

March 17, 2022

Dear Valued Customer,

As you know, the State of Hawai'i is dependent on imported oil and fuel and YB is no different. Geopolitical tensions in Europe, resulting in United States sanctions on Russian oil, have caused increasing uncertainty in the oil markets and fuel providers are adjusting prices daily to meet global demand that will impact everyone. It is important that we all plan ahead.

Rule No. 205 of Local Freight Tariff No. 5-A, the Fuel Price Adjustment ("FPA") allows for an adjustment of the fuel surcharge as a result of the fluctuation of the price of diesel and is reviewed on a quarterly basis. The adjustment in price reflects the three-month period prior to the adjustment, so there is a time lag between prior contracted fuel purchases and the current upward trend in fuel prices. As a result, the current spikes in fuel cost will not be reflected until the May 2022 fuel price adjustment, at the earliest. To learn more about the FPA, visit our website at [www.youngbrothershawaii.com/regulation](http://www.youngbrothershawaii.com/regulation).

Young Brothers is closely monitoring oil prices and will continue to strive to manage our energy resources to maximize our efficiency in cargo loading and transporting. Our recent investment in new fuel-efficient tugs and other energy saving equipment will assist in lowering fuel requirements and continue to improve on-time arrivals to the Neighbor Islands.

To stay up to date and for the latest information, please visit our website at [www.youngbrothershawaii.com](http://www.youngbrothershawaii.com), sign up for our customer notices at [www.youngbrothershawaii.com/email-updates/](http://www.youngbrothershawaii.com/email-updates/) and follow us on social media @youngbrotheshawaii/@youngbrothershi.

Sincerely,  
Young Brothers, LLC