29 December 2010
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Dear Sir,

Re: IFRS Exposure Draft ("ED") on Lease (August 2010)

We, the Taiwanese ship-owner Association, representing the interest of
ship-owners and ship operators in Taiwan, are writing this letter to draw
your attention to the followings:

1. We are of the strong opinion that the proposed standard should only be
   for financial contract but not for service contract.

   In theory and practice, time charter or voyage charter are of the nature
   of service contract which should be treated as operational expenses
   instead of leased assets and leased liability.

2. Only ship finance should be booked as liability to reflect its debt status
   for proper accounting handling. It is a common practice that only the
   expense for service contract will be booked when the expense is
   accrued or paid.

   It is also a common practice that the lessee should report all the
   service contracts by making necessary remarks or footnotes on their
   financial statement. Therefore, we strongly believe it should represent
   fair presentation of full disclosure on all the ship chartering greements.
Many thanks for your attention and cooperation to this mention.

Sincerely yours,

[Signature]

Bronson Hsieh
Chairman
National Association of Chinese Shipowners

CC: Asian Shipowners' Forum