

# Bunker Adjustment Factor (BAF) Appendix

## BAF T&C: Maersk BAF

### Fuel Reference data:

- **Source/Index referred:** Platts
- **Fuel type:** VLSFO (0.5% Sulphur)
- **Fuel Price Referred:** Delivered
- **Reference ports:** Rotterdam, Singapore, Balboa

### Reference period for fuel price average:

If Contract Start Date effective	Reference period for fuel price average for Starting BAF	Dates for subsequent BAF updates
Jan 1 to March 31	Aug 26 to Nov 25	April 1, July 1, Oct 1, Jan 1
April 1 to June 30	Nov 26 to Feb 25	Jul 1, Oct 1, Jan 1, April 1
July 1 to Sep 30	Feb 26 to May 25	Oct 1, Jan 1, April 1, July 1
Oct 1 to Dec 31	May 26 to Aug 25	Jan 1, April 1, July 1, Oct 1

### Frequency of BAF review: Quarterly

For Subsequent BAF update effective	Reference period for fuel price average	Review month
Jan 1st	Aug 26 to Nov 25	Dec
April 1st	Nov 26 to Feb 25	Mar
July 1st	Feb 26 to May 25	Jun
Oct 1st	May 26 to Aug 25	Sept

**Rounding-off Rule for Fuel Price:** Standard excel rounding formula with 2 decimals, Example: 630.785 = 630.79

**Fixed or moving baseline fuel price to check if trigger is hit i.e., to decide if BAF review needs to be performed:** Moving i.e. If trigger is hit, new fuel price of the period under review becomes the new baseline for following review. If trigger is not hit, baseline remains with the level of the review where trigger was hit last time.

**Fuel price Trigger for BAF review:** 10 USD per ton upward or downward

### Equipment Conversion Rule:

**For all trades except trades moving in and out of US West Coast and US East Coast:**

BAF 20' = BAF 40' * 0.5	BAF 45' = BAF 40'
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**For trade direction into US West Coast and US East Coast**

BAF 20' = BAF 40' * 0.9	BAF 45' = BAF 40' * 1.26
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**For Trade direction from US West Coast and US East Coast.**

BAF 20' = BAF 40' * 0.8	BAF 45' = BAF 40'
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*\*BAF REEF = 1.5 \* BAF DRY (except West Coast South America/Central America to Far East trades)*

### Rounding-off Rule for BAF Amount:

Round up to the whole number, Example: 630.785 = 631, 630.385 = 630

### Rate of Exchange (ROE):

**Source of ROE:** European Central Bank

[https://www.ecb.europa.eu/stats/policy\\_and\\_exchange\\_rates/euro\\_reference\\_exchange\\_rates/html/index.en.html](https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/index.en.html)

**Period for ROE:** Aligned to fuel price reference period & average methodology

**Rounding off Logic:** No Rounding off done for ROE

### BAF Formula:

**BAF = Maersk Trade Factor x Fuel Price**

Trade factor is a function of bunker consumption per loaded container and volume imbalance between Headhaul and Backhaul in a specific trade (ton/FFE). Trade factors are reviewed annually and is valid for a calendar year (Jan 1st-Dec 31st).