

DP World Australia

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DP World Australia Limited ABN 27 129 842 093

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## NOTICE TO DP WORLD AUSTRALIA CUSTOMERS: EXTENDED STANDARD TERMS OF PAYMENT FOR TRANSPORT OPERATORS AND INCREASE IN INFRASTRUCTURE SURCHARGE AT DP WORLD AUSTRALIA'S MELBOURNE TERMINAL FROM 1 JANUARY 2018

Following our periodic review of terminal charges, customers are advised that, from 1 January 2018, DP World Australia (DPWA) will be increasing the Infrastructure Surcharge at our Melbourne Terminal applicable in relation to access to the terminal for road and rail operators. The surcharge will be \$49.20 per container (ex. GST) and will apply to all full containers received or delivered via road or rail at our Melbourne Terminal.

We recognise the importance of working closely with operators as part of implementing new or increased charges and so customers are also advised that effective 1 January 2018, DPWA will be extending standard payment terms for transport operators from the current 14 day terms to 28 day terms, to assist with this transition.

DPWA continues to face one of the most difficult markets in decades, arising from over-capacity in the local stevedoring market, larger ships and consolidation of shipping lines, as well as increased costs – including significant energy cost imposts of 45 percent this year, property and rent-related cost increases of 266 percent over the last decade, and a further step change in rent from 1 January. DPWA is facing these challenges with a determination to continue to improve our service levels, efficiencies, and invest in landside equipment and terminal capacity to handle greater peaks in container volumes. The highly competitive and challenging environment demands that we continue to monitor and adjust our tariff structures to respond to the changing market conditions.

Full containers received or delivered via road will be charged to the road carrier through the 1-Stop Vehicle Booking System. Full containers received or delivered via rail will be charged to the rail operator as a separate item on the rail invoices produced.

Ongoing access to our Melbourne Terminal will be conditional on payment of the charges as per our conditions.

Yours sincerely,

Ben Moke

General Manager Commercial VIC / WA / SA / TAS

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