



NORTHPORT

TO : ALL OUR VALUED CUSTOMERS

DATE : 26th March 2015

SUBJECT : REVISION OF STANDARD OPERATING PROCEDURES (SOP) FOR DEMURRAGE BILLING AND REIMBURSEMENT EFFECTIVE 1ST APRIL 2015 UPON IMPLEMENTATION OF GST.

Dear All,

In accordance to GST guidelines, Demurrage services are STANDARD rated and GST is chargeable at 6%. In order to comply with GST guidelines, the current SOP on Demurrage billing and reimbursement is revised as follows :

1. Northport will raise a **Tax Invoice to customers** on Demurrage services rendered on behalf of Shipping Line.
2. Northport will provide monthly Demurrage reimbursement report to Shipping Line by 5th of working day of next following month.
3. Shipping Line to issue a **Tax Invoice to Northport** based on total amount stated in Demurrage reimbursement report. Tax invoice must be submitted to Northport within 5 working days upon receiving Demurrage reimbursement report to avoid delay in reimbursement.
4. Northport will also issue a **Tax Invoice for Demurrage Commission** which is chargeable at standard rate. Shipping Line needs to pay Northport as per agreement.
5. Should disputes arise on demurrage billing, Shipping Line to issue Credit Note to Northport.
6. Other terms and conditions remain unchanged.

Thank you.

Yours faithfully,
NORTHPORT (MALAYSIA) BHD

Shamsuri Mohd Rashid
Chief Financial Officer