

VESON VIEWPOINT

Veson Evolves Into Veson Nautical

We have begun to speak publicly about the changes at our helm and in our strategies and business practices. We will now address how these changes affect our customers.

In the past three years, Veson Nautical has dramatically altered the way we do business. We have instituted a multi-tiered initiative designed to meet the needs of today's global market and business practices.

We started by making some fundamental changes in our IMOS product, while still maintaining best practices built on our 27-year track record in the industry. Veson now offers IMOS based on a flexible yet standardized platform — rather than as solely a customized solution — utilizing the latest technologies such as Microsoft.Net with XML web services. Our solutions make it easier for managers of cargo transportation to streamline their daily voyage operations while increasing interactivity through seamless links to accounting systems such as Navision Axapta, JD Edwards and other third party systems. IMOS has expanded into a powerful distributed system that covers all activities from chartering to accounting, including on-board vessel data collection. For example, as the trend of pooling ships becomes more important, IMOS enables the members of the pool to share up-to-the-minute information among distributed partners.

In addition to improving IMOS, we have added VELAS to our product line. VELAS is a vetting system that quickly evaluates a vessel's acceptability. VELAS is currently in

use at PMI Comercio Internacional of Mexico and Tesoro Corporation of Texas, USA.

We have added key personnel and have opened offices in the US and Europe. By adding top-rate talent to our sales and marketing organizations and engineering staff, we are working hard to deliver improved service to our customers — which is our number one priority. A new office in Rotterdam, the Netherlands opening in July, 2006, in addition to our offices in Boston, New York, Philadelphia and Athens, Greece, are bringing support, sales and development closer to you across the globe.

We have also broadened our partner network to include Microsoft, Citrix, Lloyd's Register Fairplay and Q88.com to name a few. We recently announced a key partnership with SolArc to bring a jointly developed, turnkey product to the energy market.

What has not changed is that our greatest emphasis is on our customers, and on developing solutions that optimize company profits. We believe that as long as we continue to accomplish that, our progress will be assured. So far, the results are positive: we've grown 150% annually from 2004 to 2006 and tripled our client base. We invite you to view our frequently updated website, www.veson.com, to see all the latest developments.

WELCOME FROM THE PRESIDENT

I would like to welcome you to the first edition of our quarterly customer newsletter, the *Veson Viewpoint*.

The *Veson Viewpoint* provides us with the opportunity to deliver updated information regarding our company's products, partners, staff and operational news. Although it is designed to serve as a communication tool, we also hope you'll find it a useful



resource for learning about the industry as a whole. The *Viewpoint* is our forum to discuss issues affecting

our industry or inform you of a new technology, feature or application that may impact your business.

If there is content you wish to explore, please send us your feedback — we'd love to hear from you.

Best regards,
John Veson

Veson Nautical and Solarc Partner to Create *MarineCenter*

We are pleased to announce our partnership with SolArc, Inc., a leading provider of enterprise supply and trade management solutions for global energy companies. Together, we are developing *MarineCenter*, a functional extension that enables workflow and data integration between IMOS and RightAngle, SolArc's commodity trading, risk and logistics management software. *MarineCenter* will greatly enhance the ability of global energy companies to manage their positions and vessel movement costs as commodities are shipped globally.

There are customers today using both IMOS and RightAngle. These customers understand the value of IMOS's voyage, schedule and charter information for making more knowledgeable, real-time trading, pricing and risk exposure decisions. They also realize the benefits of incorporating cost and risk curves

in initial contracting and scheduling negotiations. By combining the strengths of the two systems into *MarineCenter*, we will provide these users with the ability to optimize both internal and contractual operations as well as manage changes in voyage schedules and market conditions to help increase their profitability.

Both SolArc's RightAngle and Veson's IMOS are modular and configurable. Because of this flexibility, *MarineCenter* will be able to support all existing management and reporting structures for any type of marine and trading operation. Improved system integration will produce more efficient equipment utilization, streamline payables, reduce demurrage, more accurately allocate marine costs to internal and external accounts, and improve decision-making for contract marine services. It will also reduce errors and manpower demands; increase automation of port nominations, vessel

instructions and dock schedules; improve the timing and accuracy of demurrage claims; and provide better information for trade decisions.

MarineCenter also will build on the strengths of its parent systems in such areas as enabling complete coverage for lease charter arrangements and incorporating marine charter data into cost analyses and forecast curves.

Initially targeted at global energy companies and large scale energy trading organizations, *MarineCenter* will be the first offering of its kind to enter the market. Currently both companies are working with existing customers to develop and test the initial release of *MarineCenter*. We are very excited about the opportunities that lie ahead for this product; if you have any questions please don't hesitate to reach us at 1.617.723.2727 or info@veson.com.

CASE STUDY:

UBC Chooses IMOS for its Range of Capabilities



Pennsylvania, USA. United Bulk Carriers (UBC), a commercial manager of a dry cargo fleet, was founded in April 2001. The company's fleet consists of bulk/multi purpose vessels ranging from 17 to 38,000 deadweight tons.

UBC was using mail, fax and email for planning, execution and reporting functions and needed a solution to streamline these processes. They tested a

number of different systems over 18 months. None of the software they tested had a solid accounting interface, a lay time module that worked within the complete system, or a Pooling-module.

UBC chose Veson's IMOS because it offered the following features:

1. A voyage calculation module with a user-friendly format that is easy to copy and simultaneously shows short-versions of multiple estimates on screen for comparisons and adjustments.
2. The ability to update and reconcile accounts within the voyage-calculation module entered into the system, including fixture-notes for multiple uses.
3. Post-fixture functions for all invoicing/lay time-calculations.
4. Pooling/reporting of income per ship/per class, to efficiently relay the current financial results, within any time-frame needed.
5. Accounting module that correctly posts amounts and finalizes voyages.
6. Statistical reporting from a system that files all used data.

Trygve Knutsen of UBC concludes, "IMOS saves a tremendous amount of time and effort, especially when it comes to funding port-agents and reconciling accounts. Suffice to say this is the last software package we'll have to purchase."

PRODUCT NEWS

Introducing IMOS OnBoard

Veson's newest product, IMOS OnBoard, enables shipboard officers to send and receive voyage information from their ship to the company's offices onshore. The module integrates with IMOS Chartering and Operations and gives both vessel operators and ship's officers access to vital operations data in real-time. The module saves office personnel considerable time by eliminating the re-entry of tedious voyage activity reports.

TECH NEWS

Microsoft.NET Framework Version 2.0

The Microsoft.NET Framework version 2.0 is now available. Version 2.0 improves scalability and performance of applications and delivers support for the broadest array of browsers and devices. The new tools also allow for implementing the latest improvements in user friendly design. IMOS development in Microsoft.Net version 2.0 has already begun!