact you as soon as possible to seek your instructions on handling shipments. However, you should also take active steps yourselves to mitigate your losses. This may include paying the extra surcharges mentioned above, in the absence of which you run the risk of having your shipment detained and/or withheld.

Kindly note that this circular is provided to you for information purposes only and does not constitute legal or professional advice on what actions you should take. For all operational-related queries, please contact your local LF Logistics office.

Yours faithfully,

LF Logistics