The Rt. Hon. Lord Fraser of Carmyllie, Q.C.
House of Lord
London
SW1A 0PW
3rd November 2006

Dear Sir,

**RE: THE TRAFIGURA INQUIRY**

We write further and with reference to our meeting on Thursday 2nd November 2006 at our offices at which the commission of an independent inquiry under the control and guidance of your Lordship was discussed.

The Terms of Reference of such an inquiry would encompass the following:

1. Voyage history of the chartered vessel “Probo Koala” during June - August 2006 and the subsequent events in the Ivory Coast following discharge at the port of Abidjan.
2. Organisation and operating procedures of the Company and comparison with other Oil trading companies.
3. Port Facilities and practice (including end disposal) relating to collection, transport and safe disposal of waste products associated with maritime and oil trading companies.
4. Existing legislation and International Conventions.

There would also be a requirement for your Lordship to consult with Intertanko, International Maritime Organisation, European Commission and other NGO’s.

It is recognised that the independent inquiry will wish to take evidence in the Ivory Coast.

In commissioning an inquiry of this nature, it will undoubtedly be necessary to engage specialist advisors who have the appropriate level of expertise in the relevant areas such as maritime operations, port infrastructure and environmental legislation to name but a few. We confirm that the company will pay for such expertise as and when required in order that your Lordship received unfettered help in the process.

The Company will provide any necessary administrative support but it is understood the inquiry will not be appointing independent counsel.

We had in mind a deadline at the end of April 2007, by which the Report should be completed and it is our intention to make the Inquiry’s findings public.

It would be greatly appreciated by the Company and we suspect by the industry and environmental bodies alike if your Lordship were to accept our invitation to commission such an inquiry as soon as possible.

We look forward to hearing from you.

Yours faithfully

Graham Sharp
Director.
Facsimile reply from Lord Fraser

I accept the Terms of Reference and I will discharge them to the best of my ability.
I only add that as one who has conducted inquiries on behalf of Government in the UK and others that
I am much impressed with both the transparency and the independence allowed to me. Had Trafigura
sought to constrain me, I would have declined the Terms.
Without prejudging my conclusions I hope that what I shall be reporting to Trafigura will influence
international thinking.