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# THE SIXTH NATIONAL LAW UNIVERSITY ODISHA – BOSE & MITRA & CO. INTERNATIONAL MARITIME ARBITRATION MOOT, 2019

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## CASE STUDY\*

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*\* The case study has been drafted by Mr. Deven Choudhary and Mr. Prateek Sibal both working in the capacity of Shipping Claims Analyst, Legal at Scorpio Marine Management (India) Pvt. Ltd. The participants or their affiliates are barred from approaching the Drafters for any kind of assistance regarding this competition. Any contact shall lead to immediate disqualification of the concerned team.*

## EMAIL CONVERSATION

**From:** Phil Jones <[phil.jones@united.com](mailto:phil.jones@united.com)>;  
**Sent:** 8 December 2018 - 1009  
**To:** Vincent Silva [[vincent.silva@city.com](mailto:vincent.silva@city.com)]  
**Subject:** Availability of Vessel - South East Asia Region

Good day Sir,

We, United Maritime Logistics Pte Ltd. ("UML") were inquisitive to know whether there would be a vessel available on or about 10 December 2018.

To carry 45,000 MT of Bach Ho Oil to the Baltic Region from South East Asia.

Look forward to hearing from you urgently on this.

Kind regards,

Phil Jones

Chartering Manager  
United Maritime Logistics Pte Ltd.

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**From:** Vincent Silva  
**Sent:** 8 December 2018 - 1327  
**To:** Phil Jones  
**Subject:** Availability of Vessel - South East Asia Region

Hi Phil

Our vessel MT INDIA is scheduled to discharge cargo in Malaysia, and shall be available in Singapore by 10 December 2018.

The carrying capacity of the vessel is approx. 49,900 MT and the freight rates will be calculated on the basis of World Scale.

Look forward to hearing from you if you are agreeable to the above said proposal.

Regards,  
Vincent Silva

Operations Head – Medium Range  
City Shipping Company Limited

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**From:** Phil Jones  
**Sent:** 8 December 2018 - 1605  
**To:** Vincent Silva  
**Subject:** Availability of Vessel - South East Asia Region

Hi Vincent

That's perfect for us. And you may initiate the process for the Documentation.

Regards,

Phil Jones  
Operations Manager  
United Maritime Logistics Pte Ltd.

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**From:** Vincent Silva  
**Sent:** 9 December 2018 - 0915  
**To:** Phil Jones  
**Attached:** Charterparty  
**Subject:** Availability of Vessel - South East Asia Region

Hi Phil

Please find attached the Charterparty, consisting of fixture recap, Q88 and base form for the current voyage. I have incorporated all the suggestions proposed on the telecon.

Please confirm safe receipt of the same.

Regards,  
Vincent

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**From:** Phil Jones  
**Sent:** 9 December 2018 - 1115  
**To:** Vincent Silva  
**Attached:** Charterparty  
**Subject:** MT India / United – CP dd 9 December 2018

Hi Vincent

Thank you and confirm that the Charterparty is in order. Have taken the liberty of amending the subject accordingly.

Would like to thank you for your all your assistance so far in finalizing this Charterparty.

Regards,  
Phil

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**From:** Phil Jones  
**Sent:** 9 December 2018 - 1729  
**To:** MT INDIA <[india@city.com](mailto:india@city.com)>  
**Subject:** MT India / United – CP dd 9 December 2018

Good day Captain Gerrard,

We are the Voyage Charterers of your vessel MT India.

Please update the latest position of the vessel and confirm if the vessel will be able to make it to Singapore within the given Laycan period.

Look forward to working with you.

Regards,

Phil Jones  
Operations Manager  
United Maritime Logistics Pte Ltd.

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**From:** MT INDIA <[india@city.com](mailto:india@city.com)>  
**Sent:** 9 December 2018 - 1930  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

Confirm vessel has completed discharge at Malaysia and is proceeding towards Singapore.

ETA is 10 December 2018 at 0001 AGW WOG.

Kind regards,

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** Phil Jones  
**Sent:** 9 December 2018 - 1945  
**To:** MT INDIA  
**Subject:** Voyage Orders #1: MT India / United – CP dd 9 December 2018

To: Master of MT INDIA

Good day,

On behalf of United Maritime Logistics Pte Ltd please find below voyage orders in accordance with the referenced Charter Party.

Please note that this is an updated format to the United Maritime Logistics Pte Ltd voyage orders as of December 1, 2018. If you have any questions upon your review of the orders, kindly let Charterers' contact know. Additionally, please review the instructions and provide confirmation of receipt and acknowledgement of these instructions.

### **1.0 Loading**

Vessel is to proceed to following PORT(S) to load as follows:  
VOL IN BBLs +/-5%, unless otherwise specify

LOADPORT	:	<b>Singapore</b>
(L) Bach Ho Oil	:	45,000MT
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TOTAL: ALL OF THE ABOVE		

### **2.0 Discharging**

Upon completion of loading, the vessel is to proceed to disport(s) stated below at charter party speed, weather and safe navigation permitting, where discharge the mentioned cargo quantity unto receivers stated below.

Note: discharge figures are preliminary – Will be updated after loading  
Figures in BBLs

DISPORT	:	<b>Denmark,Finland BL1/BL2</b>
(D) Bach Ho Oil	:	22,500 MT / 22,500 MT
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TOTAL: ALL OF THE ABOVE		

### **UNTO: MOA/EXTAP**

Vessel shall only conduct cargo operations at nominated port(s) and or terminal(s), layberth(s) or to tank vessels used for lightering, as identified in these voyage orders. Charterer shall notify vessel of any voyage-related changes. Vessel shall disregard any voyage related instructions received from third parties and immediately refer such instructions to charterer for review.

### **3.0 Cargo Instructions**

#### 3.1 Heating

- As per standard industry practice. Details will be specified shortly.

#### 3.2 Nitrogen

- N.A.

#### 3.3 Stowage

- Dissimilar grades of cargo are to be kept completely segregated within the vessels natural segregation (WVNS). At a minimum there is to be two valves or a blank (spectacle blind flange) between grades.
- For single valve segregation, please ensure the following:
  - a) Vessel owner to perform air tightness check on valves
  - b) Check for quantity movement between compartments after loading/before discharging to check for product by-pass in between the wings
  - c) Master to ensure PULP/ULP and ULSD/ADF4 tank levels are monitored during loading/sailing/discharge operations to ensure no leakage between the 2 tanks
  - d) Strip the vessel manifold/line/pump dry and well after each loading and discharge for tank with single valve segregation.

##### 3.3.1 High and Low Flash Products

When carrying high and low flash products, the vessels inert gas main must be isolated during loading and loaded passage preventing ingress/egress of vapors between high and low flashpoint cargoes. It is necessary to keep individual tanks positively isolated from the inert gas main and each cargo tank must be fitted with pressure sensors so that pressure in each tank can be monitored. When necessary to top up or discharge the relevant tanks, inert gas main should be first purged of cargo vapors. This isolation is required to protect the flash integrity of the cargo from vapor carry-over via inert gas main.

##### 3.3.2 Potential High Levels of Hydrogen Sulphide

- The presence of Hydrogen Sulphide (H<sub>2</sub>S) in the cargo should be assumed. Special precautions should be taken for handling such cargoes.
- See guidelines in ISGOTT (International Safety Guide for Oil Tankers and Terminals).
- Purging may be required if H<sub>2</sub>S content in vapour phase exceeds terminal restrictions of maximum 100ppm H<sub>2</sub>S. Vessel is to purge en route.

##### 3.3.3 LOADING BACH HO OIL

- The vessel shall arrive at the load port with tanks ready in all respects suitable for the carriage of Bach Ho Oil.
- During the voyage to the load port, all cargo tanks, pumps and lines must be fresh water rinsed for tanks that have been sea water washed, then made gas free and mopped dry as part of normal tank cleaning preparation (except if the previous cargo is exactly the same as the product to be loaded.) Detergents are not to be used in the cleaning and all tanks are to have re-inerted prior to arrival at load port.

- All sea suction and other outboard valves connected to the cargo system must be sealed before and during loading.
- Any delays as a result of the vessel not meeting these cleaning requirements to Charterers satisfaction shall be for Owner's account and time not to count as lay-time, or if on demurrage, as time on demurrage.

### 3.4 Cargo Tanks and Cleaning

#### 3.4.1 Tank Suitability

- Vessels tanks, lines and pumps are to be thoroughly cleaned and drained and dry. Cargo tanks are to be ready in all respects suitable to load the intended cargo as per the charter party.

## **4.0 Communications**

Voyage Coordinator	Phil Jones
Office Number	+65 89983345
Mobile Number	+65 10536667

- When sending ETA notice/NOR to third parties, address to them and put EM as cc list.
- When sending ETA notice to EM, DO NOT copy third parties.
- Do not send eta notice/NOR to all loading port IN A SINGLE EMAIL as there are debate as to which parties vessel is tendering NOR.
- To ensure correct distribution of information, please ensure that vessel's name and voyage number is included in the subject line in all email messages and send all routine operations communications to the following email addresses:

## **5.0 Incident Reporting**

Master to promptly notify Charterer's contacts by telephone, followed by e-mail, if any of the following takes place: If the vessel is involved in any incident, such as an accident, casualty, collision, grounding, pollution, oil spill on deck, fire, explosion, cargo system or transfer hose or arm 'pressing' or over pressurization, mooring related incident, anchoring incidents, structural failure or any incident involving cargo loss or affecting performance of the vessel/voyage, this includes alleged pollutions, touching bottom, hard contact with terminals, jetties, piers, SPM's, failure or breakdown of vessel's equipment including main, auxiliary, navigational, or cargo handling machinery, port state detentions, seizure or arrest, smoking or drug and alcohol violation, security events, unscheduled movements or deviations, or media coverage.

Kind regards,  
Phil

**From:** MT INDIA <[india@city.com](mailto:india@city.com)>  
**Sent:** 10 December 2018 - 0001  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day Sir,

Hereby, I, on behalf of my Owners tender the Notice of Readiness along with the Letter of Protest for Free Pratique.

Look forward to receiving your voyage instructions.

Kind regards,

Capt. Steve Gerrard  
 Master  
 MT INDIA

**From:** Phil Jones  
**Sent:** 10 December 2018 - 0300  
**To:** MT INDIA <[india@city.com](mailto:india@city.com)>  
**Subject:** MT India / United – CP dd 9 December 2018

Hi Captain,

You are expected to proceed to berth of Singapore port and load 45,000 MT of Bach Ho Oil and then continue for a voyage to Denmark.

As per local agent, berth will be available in next 24-48 hours' time for berthing.

Additional voyage instructions will be provided shortly.

Kind regards,  
Phil

**From:** MT INDIA

**Sent:** 11 December 2018 - 1800  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

Hereby, we confirm that the vessel has arrived at the berth. Look forward to having your additional voyage instructions.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** MT INDIA  
**Sent:** 13 December 2018 – 0015  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

As you must be aware loading of the cargo was accomplished yesterday at 2300. Thereafter, the Bills of Lading 1 and 2 were issued for the 22,500MT Bach Ho Oil under each BSL.

Vessel is now sailing towards discharge port.

Going forward, we look forward to having your additional voyage instructions, if any.

ETA at Denmark is 5 to 10 January 2019 AGW WOG.

Will keep you posted.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** Phil Jones  
**Sent:** 13 December 2018 - 1113  
**To:** MT INDIA  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Captain,

Thank you and we will revert. Further, please note that loading master has confirmed that the cargo was loaded with a Pour Point of 34 degrees Celsius.

Kind regards,  
Phil

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**From:** MT INDIA  
**Sent:** 18 December 2018 - 0700  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

We look forward to hearing from you.

ETA at Denmark is 5-9 January 2019 AGW WOG.

We await specific cargo care instructions pertaining to the hearing of the cargo.

Will keep you posted.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** MT INDIA  
**Sent:** 25 December 2018 - 0600  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

We look forward to hearing from you.

ETA at Denmark is 4-8 January 2019 AGW WOG.

We await specific cargo care instructions pertaining to the hearing of the cargo.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** Phil Jones  
**Sent:** 25 December 2018 - 1011  
**To:** MT INDIA  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Captain,

Thank you and noted.

While we are sure that you are aware about the voyage which is taking place from hot weather to cold weather area and therefore necessary precautions are being maintained. However, we hereby request you to maintain the cargo temperature over and above 55 degrees Celsius to avoid solidification (wax formation) of the cargo.

Kind regards,  
Phil

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**From:** MT INDIA  
**Sent:** 25 December 2018 - 1506  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

This is to bring to your attention that cargo heating has not been carried out since departure as no clear instructions were received.

No cargo Heating instructions were provided in the first voyage instructions or by any means thereafter. Owners hereby reserve their rights to hold Charterers responsible for any cargo loss / damage that may be caused as a result of this.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** Phil Jones  
**Sent:** 25 December 2018 - 1617  
**To:** MT INDIA  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Captain,

Owners last is noted and rejected at outset.

Please note that the cargo carried didn't require any specific technical expertise and therefore, Charterers reserve their rights and defenses to bring forward any claim that may arise due to cargo damage.

Kind regards,  
Phil

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**From:** MT INDIA  
**Sent:** 30 December 2018 - 0600  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

ETA at Denmark is 4-6 January 2019 AGW WOG.

Will keep you posted.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** MT INDIA  
**Sent:** 5 January 2019 - 0600  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

Vessel will be in a position to tender the Notice of Readiness tomorrow.

Will keep you posted.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** Phil Jones  
**Sent:** 5 January 2019 - 0801  
**To:** MT INDIA  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Captain,

Thank you and noted.

We request you to wait for Charterers further instruction once the vessel arrives at the anchorage of the discharge port of Fredericia, Denmark.

We will revert with our instructions at the earliest.

Kind regards,  
Phil

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**From:** MT INDIA  
**Sent:** 6 January 2019 - 0600  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

Hereby we provide our Notice of Arrival. Vessel is now waiting for Charterers further instruction at the anchorage of Fredericia, Denmark.

We look forward to having discharging orders.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** Phil Jones  
**Sent:** 13 January 2019 - 1000  
**To:** MT INDIA  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Captain,

Please proceed with discharging the cargo under BsL no.1 at the port of Fredericia, Denmark. Berth is now available.

Please let us know if any clarifications are required.

Kind regards,  
Phil

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**From:** MT INDIA  
**Sent:** 13 January 2019 - 1005  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

Thank you and noted Mr. Phil. Hereby, we tender our Notice of Readiness.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** MT INDIA  
**Sent:** 14 January 2019 - 0930  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

Vessel discharged the 1<sup>st</sup> parcel of cargo and is now sailing out for the second discharge port.

ETA at Finland is 15-16 January 2019.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** MT INDIA  
**Sent:** 15 January 2019 - 0800  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Good day,

We hereby issue our Notice of Readiness and look forward to having discharge instructions from Charterers.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** Phil Jones  
**Sent:** 15 January 2019 - 1000  
**To:** MT INDIA  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Captain,

Please proceed with discharging of the second parcel of cargo under BsL no.2 at the port of Helsinki, Finland. Berth is now available.

Please let us know if any clarifications are required.

Kind regards,  
Phil

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**From:** Phil Jones  
**Sent:** 15 January 2019 - 2300  
**To:** MT INDIA  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Captain,

We have been informed by our local agents about the solidification of the cargo. It seems that master's failure to follow has resulted in damage to the cargo leading to a shortage of 157.50mt. We have paid for the full quantity of cargo shipped onboard your vessel and hold you liable as carrier of the cargo.

Kindly treat this as notification of our claim. Reverting on the quantum of loss.

Kind regards,  
Phil

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**From:** MT INDIA  
**Sent:** 15 January 2019 - 2312  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Phil,

We reject your above email.

Kindly note that the cargo tanks bottom was found in wax and could not be discharged. Obviously, this was because of the cargo properties and nothing to do with my vessel which had maintained adequate temperature throughout. Contrary to your claim, because of the wax from the cargo, the vessel will need to carry out tank cleaning before it can load any further cargo – this is obviously going to result in time loss to Owners.

Reverting with our claim for this.

Owners reserve all their rights.

Capt. Steve Gerrard  
Master  
MT INDIA

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**From:** Vincent Silva  
**Sent:** 10 March 2019 - 1302  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018 – Demurrage Claim Presentation  
**Attachment:** Laytime and Demurrage Calculation

Hi Phil

Please find attached the laytime and demurrage calculation for your record on the basis of time consumed for loading, discharging and awaiting instructions by the vessel during the voyage. As per the calculations Charterers are required to make a payment USD 227,400 (net).

As per the Charterparty requirement have forwarded you Notice of Readiness, Timesheets (Signed by the Master/Terminal/Agents), Letter of Protests, Pumping Logs.

Look forward to receiving your payment confirmation at the earliest.

Regards,  
Vincent Silva

Operations Head – Medium Range  
City Shipping Company Limited

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**From:** Phil Jones  
**Sent:** 17 March 2019 - 0956  
**To:** Vincent Silva  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Mr. Silva,

We confirm receipt of Demurrage Claim Presentation submitted on 10 March 2019 along with the documents which were sent separately. Having reviewed the entire Demurrage Claim, please find below our comments –

1. Load Port – Laytime should commence from 11 December 2018 at 1800 instead of 10 December 2018 at 0601, as letter of protest for Free Pratique was issued while tendering NOR.
2. Discharge Port 1 - Entire time from 6 January 2019 at 0600 to 13 January 2019 at 1005 is on Owners account due to failure of providing NOR on 6 January 2019.
3. Discharge Port 2 – Owners failed to provide the Pumping Log.

On the basis of above, Charterers reject the entire claim of Owners for the outstanding demurrage. Look forward to having Owners agreement / comments.

Many thanks,  
Kind regards,  
Phil

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**From:** Vincent Silva  
**Sent:** 18 March 2019 - 1302  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Hi Phil,

We have now reviewed your comments. Please find below our comments –

1. Load Port – Owners reject Charterers last and maintain their claim.

2. Discharge Port 1 - Owners reject Charterers last and maintain their claim.
3. Discharge Port 2 – Have sent you the pumping log separately today. Please confirm receipt.

Based on the above, we maintain our demurrage claim in full.

Regards,  
Vincent Silva

Operations Head – Medium Range  
City Shipping Company Limited

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**From:** Phil Jones  
**Sent:** 18 March 2019 - 1530  
**To:** Vincent Silva  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Mr. Silva,

We confirm receipt of pumping log for discharge port 2, however, the time bar to submit the demurrage claim expired on 15 March 2019. Therefore, Owners entire Demurrage Claim is now time barred.

Many thanks,  
Kind regards,  
Phil

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**From:** Vincent Silva  
**Sent:** 18 March 2019 - 1902  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Hi Phil,

This isn't the outcome we were hoping for, especially considering our past commercial relationship. Sadly, if this is your final stance then Owners might have to involve their lawyer.

Let me know if you feel that there is some hope of resolving this dispute on amicable terms.

Regards,  
Vincent Silva

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**From:** Phil Jones  
**Sent:** 18 March 2019 - 2230  
**To:** Vincent Silva  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Mr. Silva,

Having discussed internally with the management our stance remains the same.

Clearly, Owners are trying to pressurize Charterers to achieve a settlement for a claim which at the first place doesn't exist.

Many thanks,  
Kind regards,  
Phil

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**From:** Vincent Silva  
**Sent:** 18 March 2019 - 2345  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Hi Phil,

Well that's your interpretation of the Charterparty and we have our own.

Going forward, if the resolution is not reached then sadly we will be left with no other option but to approach the Courts in India for resolution of all our claims.

Regards,  
Vincent Silva

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**From:** Phil Jones  
**Sent:** 19 March 2019 - 0710  
**To:** Vincent Silva  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Mr. Silva,

Thank you for your email.

Please note that you will be breaching Charterparty terms by approaching to the Courts in India for resolving the dispute. You will have to abide by the dispute resolution clause as agreed in the Charterparty.

In case of any grievance you may invoke the dispute resolution clause and in terms of the same we can schedule a meeting at our office for amicable settlement of all your disputes pursuant to the dispute resolution clause.

Many thanks,  
Kind regards,  
Phil

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**From:** Vincent Silva  
**Sent:** 19 March 2019 - 1315  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018 – Notice of Arbitration

Dear Mr. Jones,

Please note that considering your cold and stringent attitude towards all our claims we see no scope for an amicable settlement among us. We hereby invoke the dispute resolution clause. Please find below our Notice of Arbitration for your reference.

#### **NOTICE OF ARBITRATION**

Dear Sirs,

#### **RE: MT INDIA (Vessel) - Charterparty dated 9 December 2018 (“Charterparty”)**

We write on behalf of Scorpio MR Pool Ltd, the Disponent Owners of the above named Vessel.

By the above captioned Charterparty, Disponent Owners voyage chartered the Vessel to you, United Maritime Logistics Pte Ltd (**“Charterers”**). Disputes have arisen under the Charterparty, including but not limited to Charterers’ non-payment of Demurrage. Since Charterers have failed to make payment, Disponent Owners wish to refer the matter to arbitration.

In accordance with Clause 49 of the Charterparty, Disponent Owners appoint Mr. Mittal as their appointed arbitrator.

Mr. Mittal’s details are:

Work Tel: +91 - 311 948 5784  
Mobile Tel: +91 – 847 75 538 012

Owners now call on Charterers to appoint their own arbitrator and inform us of the appointment in terms of the Charterparty.

**This notice is deemed to be the commencement of the arbitration and interrupts any time limits which may apply.**

Alternatively, and without prejudice to the above, if Charterers wish to do so, Owners are open to agree for the dispute to be referred to Mr. Mittal as the sole arbitrator.

All Owners' rights and remedies remain fully and expressly reserved.

Yours faithfully,  
Vincent Silva

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**From:** Phil Jones  
**Sent:** 25 March 2019 - 0900  
**To:** Vincent Silva  
**Subject:** MT India / United – CP dd 9 December 2018  
**Attachment:** Sale Contract

Dear Mr. Silva,

We have always acted within the four corners of the terms and conditions agreed between the parties. However, it appears to us that you want to take unjust advantage of our honest conduct towards the performance of the contract. We see no point arguing with you any further.

In any event, we would like to notify you about the cargo damage claim under BL No.2 of 157.50 MT due to the solidification (wax formation of the cargo at the bottom of cargo tanks). Attached are the document pertaining to the cargo. You will note that Charterers claim (or counter-claim) amounts to USD 236,250.

You are in breach of your obligations to discharge/deliver the cargo in the same quantity/condition as on shipment.

On a separate but related note, we hereby appoint Mrs. Singh as our nominated arbitrator.

Further we reserve our right to claim cost of arbitration as you have acted in breach of the terms and conditions of the contract.

Many thanks,

Kind regards,  
Phil

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**From:** Vincent Silva  
**Sent:** 25 March 2019 - 0630  
**To:** Phil Jones  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Mr. Jones,

Owners reject the entire cargo damage claim from Charterers since the damage was caused due to the failure of providing relevant voyage orders on time.

Further, Owners accept the appointment of Mrs. Singh as arbitrator on behalf of Charterers. We propose Mr. Solanki as the 3<sup>rd</sup> arbitrator.

Regards,  
Vincent Silva

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**From:** Phil Jones  
**Sent:** 25 March 2019 - 0910  
**To:** Vincent Silva  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Mr. Silva,

We confirm receipt of your email. Please note that we have no objections to Mr. Solanki being the 3<sup>rd</sup> arbitrator.

Many thanks,  
Kind regards,  
Phil

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**From:** Mr. Solanki  
**Sent:** 25 March 2019 - 0910  
**To:** Vincent Silva, Phil Jones, Mrs. Singh, Mr. Mittal  
**Subject:** MT India / United – CP dd 9 December 2018

Dear Sirs,

Please note that the full quorum has been formed consisting of Mr. Mittal, Mrs. Singh and myself as arbitrators. We have no conflict of interest with either of the parties involved. Our individual fee will be Rs. 12,500 per hour plus disbursements.

**DIRECTIONS OF THE TRIBUNAL TO FOLLOW SOON.**

Kind regards,  
Mr. Solanki

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**FIXTURE RECAP**

**From:** Vincent Silva[[vincent.silva@city.com](mailto:vincent.silva@city.com)]  
**Sent:** 9 December 2018  
**To:** Phil Jones <[phil.jones@united.com](mailto:phil.jones@united.com)>;  
**Subject:** MT INDIA / UNITED CP DATED 9 December 2018

TO UNITED                   ATTN Phil Jones  
FROM CITY                   ATTN Vincent Silva

=====  
STRICTLY PRIVATE AND CONFIDENTIAL  
=====

PLEASED TO CONFIRM THE FOLLOWING FIXTURE WITH ALL SUBJECTS LIFTED:

T I T L E

OWNER: CITY SHIPPING COMPANY LTD.  
  
COMMERCIAL: CITY COMMERCIAL MANAGEMENT S.A.M.  
  
CHARTERER: UNITED MARITIME LOGISTICS PTE LTD.  
10 Rashford Street,  
#19-00 UNITED FINANCIAL CENTRE  
SINGAPORE

CHARTER PARTY FORM: BPVOY4

C/P DATE: 9 December 2018

V E S S E L           D E S C R I P T I O N

VESSEL           : INDIA  
EX-NAME          : NOT APPLICABLE  
IMO NUMBER       : 00009320  
SDWT             : 49,990 MT  
SDRAFT           : 13.005 M  
LOA               : 183.31 M  
BEAM             : 32.23 M  
FLAG             : MARSHALL ISLANDS  
BUILT            : SEP 20, 2012  
CLASS            : AMERICAN BUREAU OF SHIPPING  
STOPPERS         : 1 X 204 MT - TONGUE TYPE  
CHAIN SIZE       : 76 MM  
CUBIC 98 PCT     : 53,032.7 CBM  
SLOP 98 PCT     : 1,077 CBM  
SLOP AVAIL.     : REVERTING  
SEGREGATIONS    : 6  
PUMPS            : 12 X 600 M3/HR - SUBMERGED  
                  : 2 X 300 M3/HR - SUBMERGED  
TPC/TPI          : 52.435 MT  
BCM               : 91.72 M  
KTM               : 48.3 M  
IGS               : YES  
COW               : YES  
SBT/CBT          : SBT  
VRS               : YES  
GRT               : 29,708  
NRT               : 14,103  
PCNT             : 24,661  
SCNT             : 30,568.15  
CRANES           : 1 X 10 MT  
COATED           : PURE EPOXY - WHOLE TANK  
HULL             : DOUBLE HULL  
CALL SIGN        : V7XP2  
P AND I          : SPURS MUTUAL  
QUALIFIED IND: ECM MARITIME SERVICES LLC  
OSRO             : NATIONAL RESPONSE CORPORATION (NRC)  
COC/TVEL         : REVERTING  
ISPS             : REVERTING  
LAST SIRE        : 18.11.2016 BY AMPOL

H&M VALUE       : USD 31,000,000

APPROVALS       : TTBOOK VSL IS APPROVED BY AMPOL,STATOIL,PHILLIPS 66

LAST 3 CARGOS: GASOIL / GASOIL AND GASOLINE / GASOIL 10 PPM AND GASOLINE

OTHERWISE PLS SEE Q88

- IN THE EVENT OF CONFLICT BETWEEN THE PROVISIONS SET OUT HEREIN AND ANY PRINTED TERMS OF THE CHARTER PARTY FORM, THE PROVISIONS SET OUT HEREIN WILL PREVAIL

C A R G O

CARGO QUANTITY: CHOPT FULL CARGO

G E O G R A P H I C A L

LOAD PORT (S): 1 Port Singapore  
DISCH PORT (S): 1-2 PORT(S) Baltic Region

D A T E S

LAYDAYS: 10 December 2018 0001-2359

ITINERARY: IN BALLAST ETA SINGAPORE 10 DEC 2018 AGW WSNP

F I N A N C I A L

USD 1,535,000 BSS 1:2 IF BALTIC REGION

IF WS FREIGHT PAYABLE BASIS MIN 45,000 MTS IRRESPECTIVE OF ACTUAL QTY LOADED

DEMURRAGE RATE: USD 30,000 PD/PR

LAYTIME ALLOWED: 84 HOURS TOTAL SHINC

CHARTER PARTY SPEED: ABT 12.5 KNTS WSNP

FREIGHT PAYMENT DETAILS:

CITY MR POOL LTD  
ACCOUNT : USD 93.29.00.00  
BANK : Everton Bank  
SWIFT CODE : EVRTN

IF SUDAN:

EURO PAYMENT CLAUSE OWNERS PROPOSE:

'IN CASE OF LOADING OR DISCHARGING IN IRAN/SUDAN, ANY PAYMENTS INCLUDING BUT NOT LIMITED TO FREIGHT AND DEMURRAGE DUE TO OWNERS UNDER THIS C/P TO BE PAID IN EURO FROM A NON-US BANK (AMOUNT TO REPRESENT THE AGREED AMOUNT IN USD AT THE EXCHANGE RATE PUBLISHED BY THE EUROPEAN CENTRAL BANK APPLYING THE EXCHANGE RATE FOR THE DAY IMMEDIATELY PRECEDING THE VALUE DATE OF PAYMENT. IN CASE THIS DATE FALLS ON A WEEKEND / HOLIDAY, IN THAT CASE, FIRST COMING UK BANK DAY AFTER COMPLETION OF DISCHARGE WILL BE THE DATE FOR EXCHANGE RATE. IF ANY PAYMENT IS FROZEN OR ATTACHED IN TRANSIT BEFORE REACHING OWNERS' DESIGNATED BANK ACCOUNT THE PAYMENT WILL REMAIN OUTSTANDING AND DUE TO OWNERS.

T E R M S

- IF EAFR, SAFR OR NAMIBIA DISCHARGE AN ADDITIONAL L/S USD 150,000 PAYABLE BY CHRTS TO COVER ALL ANTI PIRACY MEASURES, INCLUDING BUT NOT LIMITED, ARMED GUARDS, DEVIATION, AWRP, CREW WAR BONUS AND LOSS OF HIRE. NO OTHER COSTS TO APPLY.
- OWNERS OPTION TO BUNKER ON LADEN LEG, SUBJECT TO CHRTS CONSENT WHICH NOT TO UNREASONABLY WITHHELD.
- WAR RISK ADDITIONAL PREMIUM, IF ANY, TO BE FOR CHARTERERS ACCOUNT - EXCEPT FOR EAFR-SAFR, AS ABOVE, WHERE USD 150K COVERS ANY AWRP
- GA ARB CUTTACK, ENGLISH LAW
- TAXES AND/OR DUES ON CARGO AND/OR FREIGHT TO BE FOR CHARTERERS ACCOUNT AND SETTLED DIRECTLY BY THEM.
- LOI AS PER OWNERS P+I CLUB WORDING, GOVERNED BY ENGLISH LAW
- FREE PRATIQUE IS NOT REQUIRED IN EUROPE.
- OWNERS CLAIMS (DEMURRAGE, DEVIATION, PORT COSTS, HEATING, AWRP, SPEED UP OR ANY OTHER CLAIMS ARISING OUT OF THIS CHARTER PARTY) SHOULD BE ADDRESSED TO:

UNITED MARITIME VENTURES LTD  
Prins Schmeichel,  
1218 Kobenhavn,  
Denmark  
EMAIL: [phil.jones@UNITED.COM](mailto:phil.jones@UNITED.COM)  
PIC: MR. PHIL JONES

- ADDITIONAL CLAUSES (AS MENTIONED HERE) TO BE INCORPORATED INTO THIS CHARTER PARTY.

- SANCTIONS CLAUSE

OWNERS AND CHARTERERS RESPECTIVELY REPRESENT, WARRANT AND GUARANTEE FOR THEMSELVES THAT, TO THE BEST OF THEIR KNOWLEDGE (HAVING MADE DUE ENQUIRIES), AT THE DATE OF THIS FIXTURE AND THROUGHOUT THE DURATION OF THIS CHARTER PARTY:

- THEY ARE NOT SUBJECT TO SANCTIONS OR AFFILIATED TO A SANCTIONED ENTITY,
  - NONE OF PARTY RELATED TO OR INVOLVED IN THIS CHARTER PARTY IS A SANCTIONED ENTITY OR SUBJECT TO SANCTION.
  - CHARTERERS FURTHER WARRANT THAT NEITHER THE TRADE NOR THE CARGO IS SUBJECT TO SANCTIONS.
- "SANCTION" MEANS ANY SANCTION, REGULATION, STATUTE, OFFICIAL EMBARGO MEASURES OR ANY 'SPECIALLY DESIGNATED NATIONALS' OR 'BLOCKED PERSONS' LISTS, OR ANY EQUIVALENT LISTS MAINTAINED AND IMPOSED BY THE UNITED NATIONS, THE EUROPEAN UNION, THE UNITED STATES DEPARTMENT OF TREASURY'S OFFICE OF FOREIGN ASSETS CONTROL, THE UNITED STATES STATE DEPARTMENT OR ANY OTHER REGULATION APPLICABLE TO ONE PARTY.

1. CHARTER PARTY

THIS CHARTERPARTY IS SUBJECT TO THE BPVOY4 FORM TERMS, TOGETHER WITH THE Q88 QUESTIONNAIRE VERSION 2 ("Q88") AND THE CITY/UNITED TERMS. ALL REFERENCES TO THE "BP SHIPPING QUESTIONNAIRE" CONTAINED IN THE BPVOY4 FORM SHALL BE DEEMED REFERENCES TO THE Q88.

2. CONFLICT

IN THE EVENT OF ANY CONFLICT BETWEEN THE PROVISIONS OF BPVOY4 PART 1 OR 2 OF THE BP VOY4 FORM, OR THE Q88, THE PROVISIONS OF CITY/UNITED TERMS SHALL PREVAIL.

3. PRIVATE & CONFIDENTIAL

ALL NEGOTIATIONS AND DETAILS RESULTING IN, AND COMPRISING, THIS CHARTER PARTY TO BE KEPT STRICTLY PRIVATE AND CONFIDENTIAL, SAVE AS MAY BE REQUIRED FOR THE PURPOSES OF ENFORCING THE TERMS HEREOF.

4. IN-TRANSIT LOSS CLAUSE

IN ADDITION TO ANY OTHER RIGHTS WHICH CHARTERERS MAY HAVE, OWNERS WILL BE RESPONSIBLE FOR THE FULL AMOUNT OF ANY IN-TRANSIT LOSS IF IN-TRANSIT LOSS EXCEEDS 0.5% AND CHARTERERS SHALL HAVE THE RIGHT TO CLAIM FROM FREIGHT AN AMOUNT EQUAL TO THE FOB LOADING PORT VALUE OF SUCH CARGO PLUS FREIGHT AND INSURANCE DUE WITH RESPECT THERETO. IN-TRANSIT LOSS IS DEFINED AS THE DIFFERENCE BETWEEN NET VESSEL STANDARD VOLUMES AFTER LOADING AT THE LOADING PORT AND BEFORE UNLOADING AT THE DISCHARGE PORT. VOLUME OF CARGO TO BE ASCERTAINED AT LOADING PORT AND DISCHARGE PORT BY INDEPENDENT INSPECTORS APPOINTED BY CHARTERERS WHOSE FINDINGS ARE TO BE FINAL AND BINDING ON BOTH PARTIES SAVE FOR INSTANCES OF ARITHMETICAL ERROR IN CALCULATION.

5. OIL POLLUTION CLAUSE

WITH REFERENCE TO CLAUSE 44 OF PART 2 OF THE BPVOY4 FORM, THE FIGURE OF US\$500MILLION IS DELETED AND REPLACED WITH "US\$1 BILLION".

5.1 OWNERS WARRANT THAT THE OIL POLLUTION INSURANCE REFERRED TO IN CLAUSE 44 OF PART 2 OF THE BPVOY4 FORM SHALL BE WITH A P & I CLUB WITHIN THE INTERNATIONAL GROUP ACCEPTABLE TO CHARTERERS AND SHALL REMAIN IN PLACE THROUGHOUT THE VOYAGE(S) TO BE PERFORMED UNDER THIS CHARTERPARTY. IF REQUESTED, OWNERS SHALL PROVIDE TO CHARTERERS WITHIN 48 HOURS OF SUCH REQUEST SATISFACTORY WRITTEN EVIDENCE FROM THE VESSEL'S P&I CLUB OF OIL POLLUTION INSURANCE COVER OF US\$1 BILLION. THE WRITTEN EVIDENCE TO BE PROVIDED BY THE VESSEL'S P&I CLUB AND THE TERMS OF THE POLLUTION INSURANCE MUST BE ACCEPTABLE TO CHARTERERS, FAILING WHICH CHARTERERS SHALL HAVE THE RIGHT TO TERMINATE THE CHARTERPARTY. WITHOUT PREJUDICE TO ANY OTHER RIGHTS OR REMEDIES AVAILABLE TO CHARTERERS UNDER THE TERMS OF THIS CHARTER OR UNDER ENGLISH LAW, ANY DIRECT AND PROVEN LOSS, DAMAGE, EXPENSE OR DELAY ARISING OUT OF OR IN CONNECTION WITH A BREACH OF THIS CLAUSE SHALL BE FOR OWNERS' ACCOUNT.

5.2 OWNERS FURTHER WARRANT THAT THE VESSEL WILL AT ALL TIMES CARRY ANY CERTIFICATES REQUIRED BY THE INTERNATIONAL CONVENTION ON CIVIL LIABILITY FOR OIL POLLUTION DAMAGE OF 1969, THE 1992 PROTOCOL, THE 2000 PROTOCOL AND ANY OTHER SUBSEQUENT AMENDMENTS AND EXTENSIONS,

6. DRUG AND ALCOHOL CLAUSE

WITH REFERENCE TO CLAUSE 10 OF PART 2 OF THE BPVOY4 FORM AND THE OCIMF GUIDELINES, ALCOHOL IMPAIRMENT SHALL BE DEFINED AS A BLOOD ALCOHOL CONTENT OF 40 MG/100 ML OR GREATER; THE APPROPRIATE SEAFARERS TO BE TESTED SHALL BE ALL VESSEL OFFICERS AND CREW MEMBERS; AND THE DRUG/ALCOHOL TESTING AND SCREENING SHALL INCLUDE RANDOM TESTING OF THE OFFICERS AND CREW MEMBERS WITH A FREQUENCY TO ENSURE THAT EVERYONE IS TESTED AT LEAST ONCE A YEAR.

7. ELIGIBILITY CLAUSE

'TO THE BEST OF OWNERS KNOWLEDGE' THAT THE VESSEL IS COMPLETELY FREE TO TRADE WITHIN THE CURRENT INSTITUTE WARRANTY LIMITS AND IS NOT IN ANY WAY LISTED AS UNACCEPTABLE BY ANY GOVERNMENT OR OTHER ORGANISATION WHATSOEVER.

8. ADHERENCE TO VOYAGE ORDERS

OWNERS SHALL BE RESPONSIBLE FOR ANY DIRECT AND PROVEN DELAY, LOSS,

DAMAGE, COSTS OR EXPENSE ARISING OUT OF ANY FAILURE TO COMPLY WITH CHARTERERS' VOYAGE ORDERS PROVIDED SAME IN ACCORDANCE WITH C/P TERMS CONDITIONS. IF AT ANY TIME IT APPEARS TO THE MASTER THAT IT MAY NOT BE POSSIBLE TO COMPLY WITH CHARTERERS' VOYAGE ORDERS, HE SHALL IMMEDIATELY CONTACT CHARTERERS FOR INSTRUCTIONS.

9. OWNERS' WARRANTIES

OWNERS HEREBY WARRANT AND REPRESENT THAT:-

9.1 THE VESSEL'S POSITION AT DATE AND TIME OF FIXTURE IS MT INDIA;

9.2 THEY WILL COMPLY WITH THE US FEDERAL WATER POLLUTION CONTROL ACT AS AMENDED, AND ANY AMENDMENTS OR SUCCESSORS THERETO;

9.3 THE VESSEL HAS A COC, AS APPROPRIATE, VALID FOR THE ENTIRE DURATION OF THE VOYAGE(S) TO BE PERFORMED UNDER THIS CHARTER;

9.4 IF APPROPRIATE, THE VESSEL HAS ON BOARD AN ITF AGREEMENT AND BLUE CARD /CERTIFICATE, OR EQUIVALENT, VALID FOR THE ENTIRE DURATION OF THE VOYAGE(S) TO BE PERFORMED UNDER THIS CHARTER; AND

9.5 FOR THE DURATION OF THE VOYAGE(S) TO BE PERFORMED UNDER THIS CHARTER, THE VESSEL SHALL COMPLY WITH THE REQUIREMENTS OF THE ISM CODE. IF REQUESTED, OWNERS SHALL PROVIDE TO CHARTERERS WITHIN 48 HOURS OF SUCH REQUEST SATISFACTORY WRITTEN EVIDENCE OF COMPLIANCE INCLUDING A SAFETY MANAGEMENT CERTIFICATE AND DOCUMENT OF COMPLIANCE. IF SATISFACTORY EVIDENCE IS NOT RECEIVED BY CHARTERERS WITHIN 48 HOURS OF SUCH REQUEST, CHARTERERS SHALL HAVE THE RIGHT TO TERMINATE THIS CHARTER.

9.6 WITHOUT PREJUDICE TO ANY OTHER RIGHTS OR REMEDIES AVAILABLE TO CHARTERERS UNDER THE TERMS OF THIS CHARTER OR UNDER ENGLISH LAW, ANY DIRECT AND PROVEN LOSS, DAMAGE, COST, EXPENSE OR DELAY ARISING FROM ANY BREACH OF THIS CLAUSE 10 SHALL BE FOR OWNERS' ACCOUNT. WHERE APPLICABLE, ANY DELAY ARISING FROM ANY SUCH DIRECT AND PROVEN BREACH OF WARRANTY SHALL NOT COUNT AS LAYTIME, OR IF THE VESSEL IS ON DEMURRAGE, AS DEMURRAGE.

10. WEATHERNEWS MONITORING CLAUSE

IN CHARTERERS' OPTION, LADEN AND BALLAST VOYAGES MAY BE MONITORED BY WNI WEATHERNEWS OR ANY OTHER INDEPENDENT METEOROLOGICAL SERVICE WHO MAY REPORT VESSELS' ETA(S) AND POSITION TO CHARTERERS. IF CHARTERERS EXERCISE THIS OPTION, THE MASTER SHALL CO-OPERATE FULLY WITH WNI WEATHERNEWS OR OTHER INDEPENDENT METEOROLOGICAL SERVICE AS THE CASE MAY BE, BUT SHALL NOT BE RELIEVED OF RESPONSIBILITY FOR GIVING ANY ETA OR OTHER NOTICES IN ACCORDANCE WITH THE TERMS OF THIS CHARTER, INCLUDING BUT NOT LIMITED TO CLAUSE 4, PART 2.

PART 2: AMENDMENTS TO BP VOY 4:

CLAUSE 4.4 DELETE AND REPLACE WITH -

THE MASTER SHALL ALSO ADVISE THE ETA NTOIFY PARTIES BY EMAIL/TELEX OF (1) ANY VARIATION OF 3 HOURS OR MORE IN ANY ETA NOTICE OF 24 HOURS OR LESS OR (2) ANY VARIATION OF 6 HOURS OR MORE IN ANY ETA NOTICE OF MORE THAN 24 HOURS.

CLAUSE 5. LOADING AND DISCHARGE PORT/SHIFTING

ADD -  
ANY "LOADING/DISCHARGING" PORT, CHARTERERS SHALL EXERCISE DUE DILIGENCE, TO ASCERTAIN THAT THE VESSEL CAN ALWAYS LIE SAFELY AFLOAT AT SUCH "LOADING/DISCHARGING" PORT, BUT CHARTERERS DO NOT WARRANT THE SAFETY OF OR DAMAGE CAUSED BY CHARTERERS' FAILURE TO EXERCISE DUE DILIGENCE.

CLAUSE 6. NOTICE OF READINESS ("NOR")

ADD -  
REPRESENTATIVE "OR THEIR AGENTS" IN RESPECT OF EACH PORT AT WHICH THE VESSEL LOADS OR DISCHARGES.  
WAIT, SHE HAS REACHED THE AREA WITHIN THE PORT "OR OUTSIDE OF THE PORT" WHERE VESSELS OF HER TYPE

CLAUSE 7.3.2 STARTS AS "EXCEPT AS PROVIDED FOR IN CLAUSE 7.3.1 LAYTIME OR, IF THE VESSEL.."

CLAUSE 12. INERT GAS SYSTEM ("IGS")

ADD -  
DEMURRAGE. "ANY BUNKER EXPENSES DUE TO DEINERTING/REINERTING TO BE FOR CHARTERERS ACCOUNT."

CLAUSE 15. AGENCY

ADD -

CHARTERERS SHALL NOMINATE AGENTS AT LOADING AND DISCHARGE PORTS

"PROVIDED COMPETITIVE" BUT SUCH AGENTS SHALL

CLAUSE 16. CANCELLATION

DELETE/ADD -

CL,16.4 "~~NINETY-SIX (96)~~ AND INSERT-"FORTY-EIGHT (48)"

(SATURDAY, SUNDAYS AND HOLIDAYS EXCEPTED)

CLAUSE 17. HALF LAYTIME/HALF DEMURRAGE/FORCE MAJEURE

PEOPLES SHALL COUNT AS ~~ONE HALF FULL LAYTIME OR, IF THE VESSEL IS ON~~

~~DEMURRAGE, AT ONE HALF FULL OF THE DEMURRAGE RATE PROVIDED ALWAYS THAT THE CAUSE OF THE DELAY WAS NOT WITHIN THE REASONABLE CONTROL OF CHARTERERS OR OWNERS, AS THE CASE MAY BE, OR THEIR RESPECTIVE SERVANTS OR AGENTS.~~

ADD -

"HOWEVER IF LIGHTERING/LIGHTENING/ STS TAKES PLACE AT ANY LOCATION AND/OR IF DISCHARGE VIA A SEALINE/SEATERMINAL ANY DELAYS OWING TO WEATHER/SEA CONDITIONS TO COUNT IN FULL AS USED LAYTIME OR DEMURRAGE TIME IF VESSEL ON DEMURRAGE. ANY UNBERTHING/REBERTHING/ SHIFTING TIME/EXPENSE DUE TO WEATHER/SEA CONDITIONS AT THE ABOVE PORTS OR PLACES TO BE FOR CHARTERERS ACCOUNT"

CLAUSE 18. SUSPENSION OF LAYTIME/DEMURRAGE

ADD-

ON AN INWARD PASSAGE, INCLUDING AWAITING DAYLIGHT, TIDAE, OPENING OF LOCKS, RELEVANT AUTHORITY'S CLEARANCE OF VESSEL AND/OR CREW (UNLESS VESSEL IS AT ANCHOR/DRIFTING ON CHARTERERS' ORDERS AND CLEARANCE ONLY POSSIBLE AT BERTH), PILOT OR TUGS OR MOVING FROM AN ANCHORAGE, EVEN IF TOPPING.....

CLAUSE 20. CLAIMS TIME BAR

DELETE THE ENTIRE CLAUSE AND REPLACE WITH -

20.1 CHARTERERS SHALL BE DISCHARGED AND RELEASED FROM ALL LIABILITY IN RESPECT OF ANY CLAIM OF WHATSOEVER NATURE UNDER THIS CHARTER (INCLUDING BUT NOT LIMITED TO CLAIMS FOR DEMURRAGE, DEVIATION OR DETENTION) UNLESS A CLAIM IN WRITING HAS BEEN PRESENTED TO CHARTERERS, TOGETHER WITH ALL SUPPORTING DOCUMENTATION SUBSTANTIATING EACH AND EVERY CONSTITUENT PART OF THE CLAIM, WITHIN SIXTY (60) DAYS OF COMPLETION OF DISCHARGE OF THE CARGO CARRIED UNDER THIS CHARTER. ALL AND ANY CLAIMS AGAINST CHARTERERS IN RESPECT OF WHICH NOTICE HAS NOT BEEN GIVEN STRICTLY IN ACCORDANCE WITH THIS CLAUSE SHALL BE DEEMED AND TREATED AS ABSOLUTELY WAIVED AND BARRED.

20.2 THE SUPPORTING DOCUMENTATION SUBSTANTIATING EACH AND EVERY CONSTITUENT PART OF A DEMURRAGE CLAIM SHALL INCLUDE BUT NOT BE LIMITED TO, THE NOTICE OF READINESS, TIMESHEETS (SIGNED BY THE MASTER/TERMINAL/AGENT), LETTERS OF PROTEST, CRUDE OIL WASHING STATEMENT AND VESSEL'S PUMPING LOG, IN EACH CASE SIGNED BY AUTHORISED SIGNATORIES.

CLAUSE 22. REVISED CHARTERERS' VOYAGE ORDERS FOR LOADING OR DISCHARGE PORTS

ADD -

CL.22.2.3 DEMURRAGE, AS DEMURRAGE "AND ANY BUNKERS CONSUMED DURING SUCH TIME TO BE PAID BY CHARTERERS."

CL.22.3 ,IF THE VESSEL IS ON DEMURRAGE, AS DEMURRAGE, "HOWEVER CHARTERERS SHALL HAVE THE BEFIT OF SIX (6) HOURS ALLOWANCE FOR NOR AT EACH INTERIM PORT/STS LOCATION," SUCH ADDITIONAL..

CLAUSE 32 - DELETE

CLAUSE 33 - DELETE

CLAUSE 38. EXCEPTIONS

CL.38.2 IN THE END ADD -

RULERS OR PEOPLE, "REQUISITION, PERILS OF THE SEA, ACTS OF PUBLIC ENEMIES OR ASSAILING THIEVES."

CLAUSE 43 CLAUSE PARAMOUNT

DELETE FIRST LINE AND REPLACE WITH -

THIS CHARTERPARTY IS SUBJECT TO THE FOLLOWING CLAUSES ALL OF WHICH ARE ALSO TO BE INCLUDED IN ALL BILLS OF LADING OR WAYBILLS ISSUED HEREUNDER -

CLAUSE 49 LAW

DELETE AND REPLACE WITH -

DISPUTE RESOLUTION CLAUSE

49.1 DISPUTES ARISING OUT OF OR IN CONNECTION WITH THE CHARTERPARTY MAY BE SETTLED AMICABLY BY MUTUAL DISCUSSION OF THE REPRESENTATIVES OF BOTH THE PARTIES. DISPUTES WHICH CANNOT BE SETTLED AMICABLY SHALL BE REFERRED TO ARBITRATION.

49.2 FURTHERMORE ANY DISPUTES/DIFFERENCES ARISING OUT OF THIS CHARTERPARTY RELATING TO FREIGHT, DEAD-FREIGHT, DEMURRAGE, DETENTION, DELAY WILL BE REFERRED TO A TRIBUNAL COMPRISING OF THREE ARBITRATORS. ENGLISH LAW TO APPLY. SEAT AND VENUE OF ARBITRATION IS CUTTACK, ODISHA, INDIA.

-----  
REGARDS

END RECAP

1. VESSEL DESCRIPTION	
1.1	Date updated: 9 December 2018
1.2	Vessel's name (IMO number): INDIA
1.3	Vessel's previous name(s) and date(s) of change: Not Applicable
1.4	Date delivered / Builder (where built): Sep 20, 2012 / HYUNDAI MIPO DOCKYARD,SOUTH KOREA
1.5	Flag / Port of Registry: Marshall Islands / Majuro
1.6	Call sign / MMSI: PUCIN
1.7	Vessel's contact details (satcom/fax/email etc.): Tel: FBB: 870773162671 / VSAT: +1 2035973258 Fax: NA Email: india@city.com
1.8	Type of vessel (as described in Form A or Form B Q1.11 of the IOPPC): Oil Tanker
1.9	Type of hull: Double Hull
<b>Classification</b>	
1.10	Classification society: American Bureau of Shipping
1.11	Class notation: +A1E, Oil and Chemical Carrier, +AMS, +ACCU, CSR, AB-CM, VEC, UWILD, COW, TCM, CRC, CPS, ENVIRO, GP, POT, RRDA, SPMA, ESP, IMO Ship Type 3, RW, BWE, RRDA
1.12	Is the vessel subject to any conditions of class, class extensions, outstanding memorandums or class recommendations? If yes, give details: No No
1.13	If classification society changed, name of previous and date of change: Not Applicable
1.14	IMO type, if applicable: 2,3
1.15	Does the vessel have ice class? If yes, state what level: No, N/A
1.16	Date / place of last dry-dock: Oct 04, 2017 / Dubai,UAE
1.17	Date next dry dock due / next annual survey due: Sep 19, 2022 Sep 19, 2018
1.18	Date of last special survey / next special survey due: Oct 04, 2017 Sep 19, 2022
1.19	If ship has Condition Assessment Program (CAP), what is the latest overall rating: No,
1.20	Does the vessel have a statement of compliance issued under the provisions of the Condition Assessment Scheme (CAS): If yes, what is the expiry date? N/A Not Applicable
<b>Dimensions</b>	
1.21	Length overall (LOA): 183.31 Metres
1.22	Length between perpendiculars (LBP): 174.29 Metres
1.23	Extreme breadth (Beam): 32.23 Metres
1.24	Moulded depth: 19.10 Metres
1.25	Keel to masthead (KTM)/ Keel to masthead (KTM) in collapsed condition, if applicable: 48.30 Metres 0 Metres
1.26	Bow to center manifold (BCM) / Stern to center manifold (SCM): 91.72 Metres 91.59 Metres
1.27	Distance bridge front to center of manifold: 57.35 Metres
1.28	Parallel body distances
	Lightship Normal Ballast Summer Dwt
	Forward to mid-point manifold: 27.70 Metres 40.90 Metres 44 Metres
	Aft to mid-point manifold: 19.84 Metres 40.70 Metres 55.686 Metres
	Parallel body length: 47.534 Metres 81.60 Metres 99.686 Metres
1.29	FWA/TPC at summer draft: 288 Millimetres 52.435 Metric Tonnes
1.30	Constant (excluding fresh water): 270 Metric Tonnes
1.31	What is the company guidelines for Under Keel Clearance (UKC) for this vessel?  Ocean Passage/ Deep Sea: Minimum net Under Keel Clearance (UKC) of 50% of deepest static draught is to be maintained at all times.  Shallow Water / Coastal Waters / SBM / CBM mooring / Canals & Straits: Minimum Net Under Keel Clearance (UKC) of 10% of deepest static draught or 1 meter, whichever is greater, is to be maintained at all times.  Within port limits (where port limit is not marked on the chart, Fairway Buoy or Pilot Station, whichever comes earlier, is to be taken as port limit) and while alongside the berth 1.5% of ship's beam (0.49 meters)
1.32	What is the max height of mast above waterline (air draft)
	Lightship: Full Mast Collapsed Mast 45.537 Metres 0 Metres
	Normal ballast: 41.50 Metres 0 Metres
	At loaded summer deadweight: 35.295 Metres 0 Metres
<b>Tonnages</b>	
1.33	Net Tonnage: 14,103.00
1.34	Gross Tonnage / Reduced Gross Tonnage (if applicable): 29,708.00 22,896

1.35	Suez Canal Tonnage - Gross (SCGT) / Net (SCNT):	31,307.23	30,568.15
1.36	Panama Canal Net Tonnage (PCNT):		24,661.00

Ownership and Operation			
1.37	Registered owner -	City Shipping Company Limited	
1.38	Technical operator -	City Marine Management Ltd	
1.39	Commercial operator -	City Commercial Management S.A.M.	

2. CREW		
2.1	Nationality of Master:	English
2.2	Number and Nationality of Officers:	9 Indian
2.3	Number and Nationality of Crew:	14 Indian
2.4	What is the common working language onboard:	English
2.5	Do officers speak and understand English?	Yes

5. CARGO AND BALLAST HANDLING					
<b>Double Hull Vessels</b>					
5.1	Is vessel fitted with centerline bulkhead in all cargo tanks? If Yes, solid or perforated:	Yes, Solid			
<b>Loadline Information</b>					
5.2	Loadline	Freeboard	Draft	Deadweight	Displacement
	Summer:	6.095 Metres	13.005 Metres	49,990 Metric Tonnes	60,379 Metric Tonnes
	Winter:				
	Tropical:				
	Lightship:	16.34 Metres	2.76 Metres	Not Applicable	10,389 Metric Tonnes
	Normal Ballast Condition:	12.12 Metres	7.00 Metres	19,750 Metric Tonnes	30,140 Metric Tonnes
5.3	Does vessel have multiple SDWT? If yes, please provide all assigned loadlines:	Yes 49990 MT / 46995 MT / 44996 MT / 39998 MT			
<b>Cargo Tank Capacities</b>					
5.4	Number of cargo tanks and total cubic capacity (98%):	12	53,032.70 Cu. Metres		
5.5	Capacity (98%) of each natural segregation with double valve (specify tanks):	Seg#1: 6762 m3 (1P/1S) Seg#2: 9394.2 m3 (2P/2S) Seg#3: 9539.2 m3 (3P/3S) Seg#4: 9539.2 m3 (4P/4S) Seg#5: 9523.1 m3 (5P/5S) Seg#6: 8275 m3 (6P/6S)			
5.6	Number of slop tanks and total cubic capacity (98%):	2	1,077 Cu. Metres		
5.7	Specify segregations which slops tanks belong to and their capacity with double valve:	INDEPENDENT / 1077.81 CBM (TOTAL)			
5.8	Residual/Retention oil tank(s) capacity (98%), if applicable:	109.50 Cu. Metres			
5.9	Does vessel have Segregated Ballast Tanks (SBT) or Clean Ballast Tanks (CBT):	SBT			
<b>SBT Vessels</b>					
5.10	What is total SBT capacity and percentage of SDWT vessel can maintain?	22,428.20 Cu. Metres	45.99 %		
5.11	Does vessel meet the requirements of MARPOL Annex I Reg 18.2:	Yes			
<b>Cargo Handling and Pumping Systems</b>					
5.12	How many grades/products can vessel load/discharge with double valve segregation:	6			
5.13	Are there any cargo tank filling restrictions? If yes, specify number of slack tanks, max s.g., ullage restrictions etc.:	Yes Max S.g of cargo =1.55, (filling height = 66% of tank height)			
5.14	Pumps	No.	Type	Capacity	At What Head (sg=1.0)
	Cargo Pumps:	12 2	Submerged Submerged	600 M3/HR 300 M3/HR	125 Meters
	Cargo Eductors:	0			
	Stripping:	0			
	Ballast Pumps:	2	Centrifugal	750 Cu. Metres/Hour	30 Metres
	Ballast Eductors:	0		0 Cu. Metres/Hour	0 Metres
5.15	Max loading rate for homogenous cargo per manifold connection:	3,054 Cu. Metres/Hour (Loading in at least six cargo tanks)			
5.16	Max loading rate for homogenous cargo loaded simultaneously through all manifolds:	3,600.00 Cu. Metres/Hour			
5.17	How many cargo pumps can be run simultaneously at full capacity:	Six			
<b>Cargo Control Room</b>					

5.18	Is ship fitted with a Cargo Control Room (CCR)?	Yes			
5.19	Can tank innage / ullage be read from the CCR?	Yes			
<b>Gauging and Sampling</b>					
5.20	Can cargo be transferred under closed loading conditions in accordance with ISGOTT 11.1.6.6?	Yes			
5.21	What type of fixed closed tank gauging system is fitted:	Radar			
5.22	Number of portable gauging units (example- MMC) on board:	3			
5.23	Are overfill (high) alarms fitted? If Yes, indicate whether to all tanks or partial:	Yes, All			
5.24	Are cargo tanks fitted with multipoint gauging? If yes, specify type and locations:	Yes, MMC for center gauging point, rest only closed type sounding rod / COTs- 3points / SLOPs – 2 points(One with MMC cap fitting , other for closed type sounding rod)			
5.25	Is gauging system certified and calibrated? If no, specify which ones are not calibrated:	Yes, NA			
<b>Vapor Emission Control System (VECS)</b>					
5.26	Is a Vapour Emission Control System (VECS) fitted?	Yes			
5.27	Number/size of VECS manifolds (per side):	2	300 Millimetres		
5.28	Number / size / type of VECS reducers:	4/12"x12" 2/12"x16" 1/12"x10" - ANSI			
<b>Venting</b>					
5.29	State what type of venting system is fitted:	High Velocity			
<b>Cargo Manifolds and Reducers</b>					
5.30	Does vessel comply with the latest edition of the OCIMF 'Recommendations for Oil Tanker Manifolds and Associated Equipment'?	Yes			
5.31	Total number / size of cargo manifold connections on each side:	7 / 400.00 Millimetres			
5.32	What type of valves are fitted at manifold:	Butterfly			
5.33	What is the material/rating of the manifold:	Stainless Steel / Type ASA / MATERIAL SUS 316 L			
5.34	Does the vessel have a Common Line Manifold connection? If yes, describe:	COMMON LINE CONNECTS ALL THE INDIVIDUAL MANIFOLDS / TANKS.			
5.35	Distance between cargo manifold centers:	2,000.00 Millimetres			
5.36	Distance ships rail to manifold:	4,600.00 Millimetres			
5.37	Distance manifold to ships side:	4,650.00 Millimetres			
5.38	Top of rail to center of manifold:	700.00 Millimetres			
5.39	Distance main deck to center of manifold:	2,105.00 Millimetres			
5.40	Spill tank grating to center of manifold:	900.00 Millimetres			
5.41	Manifold height above the waterline in normal ballast / at SDWT condition:	14.43 Metres	8.225 Metres		
5.42	Number / size / type of reducers:	6 x 300/200mm (12/8") 6 x 300/250mm (12/10") 6 x 300/300mm (12/12") 1 x 200/200mm (8/8") 1 x 200/250mm (8/10") (8"x12"/12"x16"/2 08"x16"/2 12"x16" /12 06"x06"/02 ) ANSI			
5.43	Is vessel fitted with a stern manifold? If yes, state size:	No, 0.00 Millimetres			
<b>Heating</b>					
5.44	Cargo / slop tanks fitted with a cargo heating system?	Type	Coiled	Material	
	Cargo Tanks:	Deck Mounted Heat Exchanger	Yes	SS	
	Slop Tanks:	STEAM COILS	Yes	SS	
5.45	Maximum temperature cargo can be loaded / maintained:	75.0 °C / 167.0 °F		60 °C / 140 °F	
5.46	Minimum temperature cargo can be loaded / maintained:	NA			
<b>Coating / Anodes</b>					
5.47	Tank Coating	Coated	Type	To What Extent	Anodes
	Cargo tanks:	Yes	Pure Epoxy	Whole Tank	No
	Ballast tanks:	Yes	Epoxy	Whole Tank	No
	Slop tanks:	Yes	Pure Epoxy	Whole Tank	No
<b>6. INERT GAS AND CRUDE OIL WASHING</b>					
6.1	Is a Crude Oil Washing (COW) installation fitted / operational?	Yes / Yes			
6.2	Is an Inert Gas System (IGS) fitted / operational?	Yes / Yes			
6.3	Is IGS supplied by flue gas, inert gas (IG) generator and/or nitrogen:	IG Generator			
<b>7. MOORING</b>					

7.1	Wires (on drums)	No.	Diameter	Material	Length	Breaking Strength
	Forecastle:	4	28.00 Millimetres	GSWR	200.00 Metres	53.00 Metric Tonnes
	Main deck fwd:	4	28.00 Millimetres	GSWR	200.00 Metres	53.00 Metric Tonnes
	Main deck aft:	2	28.00 Millimetres	GSWR	200.00 Metres	53.00 Metric Tonnes
	Poop deck:	6	28.00 Millimetres	GSWR	200.00 Metres	53.00 Metric Tonnes
7.2	Wire tails	No.	Diameter	Material	Length	Breaking Strength
	Forecastle:	4	3 x 64mm / 1 x 72 mm	Nylon	11.00 Metres	3 x 73 T / 1 x 81 T
	Main deck fwd:	4	72.00 Millimetres	Nylon	11.00 Metres	81.00 Metric Tonnes
	Main deck aft:	2	1 x 64mm / 1 x 72 mm	Nylon	11.00 Metres	1 x 73 T / 1 x 81 T
	Poop deck:	6	64.00 Millimetres	Nylon	11.00 Metres	73.00 Metric Tonnes
7.3	Ropes (on drums)	No.	Diameter	Material	Length	Breaking Strength
	Forecastle:		0.00 Millimetres		0.00 Metres	0.00 Metric Tonnes
	Main deck fwd:	0	0.00 Millimetres		0.00 Metres	0.00 Metric Tonnes
	Main deck aft:	0	0.00 Millimetres		0.00 Metres	0.00 Metric Tonnes
	Poop deck:	0	0.00 Millimetres		0.00 Metres	0.00 Metric Tonnes
7.4	Other lines	No.	Diameter	Material	Length	Breaking Strength
	Forecastle:	3	2 x 53mm / 1 x 52 mm	D-FLEX (20%POLYESTER & 20% PP MIXED)	220.00 Metres	2 x 54.20 T / 1 x 59.8 T
	Main deck fwd:	3	56.00 Millimetres	MIXED NIKA STEEL	220.00 Metres	55 Metric Tonnes
	Main deck aft:	0	0 Millimetres	0	0 Metres	0 Metric Tonnes
	Poop deck:	6	2 x 53mm / 1 x 52 mm / 3 x 56mm	D-FLEX (20%POLYESTER & 20% PP MIXED. (MIXED NIKA STEEL)	220.00 Metres	2 x 54.20 T / 1 x 59.8 T / 3 x 55 T
7.5	Winches	No.	No. Drums	Motive Power	Brake Capacity	Type of Brake
	Forecastle:	2	Double Drums	Hydraulic	31.80 Metric Tonnes	SCREW TYPE
	Main deck fwd:	2	Double Drums	Hydraulic	31.80 Metric Tonnes	SCREW TYPE
	Main deck aft:	1	Double Drums	Hydraulic	31.80 Metric Tonnes	SCREW TYPE
	Poop deck:	3	Double Drums	Hydraulic	31.80 Metric Tonnes	SCREW TYPE
7.6	Bitts, closed chocks/fairleads		No. Bitts	SWL Bitts	No. Closed Chocks	SWL Closed Chocks
	Forecastle:		4	53 Metric Tonnes	6	53 Metric Tonnes
	Main deck fwd:		7	53 Metric Tonnes	17	53 Metric Tonnes
	Main deck aft:		4	53 Metric Tonnes	11	53 Metric Tonnes
	Poop deck:		10	53 Metric Tonnes	17	53 Metric Tonnes
<b>Anchors/Emergency Towing System</b>						
7.7	Number of shackles on port / starboard cable:				12 / 11	
7.8	Type / SWL of Emergency Towing system forward:				ETS-4000FSR-SJ	204 Metric Tonnes
7.9	Type / SWL of Emergency Towing system aft:				KBETS-4000AS-SJ	204 Metric Tonnes
<b>Escort Tug</b>						
7.10	What is size / SWL of closed chock and/or fairleads of enclosed type on stern:				943 Millimetres X 450 Millimetres	204.00 Metric Tonnes
7.11	What is SWL of bollard on poop deck suitable for escort tug:				204.00 Metric Tonnes	
<b>Bow/Stern Thruster</b>						
7.12	What is brake horse power of bow thruster (if fitted):				No, 0 bhp	
7.13	What is brake horse power of stern thruster (if fitted):				N/A, 0 bhp	
<b>Single Point Mooring (SPM) Equipment</b>						
7.14	Does the vessel meet the recommendations in the latest edition of OCIMF 'Recommendations for Equipment Employed in the Bow Mooring of Conventional Tankers at Single Point Moorings (SPM)'?				Yes	
7.15	If fitted, how many chain stoppers:				1	
7.16	State type / SWL of chain stopper(s):				Tongue Type	204.00 Metric Tonnes
7.17	What is the maximum size chain diameter the bow stopper(s) can handle:				76.00 Millimetres	
7.18	Distance between the bow fairlead and chain stopper/bracket:				3,500 Millimetres	
7.19	Is bow chock and/or fairlead of enclosed type of OCIMF recommended size (600mm x 450mm)? If not, give details of size:				Yes NA	
<b>Lifting Equipment</b>						
7.20	Derrick / Crane description (Number, SWL and location):				Cranes: 1 x 10.00 Tonnes Center	
7.21	What is maximum outreach of cranes / derricks outboard of the ship's side:				7.89 Metres	
<b>Ship To Ship Transfer (STS) / Helicopter Operations</b>						
7.22	Does vessel comply with recommendations contained in OCIMF/ICS Ship To Ship Transfer Guide (Petroleum, Chemicals or Liquefied Gas, as applicable)?				Yes	
7.23	Can the ship comply with the ICS Helicopter Guidelines? If Yes, state whether winching or landing area provided and diameter of the circle provided:				Yes, Winching 5.00 Metres	

<b>8.</b>	<b>MISCELLANEOUS</b>		
<b>Engine</b>			
8.1	Speed		Maximum Economic
	Ballast speed:	15 Knots (WSNP)	14 Knots (WSNP)
	Laden speed:	15 Knots (WSNP)	13.50 Knots (WSNP)
8.2	What type of fuel is used for main propulsion / generating plant:	MARINE FUEL OIL 380 CST	MARINE FUEL OIL 380 CST
8.3	Type / Capacity of bunker tanks:	Fuel Oil: 1,397.20 Cu. Metres Diesel Oil: 266.80 Cu. Metres Gas Oil: 0 Cu. Metres	
8.4	Is vessel fitted with fixed or controllable pitch propeller(s):	Fixed	
8.5	Engines	No	Capacity Make/Type
	Main engine:	1	8,890 Kilowatt HYUNDAI MAN B&W 6S50ME-B 9.2 (2-STROKE/TIER II ENG
	Aux engine:	3	850 Kilowatt HYUNDAI HIMSEN 6H 21/32
	Power packs:	2	420 Cu. Metres SIEMENS /CUMMINS
	Boilers:	2	18 Metric Tonnes/Hour AALBORG
<b>Emissions</b>			
8.6	Main engine IMO NOx emission standard:	Tier II	
8.7	Energy Efficiency Design Index (EEDI) rating number:	9.81	
<b>Insurance</b>			
8.8	P & I Club -	Spurs Mutual	
8.9	P & I Club pollution liability coverage / expiration date:	1,000,000,000 US\$	Feb 20, 2019
8.10	Hull & Machinery insured by -	Southampton Brokers	
8.11	Hull & Machinery insured value / expiration date:	31,000,000 US\$	Jul 28, 2019
<b>Recent Operational History</b>			
8.12	Date and place of last Port State Control inspection:	Jan 09, 2018 / Mombasa, Kenya	
8.13	Any outstanding deficiencies as reported by any Port State Control? If yes, provide details:	No NIL	
8.14	Has vessel been involved in a pollution, grounding, serious casualty or collision incident during the past 12 months? If yes, full description:	Pollution: No, N/A Grounding: No, N/A Casualty: No, N/A Collision: No, N/A	
8.15	Last three cargoes / charterers / voyages (Last / 2nd Last / 3rd Last):	As per recap	
8.16	Date/place of last STS operation:	14.07.2017 / At Alpha' anchorage,Argentina	
<b>Vetting</b>			
8.17	Date of last SIRE inspection:	Nov 18, 2017	
8.18	Date of last CDI inspection:		
8.19	Recent Oil company inspections/screenings (To the best of owners knowledge and without guarantee of acceptance for future business)*: <i>* "Approvals" are not given by Oil Majors and ships are accepted for the voyage on a case by case basis.</i>	Ampol, Statoil, phillips 66	
<b>Additional Information</b>			
8.20	Additional information relating to features of the ship or operational characteristics:	None	

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BPVOY4

VOYAGE CHARTER PARTY

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Registered in England and Wales: No. 140132  
Registered Office:- Breakspear Park, Breakspear Way, Hemel Hempstead, Herts, HP2 4UL.

**VOYAGE CHARTER PARTY**

Date \_\_\_\_\_

*It is this day agreed between* \_\_\_\_\_  
\_\_\_\_\_

of \_\_\_\_\_  
\_\_\_\_\_

("Owners") being owners/disponent owners of the motor/steam tank vessel (delete as applicable) called \_\_\_\_\_  
\_\_\_\_\_ ("Vessel")

and \_\_\_\_\_  
of \_\_\_\_\_  
\_\_\_\_\_

("Charterers") that the service for which provision is herein made shall be subject to the terms and conditions of this Charter which comprises PART 1 and PART 2 and the "BP Shipping Questionnaire" (which term shall mean the document attached as Appendix 1 of this Charter or such subsequent editions of the BP Shipping Questionnaire as may be correct as at the date of this Charter).

*Unless the context otherwise requires, words denoting the singular include the plural and vice versa.*

*In the event of any conflict between the provisions of PART 1 and PART 2 of this Charter, the provisions of PART 1 shall prevail.*

*In the event of any conflict between the provisions of PART 1 or PART 2 of this Charter and any provisions in the BP Shipping Questionnaire, the provisions of PART 1 or PART 2 of this Charter shall prevail.*

## PART 1

**A. Name of Vessel** \_\_\_\_\_

**B. Description of Vessel**

Owners undertake that the Vessel conforms to the following description:-

(1) Summer Deadweight (SDWT) on assigned summer freeboard \_\_\_\_\_ Tonnes

(2) Salt Water draught (on SDWT) \_\_\_\_\_ Metres

(3) Flag \_\_\_\_\_ (4) Year \_\_\_\_\_

Built \_\_\_\_\_ (5) Length Overall \_\_\_\_\_  
\_\_\_\_\_ Metres

(6) Beam \_\_\_\_\_ Metres

(7) Cargo tank capacity at 98% excluding slop tanks \_\_\_\_\_ Cu. Metres

(8) Capacity of slop tanks at 98% \_\_\_\_\_ Cu. Metres

(9) The Vessel is (delete as applicable) \_\_\_\_\_ Segregated Ballast Tanker (SBT)/Clean Ballast Tanker (CBT)

(10) Crude Oil Washing (COW) (delete as applicable) \_\_\_\_\_ YES/NO

(11) Inert Gas System (IGS) (delete as applicable) \_\_\_\_\_ YES/NO

(12) Closed Cargo Operations (delete as applicable) \_\_\_\_\_ YES/NO

(13) The Vessel has (delete as applicable) \_\_\_\_\_ Double Bottom/Double Sides

(14) Tonnes Per Centimetre Immersion (TPC) \_\_\_\_\_ Tonnes

(15) Bow to Centre of Manifold (BCM) \_\_\_\_\_ Metres

(16) Derricks/Cranes - Number and Capacity \_\_\_\_\_

(17) Tongue Type Bow Chain Stoppers:-

(a) Number \_\_\_\_\_ (b) Safe \_\_\_\_\_

Working Load \_\_\_\_\_ Tonnes

(c) Nominal Diameter of Chain \_\_\_\_\_ Millimetres

(18) Keel to Top of Mast (KTM) \_\_\_\_\_ Metres

(19) Tank Coatings (Type) \_\_\_\_\_ (20) Heating \_\_\_\_\_

Coils (Type) \_\_\_\_\_

(21) Classification Society and Class Notation \_\_\_\_\_ (22) Gross \_\_\_\_\_

Tonnage (GT) \_\_\_\_\_ Tonnes

(23) Suez Canal Net Registered Tonnage (SCNRT) \_\_\_\_\_ Tonnes

(24) Panama Canal Net Registered Tonnage (PCNRT) \_\_\_\_\_ Tonnes

(25) Charter Speed (weather and safe navigation permitting) \_\_\_\_\_ Knots ("Charter Speed")

(26) Maximum Speed (weather and safe navigation permitting) \_\_\_\_\_ Knots ("Maximum Speed")

(27) Last Cargoes:- (a) Last \_\_\_\_\_

(b) Second Last \_\_\_\_\_

(c) Third Last \_\_\_\_\_

**C. Cargo Quantity** \_\_\_\_\_

**D. Cargo Description** \_\_\_\_\_

**E. Loading Port(s)/Range(s) at Charterers' option** \_\_\_\_\_

**F. Discharge Port(s)/Range(s) at Charterers' option** \_\_\_\_\_

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**G. Laydays**

Commencing: 0001 hours local time on \_\_\_\_\_ ("Commencement Date")

Cancelling: 1600 hours local time on \_\_\_\_\_ ("Cancelling Date")

Vessel expected ready to load \_\_\_\_\_ hours local time on \_\_\_\_\_ based on following current itinerary \_\_\_\_\_

**H. Freight Rate** \_\_\_\_\_  
\_\_\_\_\_ ("Freight Rate")

**Increase of Freight Rate applicable to increased speed per knot, or pro rata, between Charter Speed and Maximum Speed:-**

\_\_\_\_\_

**Overage (if any) at 50% of Freight Rate**

**I. Laytime** \_\_\_\_\_ running hours

**J. Demurrage** \_\_\_\_\_ US \$ per day or pro rata

**K. Owners' Payment Details** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**L. Additional Clauses** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**M. The "BP Shipping Questionnaire"** was last completed and submitted to Charterers on \_\_\_\_\_ and, where applicable, was confirmed as accurate on \_\_\_\_\_

## PART 2

### 1. CONDITION OF VESSEL

Owners shall, before, at the commencement of, and throughout the voyage carried out hereunder, exercise due diligence to make and maintain the Vessel, her tanks, pumps, valves and pipelines tight, staunch, strong, in good order and condition, in every way fit for the voyage and fit to carry the cargo stated in Sections C and D of PART 1, with the Vessel's machinery, boilers and hull in a fully efficient state, and with a full complement of Master, officers and crew who are fully qualified (as evidenced by internationally recognised certification and, where applicable, endorsements), and are experienced and competent to serve in the capacity for which they are hired. Owners undertake that the Vessel shall be operated in accordance with the recommendations set out in the 1996 Edition of ISGOTT, as amended from time to time.

### 2. CHARTERING QUESTIONNAIRE

2.1 Prior to agreement being reached between Owners and Charterers on the terms and conditions of this Charter, Owners have either:-

2.1.1 completed and submitted, or have authorised their brokers to complete and submit, the BP Shipping Questionnaire; or

2.1.2 confirmed, or have authorised their brokers to confirm, in writing to Charterers that each and every response given by Owners in the BP Shipping Questionnaire last completed and submitted to Charterers in respect of the Vessel remains correct and accurate in every particular;

in each case on the date stated in Section M of PART 1.

2.2 Notwithstanding the date on which the BP Shipping Questionnaire was last completed by Owners and submitted to Charterers in respect of the Vessel, it is a condition of this Charter that the responses in the BP Shipping Questionnaire are correct as at the date hereof. If any response proves to be incorrect, and as a consequence Charterers are likely to, or do, suffer prejudice or are likely to, or do, incur loss, damage, cost or expense, Charterers shall be entitled either:-

2.2.1 to cancel this Charter forthwith without prejudice to any other rights available to them under this Charter or otherwise under English law; or

2.2.2 to recover, by deduction from freight or otherwise, the said loss, damage, cost and expense.

### 3. LOADING/COMPLIANCE WITH CHARTERERS' VOYAGE ORDERS

3.1 Subject to the provisions of this Charter the Vessel shall proceed to the loading port (the term "port" shall include any port, berth, dock, loading or discharging anchorage or offshore location, submarine line, single point or single buoy mooring facility, alongside vessels or lighters, or any other place whatsoever as the context requires) stated in Section E of PART 1, or to such other port (always within the Ranges stated in Section E of PART 1) as is separately or subsequently identified in Charterers' Voyage Orders (which term shall mean any written instruction issued by Charterers in respect of the Vessel at any time during the period of this Charter, including any amendments, corrections or revisions thereto), or so near thereto as she may safely reach and there load the cargo stated in Sections C and D of PART 1 subject to any clarification of cargo loading instructions as may be provided in Charterers' Voyage Orders.

3.2 Owners undertake that the Vessel is able to load, carry and discharge the quantities, grades and segregations of cargo stated in Sections C and D of PART 1, without loading on top of tank washings ("slops"). Charterers shall not be liable for any loss, damage (including deadfreight), cost or expense incurred by Owners by reason of the Vessel being unable to load in accordance with this undertaking. Loading on top of slops shall not be permitted without Charterers' prior agreement in writing.

The cargo loaded on board the Vessel shall not exceed the quantity which she can reasonably stow and carry over and above her equipment and provisions and shall in any case not exceed the quantity permitted by the International Load Line Convention, 1966, or any modification or amendment thereof as may be applicable to the voyage to be performed hereunder.

3.3 Owners undertake that the Vessel shall, upon completion of loading the cargo, proceed at the speed stated in Section B.25 of PART 1 ("Charter Speed"), or at such other speed, not exceeding the speed stated in Section B.26 of PART 1 ("Maximum Speed"), as may be stated in Charterers' Voyage Orders, to the discharge port stated in Section F of PART 1, or to such other port or location permitted under this Charter, in accordance with Charterers' Voyage Orders, or so near thereto as she may safely reach, and deliver the cargo in consideration of the payment of freight as provided in Clause 31.

3.4 Charterers shall have the right at any time during the voyage to instruct Owners to adjust the Vessel's speed. Charterers shall not instruct Owners to increase the Vessel's speed such as to require the Vessel to proceed in excess of the Maximum Speed. If Owners increase the speed of the Vessel in accordance with Charterers' Voyage Orders, any increase in the freight rate consequent thereon shall be calculated in accordance with the Example set out in Clause 31.

- 3.5 If the Vessel fails to maintain Charter Speed, or Owners fail to comply with any instructions in Charterers' Voyage Orders requiring an increase of speed pursuant to this Clause 3, Owners shall, subject to Clause 38, be liable for all loss, damage, cost and expense arising as a direct consequence thereof save to the extent that Owners can prove that such failure was attributable either to adverse weather conditions and sea state or to the requirements for the safe navigation of the Vessel. Charterers shall be entitled to deduct any such loss, damage, cost and expense from any demurrage due to Owners hereunder without prejudice to any other rights available to Charterers under this Charter or otherwise under English law.

#### **4. ESTIMATED TIMES OF ARRIVAL**

- 4.1 If the Master fails to comply with any of the following provisions any delay resulting therefrom, either at the loading or discharge port, shall not count as laytime or, if the Vessel is on demurrage, as demurrage and Owners shall be responsible for any additional loss, damage, cost and expense incurred by Charterers arising from such non-compliance.
- 4.2 The Master shall send messages by telex to Charterers, the Agents (which term wherever used in this Charter shall mean the Vessel's agents under Clause 15) and to any other parties as required by Charterers (hereafter referred to collectively as the "ETA Notify Parties"), advising the date and estimated time of the Vessel's arrival ("ETA"). Such messages shall be sent upon the Vessel's sailing from the last discharge port and seven (7) days and seventy-two (72), forty-eight (48) and twenty-four (24) hours prior to the Vessel's ETA at each loading port. If the Vessel is at sea or elsewhere when ordered by Owners to proceed to a loading port the Master shall, if the Vessel is less than seven (7) days or seventy-two (72), forty-eight (48) or twenty-four (24) hours from that loading port, immediately notify the ETA Notify Parties of the Vessel's ETA at that loading port. Thereafter, the Master shall advise the ETA Notify Parties of the Vessel's ETA at such of the times as aforesaid as are applicable or immediately provide them with such other ETAs as Charterers may require.
- 4.3 The Master shall send messages by telex to the ETA Notify Parties advising the Vessel's ETA at each discharge port, together with information as to the Vessel's expected arrival draught on even keel, immediately upon the Vessel leaving the final loading port and thereafter, where applicable, seven (7) days, seventy-two (72), forty-eight (48) and twenty-four (24) hours prior to the Vessel's ETA at each discharge port or immediately provide the ETA Notify Parties with such other ETAs as Charterers may require.
- 4.4 The Master shall also advise the ETA Notify Parties by telex of any variation of more than six (6) hours in estimated times of arrival at the loading and/or discharge ports.
- 4.5 Charterers may require Owners to provide them with copies of all telexes (showing answerbacks) to be sent under this Clause 4 and Owners shall promptly comply with such requirement.

#### **5. LOADING AND DISCHARGE PORT/SHIFTING**

- 5.1 The Vessel shall be loaded and discharged at any port in accordance with Charterers' Voyage Orders. Before instructing Owners to direct the Vessel to any port, Charterers shall exercise due diligence, to ascertain that the Vessel can always lie safely afloat at such port, but Charterers do not warrant the safety of any port and shall be under no liability in respect thereof except for loss or damage caused by Charterers' failure to exercise due diligence.
- 5.2 Charterers shall have the option of instructing Owners to load the Vessel at more than one berth at each loading port and to discharge at more than one berth at each discharge port in which event Owners shall, in the first instance, pay expenses arising from any of the following movements of the Vessel:-
- 5.2.1 unmooring at, and pilotage and towage off, the first loading or discharge berth;
- 5.2.2 mooring and unmooring at, and pilotage and towage on to and off, any intermediate loading or discharge berth; and
- 5.2.3 mooring at, and pilotage and towage on to, the last loading or discharge berth.
- Charterers shall reimburse Owners in respect of expenses properly incurred, arising from any of the aforementioned movements, upon presentation by Owners of all supporting invoices evidencing prior payment by Owners.
- 5.3 Charterers shall reimburse Owners in respect of any dues and/or other charges incurred in excess of those which would have been incurred if all the cargo required to be loaded or discharged at the particular port had been loaded or discharged at the first berth only. Time used on account of shifting shall count as laytime or, if the Vessel is on demurrage, as demurrage, except as otherwise provided in Clauses 17 and 18.2.
- 5.4 For the purpose of the payment of freight, the places grouped in the section "Port and Terminal Combinations", in the "New Worldwide Tanker Nominal Freight Scale" as amended from time to time ("Worldscale"), shall be considered as berths within a single port and Charterers shall pay shifting expenses in accordance with the provisions of this Clause 5.

#### **6. NOTICE OF READINESS ("NOR")**

- 6.1 Upon arrival of the Vessel at each loading or discharge port the Master or Agents shall tender NOR to Charterers or to their order when the Vessel is ready in all respects to carry out Charterers' orders in accordance with the provisions of this Charter. Such NOR may be tendered either by letter, telex, facsimile or telephone (but if NOR is tendered by facsimile or telephone it shall subsequently be confirmed promptly by telex). Owners shall provide Charterers with an NOR Certificate signed by the Master and a Terminal representative in respect of each port at which the Vessel loads or discharges.
- 6.2 NOR shall not be tendered, nor shall the Vessel proceed to berth, prior to the Commencement Date stated in Section G of PART 1 without Charterers' prior agreement in writing.
- 6.3 Notwithstanding tender of a valid NOR by the Vessel such NOR shall not be effective, or become effective, for the purposes of calculating laytime, or if the Vessel is on demurrage, demurrage unless and until the following conditions have been met:-
- 6.3.1 in the case of the Vessel proceeding directly to the loading or discharging place, she is securely moored and her gangway, if it is to be used, is in place; or
- 6.3.2 in the case of the Vessel not berthing upon arrival and being instructed to anchor, she has completed anchoring at an anchorage where vessels of her type customarily anchor at the port or, if she has been instructed to wait, she has reached the area within the port where vessels of her type customarily wait; and
- 6.3.3 free pratique has been granted or is granted within six (6) hours of the Master tendering NOR. If free pratique is not granted within six (6) hours of the Master tendering NOR, through no fault of Owners, Agents, or those on board the Vessel, the Master shall issue a protest in writing ("NOP") to the port authority and the facility at the port ("Terminal") failing which laytime or, if the Vessel is on demurrage, demurrage shall only commence when free pratique has been granted; and
- 6.3.4 in the case of calls at US ports, a US Coast Guard Tanker Vessel Examination Letter ("TVEL") has been issued, or in the case of calls at non-US ports where any similar certificate is required to be issued by a state authority at those ports prior to loading or discharging of cargo, such certificate has been issued.

## **7. LAYTIME/DEMURRAGE**

- 7.1 Charterers shall be allowed the number of hours stated in Section I of PART 1, together with any period of additional laytime arising under Clause 7.3.1, as laytime for loading and discharging and for any other purposes of Charterers in accordance with the provisions of this Charter.
- 7.2 Sundays and holidays shall be included in respect of laytime for loading and discharging, unless loading or discharging on the Sunday or holiday in question is prohibited by law or regulation at the loading or discharge port. Charterers shall have the right to require the Vessel to load and discharge during the night, unless loading or discharging at night is prohibited by law or regulation at the loading or discharge port.
- 7.3 Subject as provided elsewhere in this Charter:-
- 7.3.1 laytime for the purposes of loading shall not commence before 0600 hours local time on the Commencement Date stated in Section G of PART 1, unless with Charterers' prior agreement in writing, in which event laytime shall commence when the Vessel commences loading. If the Vessel, with Charterers' prior agreement in writing, has commenced loading prior to 0600 hours local time on the Commencement Date, then the time from the commencement of loading to 0600 hours local time on the Commencement Date shall constitute additional laytime.
- 7.3.2 Laytime or, if the Vessel is on demurrage, demurrage shall commence, at each loading and each discharge port, upon the expiry of six (6) hours after a valid NOR has become effective as determined under Clause 6.3, berth or no berth, or when the Vessel commences loading, or discharging, whichever first occurs.
- 7.3.3 Laytime or, if the Vessel is on demurrage, demurrage shall run until the cargo hoses have been finally disconnected upon completion of loading or discharging, and the Master shall procure that hose disconnection is effected promptly; provided always that if the Vessel is detained solely for the purposes of awaiting cargo documents at loadport for more than three (3) hours beyond the final disconnection of cargo hoses, laytime or if the Vessel is on demurrage, demurrage shall recommence after such period of three (3) hours and terminate upon the completion of cargo documentation. If, after completion of loading or discharging, the Vessel is required to proceed to an anchorage for Charterers' purposes, then the time spent moving from the berth to the anchorage shall not count as part of the period of three (3) hours referred to above or as laytime or, if the Vessel is on demurrage, as demurrage.
- 7.4 Charterers shall pay demurrage at the rate stated in Section J of PART 1 per running day, and pro rata for part of a running day, for all time that loading and discharging and any other time counting as laytime exceeds laytime under this Clause 7. If, however, demurrage is incurred by reason of the causes specified in Clause 17, the rate of demurrage shall be reduced to one-half of the rate stated in Section J of PART 1 per running day, or pro rata for part of a running day, for demurrage so incurred.

## **8. CARGO TRANSFERS**

8.1 Charterers shall have the option of transferring the whole or part of the cargo (which shall include topping-off and lightening) to or from any other vessel including, but not limited to, an ocean-going vessel, barge and/or lighter (the "Transfer Vessel"). Such transfers may take place at an In-port Transfer Position, an Additional Port Transfer Position and/or a Transshipment Area, which terms shall have the following meanings when used in this Charter:-

8.1.1 "In-port Transfer Position":-

A position within a nominated loading or discharge port within the Ranges stated in Sections E and F of PART 1 where part of the cargo is transferred to or from a Transfer Vessel, provided that cargo operations other than transfers to or from Transfer Vessels also take place within this port.

8.1.2 "Additional Port Transfer Position":-

A position at a port in the Ranges stated in Sections E and F of PART 1, or en route thereto, where part of the cargo is transferred to or from a Transfer Vessel, provided that the only cargo operations taking place at this port are transfers to or from Transfer Vessels, but the position is not the first or sole loading position or last or sole discharge position under this Charter.

8.1.3 "Transshipment Area":-

A position at a port in the Ranges stated in Sections E and F of PART 1, where the whole or part of the cargo is transferred to or from a Transfer Vessel, provided that the only cargo operations taking place at this port are transfers to or from Transfer Vessels, and the position is the first or sole loading position or last or sole discharge position under this Charter.

All transfers of cargo to or from Transfer Vessels shall be carried out in accordance with the recommendations set out in the latest edition of the "ICS/OCIMF Ship to Ship Transfer Guide (Petroleum)". Owners undertake that the Vessel and her crew shall comply with such recommendations, and similarly Charterers undertake that the Transfer Vessel and her crew shall comply with such recommendations. Charterers shall provide and pay for all necessary equipment including suitable fenders and cargo hoses. Charterers shall have the right, at their expense, to appoint supervisory personnel to attend on board the Vessel, including a mooring master, to assist in such transfers of cargo.

8.2 **In-port Transfer Position.**

An In-port Transfer Position shall not constitute an additional loading or discharge port for the purposes of calculating freight and the freight rate for the voyage shall be the same as if no cargo transfer at such In-port Transfer Position had taken place. If the Vessel moves from an In-port Transfer Position to berth, or vice versa, such movement shall not be deemed to constitute shifting under Clause 5. Charterers shall reimburse Owners for any additional port costs incurred by Owners in complying with Charterers' instructions under this Clause 8.2.

Subject to the exceptions and exclusions of laytime and/or demurrage found elsewhere in this Charter, including but not limited to those under Clauses 17 and 18, the time used at an In-port Transfer Position shall count as laytime or, if the Vessel is on demurrage, as demurrage. If an In-port Transfer Position is the first position at which loading or discharge takes place within that port then laytime shall commence in accordance with Clauses 7.3.1 and 7.3.2. If an In-port Transfer Position is the last position at which loading or discharge takes place within that port then laytime shall end when unmooring has been completed and fenders have been removed from the Vessel.

8.3 **Additional Port Transfer Position.**

Except for the purposes of calculating laytime and/or demurrage, the Additional Port Transfer Position shall not constitute an additional loading or discharge port and the freight rate for the voyage shall be the same as if no cargo transfer at such Additional Port Transfer Position had taken place.

Subject to the exceptions and exclusions of laytime and/or demurrage found elsewhere in this Charter (save that the provisions of Clause 18.1 shall not apply to this Clause 8.3), the time used at an Additional Port Transfer Position shall count as laytime or, if the Vessel is on demurrage, as demurrage. Laytime or, if the Vessel is on demurrage, demurrage, shall commence when a valid NOR has been tendered at the Additional Port Transfer Position and has become effective as determined under Clause 6.3, and shall end when unmooring has been completed and fenders have been removed from the Vessel. For this purpose Charterers shall not have the benefit of the period of six (6) hours provided in Clause 7.3.2.

Any additional period by which the steaming time taken to reach the next loading or discharge port via an Additional Port Transfer Position exceeds the time that should have been taken had the Vessel proceeded to the next port directly shall count as laytime or, if the Vessel is on demurrage, as demurrage. Such additional period shall be the time required for the Vessel to steam the additional distance at the average speed actually achieved by the Vessel during the voyage or the Charter Speed as stated in Section B.25 of PART 1, whichever is the higher.

Charterers shall pay Owners for additional bunkers consumed for steaming the additional distance at the price paid by Owners, net of all discounts and rebates, for the last bunkers lifted.

Charterers shall reimburse Owners for any additional port costs incurred by Owners in complying with Charterers' instructions under this Clause 8.3.

8.4 **Transshipment Area.**

A Transshipment Area shall be deemed to be a port for the purposes of calculating freight and the freight rate for the voyage shall be the rate as published in *Worldscale* for the relevant Transshipment Area. If a rate is not already published for the relevant Transshipment Area the rate shall be the rate determined by *Worldscale* on the application of either party.

Subject to the exceptions and exclusions of laytime and/or demurrage found elsewhere in this Charter, including but not limited to those under Clauses 17 and 18, the time used at a Transshipment Area shall count as laytime or, if the Vessel is on demurrage, as demurrage. Laytime or, if the Vessel is on demurrage, demurrage, shall commence and end in accordance with Clause 7.3.

## **9. DOCUMENTATION**

9.1 Owners undertake that for the duration of this Charter the Vessel shall have on board all such valid documentation as may, from time to time, be required to enable the Vessel to enter, carry out all required operations at, and leave, without let or hindrance, all ports to which the Vessel may be directed under the terms of this Charter and Owners hereby expressly undertake that:-

9.1.1 they shall be responsible for any loss, damage, delay, cost or expense; and

9.1.2 time shall not count as laytime or, if the Vessel is on demurrage, as demurrage, during any period in which the Vessel is not fully and freely available to Charterers,

as a result of action, or the threat thereof, taken against her by any government, government organisation, competent authority, person or organisation, owing to her flag, failure to have on board valid documentation as aforesaid or any dispute relating to the wages, or crew employment policy of Owners or to the condition of the Vessel or her equipment.

## **10. DRUGS AND ALCOHOL POLICY**

10.1 Owners undertake that they have, and shall maintain for the duration of this Charter, a policy on Drugs and Alcohol Abuse applicable to the Vessel (the "D & A Policy") that meets or exceeds the standards in the OCIMF Guidelines for the Control of Drugs and Alcohol Onboard Ship 1995 as amended from time to time.

10.2 Owners shall exercise due diligence to ensure that the D & A Policy is understood and complied with on and about the Vessel. An actual impairment, or any test finding of impairment, shall not in and of itself mean that Owners have failed to exercise due diligence.

10.3 Owners undertake that to the best of their knowledge, information and belief, having made due inquiry, neither the Master, nor any officer or crew member has any un-spent convictions whatsoever concerning drug or alcohol abuse.

## **11. CLEANING OF VESSEL'S TANKS, PUMPS AND PIPELINES**

Without prejudice to Clause 1, Owners shall exercise due diligence to ensure that the Vessel presents for loading with her tanks, pumps and pipelines properly cleaned to the satisfaction of any inspector appointed by or on behalf of Charterers and ready for loading the cargo described in Sections C and D of PART 1. Any time used to clean tanks, pumps and pipelines to Charterers' inspector's satisfaction shall not count as laytime or, if the Vessel is on demurrage, as demurrage and shall, together with any costs incurred in the foregoing operations, be for Owners' account.

## **12. INERT GAS SYSTEM ("IGS")**

12.1 Owners undertake that the Vessel is equipped with a fully functional IGS which is in full working order, and is or is capable of being fully operational on the date hereof and that they shall so maintain the IGS for the duration of this Charter, and that the Master, officers and crew are properly qualified (as evidenced by appropriate certification) and experienced in, the operation of the IGS. Owners further undertake that the Vessel shall arrive at the loading port with her cargo tanks fully inerted and that such tanks shall remain so inerted throughout the voyage and the subsequent discharging of the cargo. Any time lost owing to deficient or improper operation of the IGS shall not count as laytime or, if the Vessel is on demurrage, as demurrage.

12.2 The Vessel's IGS shall fully comply with Regulation 62, Chapter II-2 of the SOLAS Convention 1974 as modified by its Protocol of 1978 and any subsequent amendments and Owners undertake that the IGS shall be operated by the Master, officers and crew in accordance with the operational procedures as set out in the IMO publication entitled "Inert Gas Systems" (IMO 860E) as amended from time to time.

12.3 If Charterers so require, Owners shall arrange for the Vessel's tanks to be de-pressurised to facilitate gauging and sampling or to be de-inerted or gas freed to facilitate inspection, in each case in accordance with the operational procedures referred to in Clause 12.2. Any time taken to de-pressurise, gauge, sample and re-pressurise, or to de-inert or gas free, inspect and re-inert thereafter shall count as laytime or, if the Vessel is on demurrage, as demurrage.

## **13. CLOSED CARGO OPERATIONS**

13.1 Owners undertake that the Vessel complies with, and shall be operated for the duration of this Charter in accordance with, the recommendations regarding closed loading and closed discharging operations as set out in the 1996 Edition of ISGOTT as amended from time to time.

13.2 If the Vessel has closed sampling equipment, such equipment shall be used, when appropriate, during this Charter.

## **14. OILY RESIDUES/CLEAN BALLAST**

- 14.1 The Vessel shall arrive at the loading port with clean ballast as defined in Regulation 1 (16) of Regulations for the Prevention of Pollution by Oil in Annex 1 of MARPOL unless otherwise agreed. Owners shall instruct the Master to retain on board all oily residues of a persistent nature remaining in the Vessel from the previous cargo. The Master shall, during tank washing, collect the resultant slops into one cargo tank and after maximum separation of the free water, discharge the water so separated overboard. Upon completion of this operation the Master shall notify Charterers by telex of the origin and estimated tonnage of the slops remaining in the said cargo tank, giving a separate estimated quantity for both oil and water. The Master shall further advise whether during deballasting operations it will be necessary to transfer any quantity of ballast water into the cargo tank containing slops. The Master shall minimise the quantity of water retained which in any event shall not exceed 0.15% of the Vessel's current summer deadweight tonnage. In discharging all water separated as aforesaid the Master shall comply with the requirements of the International Convention for the Prevention of Pollution from Ships 1973, as amended by its Protocol of 1978 (MARPOL 73/78), insofar as these do not conflict with any applicable law.
- 14.2 Upon the Vessel's arrival at the loading port the Master, in conjunction with cargo suppliers, shall arrange for the quantity of all segregated slops to be measured (inclusive of any ballast water) and shall make a note in the Vessel's ullage record of the quantity so measured. The Master shall provide Charterers with a slops certificate countersigned by a Terminal representative.
- 14.3 Without prejudice to the provisions of Clause 3.2 Charterers shall be entitled to instruct Owners to load the cargo on top of slops from previous voyages and to discharge such slops together with the cargo loaded hereunder, in which case freight shall be paid under Clause 31 at 50% of the Freight Rate stated in Section H of PART 1 on the net oil quantity of slops, up to a tonnage equivalent to 1% of the Vessel's summer deadweight; otherwise no freight shall be payable on slops. Notwithstanding the foregoing, if the provision for freight for the voyage is on a lump sum basis then Charterers shall have no liability to pay freight on slops. Irrespective of whether Charterers exercise their right to determine the disposal of slops, nothing herein shall give, or be construed as giving, Owners permission to contravene any applicable laws, conventions or regulations regarding the discharge of slops or oily residues. If Charterers instruct Owners to discharge slops ashore at a loading port where slop reception facilities are available, the time used for discharging slops shall not count against laytime or, if the Vessel is on demurrage, as demurrage and all expenses incurred shall be for Owners' account.

If a Terminal representative insists that ballast is discharged ashore and, as a result thereof, a freight differential in Worldscale applies, Charterers shall not be liable to pay the freight differential but, in lieu thereof, shall reimburse Owners in respect of the cost actually incurred by them, upon receipt by Charterers of full supporting documentation from Owners. Charterers shall only be liable to reimburse Owners for quantities of ballast discharged up to a maximum equivalent to 30% of the Vessel's current summer deadweight.

- 14.4 Charterers shall have no liability to pay deadfreight to Owners pursuant to this Clause 14 unless Charterers have initially instructed Owners to load the cargo on top of slops but have subsequently instructed Owners to keep slops segregated.

## 15. AGENCY

Charterers shall nominate Agents at loading and discharge ports but such Agents shall be employed, instructed and paid by Owners.

## 16. CANCELLATION

- 16.1 Time shall be of the essence in relation to the arrival of the Vessel at the first loading port under this Charter. Owners undertake to advise Charterers promptly if at any time Owners or the Master have reason to believe that the Vessel may not arrive at the first loading port by the Cancelling Date stated in Section G of PART 1 or by any new cancelling date determined under this Clause 16.
- 16.2 If the Vessel is not ready to load by the Cancelling Date stated in Section G of PART 1 or by any new cancelling date determined under this Clause 16 Charterers shall have the option of cancelling this Charter which option shall be exercisable within forty-eight (48) hours after the Cancelling Date or any new cancelling date determined under this Clause 16.
- 16.3 If at any time it appears to Charterers that the Vessel's arrival at the first loading port will be delayed beyond the Cancelling Date, or beyond any new cancelling date determined under this Clause 16, Charterers may require Owners to notify Charterers in writing of the date and time that they expect the Vessel to be ready to load. In such case, Owners shall provide such information in writing within twelve (12) hours of Charterers' request.

If the date and time so notified by Owners falls after the Cancelling Date then Charterers shall have the option of cancelling this Charter which option shall be exercisable within ninety-six (96) hours (Sundays and holidays excepted) of receipt of the said notice from Owners or within forty-eight (48) hours after the Cancelling Date, whichever is earlier.

If Charterers do not exercise their option to cancel this Charter then the new cancelling date for the purpose of this Clause 16 shall be twelve (12) hours after the date and time notified by Owners, or such other date and time as may be mutually agreed.

- 16.4 If Owners fail, or fail timeously, to respond in writing to Charterers when required to do so under Clause 16.3, Charterers shall have the option of cancelling this Charter, which option shall be exercisable within ninety-six (96) hours (Sundays and holidays excepted) after the period allowed for Owners' response under Clause 16.3.
- 16.5 Whether or not Charterers exercise their option to cancel this Charter shall be entirely without prejudice to any claim for damages which Charterers may have in respect of the Vessel not being ready to load by the Cancelling Date stated in Section G of PART 1 or by any new cancelling date determined under this Clause 16.
- 16.6 Where the Vessel arrives after the Cancelling Date, or if the Vessel arrives by or after any new cancelling date determined under this Clause 16, laytime shall commence either when the Vessel commences loading or twenty-four (24) hours after tendering of a valid NOR that has become effective under Clause 6.3, whichever first occurs. However, where the arrival of the Vessel after the Cancelling Date, or after the new cancelling date as the case may be, results solely from Charterers' instructions under Clause 22.1, laytime shall commence in accordance with the provisions of Clauses 7.3.1 and 7.3.2.

**17. HALF LAYTIME/HALF DEMURRAGE/FORCE MAJEURE**

Any delay arising from adverse tidal conditions which could not reasonably have been predicted, adverse weather, adverse sea state conditions, blockage of access to a port due to casualty or wreck, fire, explosion, breakdown or failure of equipment, plant or machinery in or about any loading or discharge port, Act of God, act of war, labour dispute, strike, riot, civil commotion, or arrest or restraint of princes, rulers or peoples shall count as one half laytime or, if the Vessel is on demurrage, at one half of the demurrage rate provided always that the cause of the delay was not within the reasonable control of Charterers or Owners, as the case may be, or their respective servants or agents.

**18. SUSPENSION OF LAYTIME/DEMURRAGE**

- 18.1 Time shall not count against laytime or, if the Vessel is on demurrage, as demurrage when spent or lost:-
- 18.1.1 on an inward passage, including awaiting daylight, tide, opening of locks, pilot or tugs or moving from an anchorage, even if topping off and/or lightening has taken place at that anchorage, until the Vessel is securely moored and the Vessel's gangway, if it is to be used, is in place at the berth or other loading or discharge port as ordered by Charterers;
  - 18.1.2 on an outbound passage to an In-port Transfer Position, which passage shall be deemed to commence upon the disconnection of cargo hoses and end upon the Vessel's arrival at such In-port Transfer position; or
  - 18.1.3 as a result of a labour dispute, or strike, involving tugs or pilots.
- 18.2 Nor shall time count against laytime or, if the Vessel is on demurrage, as demurrage when spent or lost:-
- 18.2.1 as a result, whether directly or indirectly, of breakdown, defect, deficiency or inefficiency of, or other cause attributable to, the Vessel, Master, officers, crew, Owners or their servants or agents;
  - 18.2.2 as a result of a labour dispute, or strike, involving the Master, officers or crew of the Vessel;
  - 18.2.3 in, or in connection with, the handling of ballast unless this is carried out concurrently with loading or discharging of cargo such that no loss of time is involved;
  - 18.2.4 in, or in connection with, the discharging of slops unless the discharging is carried out concurrently with loading or discharging of cargo such that no loss of time is involved; or
  - 18.2.5 in cleaning tanks, pumps and pipelines under Clause 11.
- 18.3 Nothing contained in this Clause 18 shall be affected by the provisions of Clause 38.

**19 PART A. LOADING AND DISCHARGE OF CARGO**

- 19.1 For the purposes of this Clause 19:-
- "full cargo" shall mean the quantity of cargo stated in Section C of PART 1 or the total cargo actually loaded as ascertained by adding together the quantities of cargo loaded under each Bill of Lading issued under this Charter, whichever is the greater;
  - "part cargo" shall mean either the total cargo actually loaded, if less than the quantity stated in Section C of PART 1, or the quantity of each parcel loaded or discharged separately, as the context may require;
  - "bulk discharge" shall mean the period of time taken by the Vessel to discharge the full cargo or part cargo, as the case may be, excluding any time during which only tank stripping and/or crude oil washing operations are being performed.

19.2 The cargo shall be pumped into the Vessel at the expense and risk of Charterers and pumped out of the Vessel at the expense and risk of Owners, in each case only as far as the Vessel's manifold.

Owners shall, if requested, make available the personnel, equipment and facilities on board the Vessel which are required for the connection and disconnection of hoses for loading and discharging. Any delay resulting from the failure by Owners to provide such personnel, equipment and facilities shall not count as laytime or, if the Vessel is on demurrage, as demurrage. The Master may require shore supervision of, and approval for, the connection and disconnection of hoses.

19.3 Owners undertake that:-

19.3.1 the Vessel shall load cargo at the maximum safe rate and in any event shall load a full cargo within a maximum period of twenty-four (24) hours, or pro-rata in the case of a part cargo, provided always that the cargo is capable of being supplied within such time; and

19.3.2 the Vessel shall discharge cargo at the maximum safe rate and in any event shall, in the case of cargoes of one or more segregated grades/parcels discharged concurrently or consecutively, discharge a full cargo within twenty-four (24) hours, or pro rata in the case of a part cargo, or shall maintain a minimum discharge pressure of seven (7) bar at the Vessel's manifold throughout the bulk discharge provided always that the cargo is capable of being received within such time or at such pressure. If restrictions are imposed by the Terminal during discharge, or if physical attributes of the Terminal restrict the discharge rate or pressure, Owners shall only be relieved of the aforesaid obligation for the period and to the extent such restrictions or attributes impede the discharge rate or pressure. The Terminal shall have the right to gauge discharge pressure at the Vessel's manifold.

19.4 Any additional time used as a result of the inability of the Vessel to discharge the full cargo within twenty-four (24) hours, or pro rata in the case of a part cargo, or to maintain a minimum discharge pressure of seven (7) bar at the Vessel's manifold throughout the discharge or failure by the Vessel to meet any lesser performance required pursuant to a restriction imposed by the Terminal, shall be for Owners' account and shall not count as laytime or, if the Vessel is on demurrage, as demurrage.

19.5 In the case of multiple grades of cargoes where the total time taken to discharge the full cargo is in excess of twenty-four (24) hours (or pro rata in the case of a part cargo) and the Vessel fails to maintain a minimum discharge pressure of seven (7) bar throughout the discharge, each grade carried will be assessed separately as follows:-

19.5.1 The twenty-four (24) hours' allowance (pro rated in the case of a part cargo) plus the appropriate crude oil washing allowance, if any, calculated in accordance with Clause 19.8, shall be apportioned to each grade, which is discharged consecutively, in the ratio that the quantity of that grade discharged bears to the total quantity of all grades of cargo discharged consecutively. This ratio shall be calculated by dividing the quantity of each grade that is discharged consecutively by the aggregate bill of lading quantities for all grades discharged consecutively. For the purposes of this apportionment, where two (2) or more grades are discharged concurrently, the quantities so discharged shall be aggregated and treated as one grade.

19.5.2 The allowance apportioned to each grade pursuant to Clause 19.5.1 shall then be offset against the total time actually taken to discharge that grade. Any excess time will not count against used laytime or, if the Vessel is on demurrage, as demurrage. However, if the Vessel maintains a minimum discharge pressure of seven (7) bar throughout the bulk discharge of a particular grade then the time taken to discharge that grade will count in full against used laytime or, if the Vessel is on demurrage, as demurrage.

19.6 If the full cargo cannot be delivered to the Vessel at the rate requested by the Master or within the time allowed in Clause 19.3.1 or if the Terminal is unable to receive the full cargo within twenty-four (24) hours or at a discharge pressure of seven (7) bar measured at the Vessel's manifold, the Master shall present a Note of Protest ("NOP") to a Terminal representative detailing any Terminal restrictions and/or deficiencies as soon as they are imposed and/or become apparent and shall use all reasonable endeavours to have the NOP signed by the Terminal representative. If the Master is unable to obtain a signature from the Terminal representative he shall present a further NOP recording the failure of the Terminal representative to sign the original NOP. In the case of restrictions imposed by the Terminal or arising from physical attributes of the Terminal, the Master shall ensure that such restrictions are clearly recorded in the Vessel's Pumping Log.

19.7 No claim by Owners in respect of additional time used in the cargo operations carried out under this Clause 19 shall be considered by Charterers unless it is accompanied by the following supporting documentation:-

19.7.1 the Vessel's Pumping Log signed by a senior officer of the Vessel and a Terminal representative showing at hourly intervals the pressure maintained at the Vessel's manifold throughout the cargo operations; and

19.7.2 copies of all NOPs issued, or received, by the Master in connection with the cargo operations; and

19.7.3 copies of all other documentation maintained by those on board the Vessel or by the Terminal in connection with the cargo operations.

**19. PART B. CRUDE OIL WASHING AND STRIPPING**

19.8 Owners undertake that the Vessel is equipped with a fully functional Crude Oil Washing System and that the officers and crew are properly qualified (as evidenced by appropriate certification) and experienced in the operation of such system. Whilst Charterers may instruct Owners to carry out additional crude oil washing in all tanks that contained the cargo the Master shall, in any event, arrange for crude oil washing of the cargo tanks at the discharge port to the MARPOL minimum standard, as set out in the Vessel's Crude Oil Washing Operation and Equipment Manual.

When the Vessel carries out crude oil washing to the MARPOL minimum standard, in the absence of instructions from Charterers to carry out additional crude oil washing, there shall be no increase in the time allowed for discharge of the cargo. If Charterers instruct Owners to carry out additional crude oil washing then the period referred to in Clauses 19.3.2 or 19.5, as the case may be, shall be increased by twenty-five per cent (25%).

Owners shall carry out crude oil washing concurrently with discharge of the cargo and the Master shall provide a crude oil washing log identifying each tank washed, and stating whether such tank has been washed to the MARPOL minimum standard or has been the subject of additional crude oil washing.

19.9 Owners shall, provided always that the Vessel maintains a minimum discharge pressure of seven (7) bar during bulk discharge or meets such lesser performance required pursuant to a restriction imposed by the Terminal or arising from physical attributes of the Terminal, be allowed a period of not more than two (2) hours per segregated grade/parcel for final draining and stripping purposes unless such final draining and stripping is carried out concurrently with discharge of another grade/parcel. Any time taken for final draining and stripping purposes in excess of such allowance shall not count as used laytime or, if the Vessel is on demurrage, as demurrage.

**PUMPING ASSESSMENT - EXAMPLE  
3 GRADES**

	(1) Fuel Oil	35,000 B/L	< 7 BAR
COW	(2) Arab Heavy	40,000 B/L	< 7 BAR
COW	(3) Arab Light	45,000 B/L	≥ 7 BAR

**DISCHARGE TIME**

(1)	00.00 1 <sup>ST</sup> June	11.50 1 <sup>ST</sup> June	
	11.50 1 <sup>ST</sup> June	12.00 1 <sup>ST</sup> June	Change Grade
(2)	12.00 1 <sup>ST</sup> June	04.50 2 <sup>ND</sup> June	
	04.50 2 <sup>ND</sup> June	05.00 2 <sup>ND</sup> June	Change Grade
(3)	05.00 2 <sup>ND</sup> June	20.00 2 <sup>ND</sup> June	
	Full COW required therefore additional 25% Pumping Time allowed		

	Hrs	Mins		
Grade (1)	<u>35,000 MT</u>			
	120,000 MT X 24 Hours		07 00	Time Allowed
		<u>11 50</u>		Time Taken
		A) Excess	<u>04 50</u>	< 7 BAR
Grade (2)	<u>40,000 MT</u>			
	120,000 MT X 30 Hours		10 00	Time Allowed
			<u>16 50</u>	Time Taken
		(B) Excess	<u>06 50</u>	< 7 BAR
Grade (3)	<u>45,000 MT</u>			
	120,000 MT X 30 Hours		11 15	Time Allowed
		<u>15 00</u>		Time Taken
		(C) Excess	<u>00 00</u>	>7 BAR

Stripping allowance given for grade (3) pumping in excess of seven (7) bar

	<b>Hrs</b>	<b>Mins</b>	
<b>Total Excess Pumping Time =</b>			
	<b>(A) + (B) + (C)</b>	<u>11</u>	<u>40</u>

**20. CLAIMS TIME BAR**

20.1 Charterers shall be discharged and released from all liability in respect of any claim for demurrage, deviation or detention which Owners may have under this Charter unless a claim in writing has been presented to Charterers,

together with all supporting documentation substantiating each and every constituent part of the claim, within ninety (90) days of the completion of discharge of the cargo carried hereunder.

- 20.2 Any other claim against Charterers for any and all other amounts which are alleged to be for Charterers' account under this Charter shall be extinguished, and Charterers shall be discharged from all liability whatsoever in respect thereof, unless such claim is presented to Charterers, together with full supporting documentation substantiating each and every constituent part of the claim, within one hundred and eighty (180) days of the completion of discharge of the cargo carried hereunder.

## **21. SLACK TANKS/EVEN KEEL**

- 21.1 Notwithstanding the provisions of Clause 31, if Charterers are unable to supply the quantity of cargo stated in Section C of PART 1 the Vessel shall not be required to proceed to sea until such of her tanks are filled as will place her in a seaworthy condition, and freight shall be paid as if the Vessel had loaded the quantity of cargo stated in Section C of PART 1.
- 21.2 If for any reason the Vessel is unable to trim to even keel for arrival at a discharge port Owners shall notify Charterers by telex stating the Vessel's expected arrival draught forward and aft. Such notification shall be given as soon as practicable after Owners have received Charterers' Voyage Orders and no later than the Vessel's departure from the loading port.

## **22. REVISED CHARTERERS' VOYAGE ORDERS FOR LOADING OR DISCHARGE PORTS**

- 22.1 If at any time after the date of this Charter, Charterers, notwithstanding that they may have nominated a loading or discharge port, wish to issue revised Charterers' Voyage Orders and instruct Owners to stop and/or divert the Vessel to an alternative port within any Ranges stated in Section E or F of PART 1, or cause her to await orders at one or more locations, Owners shall issue such revised instructions to the Master as are necessary to give effect to such revised Charterers' Voyage Orders and the Master shall comply with such revised instructions as soon as the Vessel is free of any previous charter commitments.

### **22.2 If:-**

22.2.1 solely by reason of Owners' compliance with such revised Charterers' Voyage Orders, the Vessel suffers delay causing her to arrive at the nominated port after the Cancelling Date stated in Section G of PART 1 or any new cancelling date determined under Clause 16.1, then the Cancelling Date or the new cancelling date, as the case may be, shall be extended by the period of such delay.

22.2.2 the Vessel arrives at the nominated port after the Commencement Date stated in Section G of PART 1, then any period during which the Vessel has been awaiting orders prior to her arrival, less any time by which the Vessel's arrival at the nominated port would, but for Charterers' instructions to await orders, have preceded the Commencement Date, shall count as laytime or, if the Vessel is on demurrage, as demurrage.

22.2.3 the Vessel is, after loading, instructed by Owners to stop and await orders at Charterers' request then all time spent by the Vessel awaiting orders shall count as laytime or, if the Vessel is on demurrage, as demurrage.

- 22.3 Any additional period by which the steaming time taken to reach the alternative port exceeds the time that should have been taken had the Vessel proceeded to such port directly shall count as laytime or, if the Vessel is on demurrage, as demurrage. Such additional period shall be the time required for the Vessel to steam the additional distance at the average speed actually achieved by the Vessel during the voyage or the Charter Speed as stated in Section B.25 of PART 1, whichever is the higher. Charterers shall pay Owners for additional bunkers consumed for steaming the additional distance at the price paid by Owners, net of all discounts or rebates, for the last bunkers lifted.

## **23. VESSEL/CARGO INSPECTIONS/BUNKER SURVEYS**

- 23.1 Charterers shall be entitled to cause their representative (which term includes any independent surveyor appointed by Charterers) to carry out inspections of the Vessel and/or observe cargo operations and/or ascertain the quantity and quality of the cargo, water and residues on board, including the taking of cargo samples, inspection and copying of the Vessel's logs, documents and records (which shall include the personal notes of the crew, the rough log book and computer generated data) at any loading and/or discharge port. Charterers' representative may also conduct any of the aforementioned operations at or off any other port to which Charterers may require the Master to divert the Vessel at any time after leaving any loading port. Charterers shall obtain the consent of the owners of any cargo on board at the time before requiring the Vessel to be diverted.

Charterers' representative shall be entitled to survey, and take samples from, any or all of the Vessel's cargo tanks, bunker fuel tanks and non-cargo spaces at any place referred to above.

- 23.2 Charterers' exercise of, or failure to exercise, any of their rights under the foregoing provisions shall be entirely without prejudice to the respective rights and obligations of the parties.
- 23.3 Any delay arising solely as a result of any inspection, survey or sampling under Clause 23.1 shall count as laytime or, if the Vessel is on demurrage, as demurrage.

- 23.4 Any delay arising from instructions from Charterers to Owners to divert the Vessel shall be calculated by reference to the additional period by which the steaming time taken to reach the next loading or discharge port exceeds the time that would have been taken had the Vessel proceeded to such port directly and Owners shall be compensated for such delay and bunkers consumed for steaming during such additional period in accordance with the provisions of Clause 22.3.
- 23.5 Charterers shall also reimburse Owners in respect of port expenses reasonably incurred solely by reason of Charterers' instructions to divert the Vessel.

## 24. MAINTENANCE OF CARGO TEMPERATURE

Charterers shall have the right to instruct Owners to maintain the loaded temperature of the cargo up to a maximum of 60°C. Owners undertake that the Vessel is capable of maintaining the cargo temperature up to 60° throughout the laden voyage and discharge of the cargo and that the Master shall advise Charterers, daily at noon local time, of the temperature of such cargo in each of the Vessel's tanks. If the Vessel fails to maintain the required temperature Owners shall be responsible for any resulting loss, damage, cost or expense incurred by Charterers (including, without limitation, any requirement that the Vessel must vacate the berth) and any time lost thereby shall not count as laytime or, if the Vessel is on demurrage, as demurrage.

## 25. CARGO HEATING

Charterers shall have the right to instruct Owners to raise the temperature of the cargo above the loaded temperature up to a maximum temperature of 60°C in each of the Vessel's cargo tanks provided always that the length of the voyage is such as to permit the temperature rise required. In such case the Master shall advise Charterers daily, at noon local time, of the temperature of the cargo in each of the Vessel's tanks. Charterers shall reimburse Owners for the cost of additional bunkers consumed to raise the temperature of the cargo as aforesaid. The quantity of bunkers so consumed shall be calculated in accordance with the following formulae, as substantiated by copies of the Vessel's cargo ullage and tank temperature records for the entire laden voyage, copies of which are to be provided with Owners' claim for reimbursement.

Single Hull:-

$$\text{Bunkers consumed (MT)} = \frac{\text{Quantity of cargo (MT) subject to temperature increase}}{\text{Increase in cargo temperature (°C)}} \times 0.0001$$

Double Hull:-

$$\text{Bunkers consumed (MT)} = \frac{\text{Quantity of cargo (MT) subject to temperature increase}}{\text{Increase in cargo temperature (°C)}} \times 0.00007$$

The price for the additional bunkers consumed shall be the price paid by Owners, net of all discounts or rebates, for the last bunkers lifted. Upon presentation of their claim Owners shall provide Charterers with the invoices for the last bunkers lifted and evidence of payment of same.

## 26. LIBERTY

The Vessel shall have liberty to sail with or without pilots, to tow or go to the assistance of vessels in distress and to deviate for the purpose of saving life and property, or for any other reasonable purpose.

Unless specifically agreed to the contrary by Charterers, Owners undertake that the Vessel will not stop or deviate for the purpose of replenishing bunkers on a laden passage.

## 27. TRAFFIC SEPARATION AND ROUTEING

Owners shall instruct the Master to observe regulations and recommendations as to traffic separation and routeing as issued, from time to time, by responsible organisations or regulating authorities including, but not limited to, the IMO, the UK Chamber of Shipping (or equivalent), or as promulgated by the State of the flag of the Vessel or the State in which management of the Vessel is exercised.

## 28. ICE ON VOYAGE AND ICE AT LOADING OR DISCHARGE PORTS

- 28.1 If on passage to the loading or discharge port the Master finds that the port is inaccessible owing to ice he shall immediately request Charterers by telex to revise Charterers' Voyage Orders and pending a response from Charterers the Vessel shall remain outside the area of ice-bound water. Any time lost awaiting such revised Charterers' Voyage Orders shall count as laytime or, if the Vessel is on demurrage, as demurrage.
- 28.2 Upon receipt of such request Charterers shall instruct Owners to order the Vessel to proceed to an alternative ice-free and accessible port within the Ranges stated in Sections E and F of PART 1 and where there are facilities for loading or discharging the cargo, as the case may be. In this event freight shall be paid at the rate applicable under this Charter to such alternative loading or discharge port. Any additional period by which the steaming time taken to reach the alternative port exceeds the time that should have been taken had the Vessel proceeded to such port directly shall count as laytime or, if the Vessel is on demurrage, as demurrage. Such additional period shall be the time required for the Vessel to steam the additional distance at the average speed actually achieved by the Vessel

during the voyage or the Charter Speed as stated in Section B.25 of PART 1, whichever is the higher. Charterers shall pay Owners for additional bunkers consumed for steaming the additional distance at the price paid by Owners, net of all discounts or rebates, for the last bunkers lifted.

- 28.3 If, on or after the Vessel's arrival at the loading or discharge port, there is a danger of her being frozen in, the Vessel shall proceed to the nearest safe and ice-free position and at the same time the Master shall request Charterers by telex to revise Charterers' Voyage Orders. Upon receipt of such request Charterers shall instruct Owners to order the Vessel either to proceed to an alternative ice-free and accessible port, within the Ranges stated in Sections E and F of PART 1, where there is no danger of the Vessel being frozen in and where there are facilities for loading or discharging cargo, or to return to and load or discharge at the port originally nominated, or to remain at the safe and ice-free position to await orders. If the Vessel is ordered to such an alternative port the sums to be paid by Charterers to Owners in respect of freight, additional steaming time and additional bunkers shall be calculated and compensated in accordance with the provisions of Clause 28.2, but if Charterers instruct Owners to load or discharge the Vessel at the port originally nominated, then, subject to Clauses 7, 8, 17, 18 and 19 the whole of the time from the receipt of NOR to load or discharge on the Vessel's first arrival at the port originally nominated until the cargo hoses have been disconnected after the completion of loading or discharging shall count as laytime or, if the Vessel is on demurrage, as demurrage. Any delay caused by ice at the port originally nominated after the final disconnection of the cargo hoses shall count as laytime or, if the Vessel is on demurrage, as demurrage.

If Charterers instruct Owners to order the Vessel to remain at the safe and ice-free position and await orders then any time lost awaiting orders shall count as laytime or, if the Vessel is on demurrage, as demurrage.

## 29. QUARANTINE

If Charterers require the Vessel to proceed to any port at which, at the time when the Vessel is ordered to that port, there is quarantine then time spent or lost whilst the Vessel is detained due to such quarantine shall count as laytime or, if the Vessel is on demurrage, as demurrage. However, if quarantine is subsequently declared whilst the Vessel is on passage to such port Charterers shall not be liable for any delay caused by such quarantine.

## 30. BILLS OF LADING AND INDEMNITIES

- 30.1 Bills of Lading shall be signed as Charterers direct, without prejudice to this Charter. Charterers hereby indemnify Owners:-

30.1.1 against all liabilities that may arise from the signing of Bills of Lading in accordance with the directions of Charterers to the extent that the terms of such Bills of Lading impose more onerous liabilities than those assumed by Owners under the terms of this Charter; and

30.1.2 against claims brought by holders of Bills of Lading against Owners by reason of any deviation required by Charterers under Clauses 22, 23 or 28.

- 30.2 All Bills of Lading issued under this Charter shall be deemed to contain War Risks, Both-to-Blame Collision and New Jason clauses.

- 30.3 If a Bill of Lading is not available at any discharge port to which the Vessel may be ordered by Charterers under this Charter or if Charterers require Owners to deliver cargo to a party and/or at a port other than as set out in the Bills of Lading, then Owners shall nevertheless discharge such cargo in compliance with Charterers' instructions, upon presentation by the consignee nominated by Charterers ("the Receiver") of reasonable identification to the Master and in consideration of Charterers undertaking:-

30.3.1 to indemnify Owners (which term shall, for the purpose of this Clause, include Owners' servants and agents) and to hold Owners harmless in respect of any liability, loss, damage, cost or expense of whatsoever nature which Owners may sustain by reason of delivering the cargo to the Receiver in accordance with Charterers' instructions;

30.3.2 to provide Owners on demand, in the event of any proceedings being commenced against Owners in connection with the delivery of the cargo as aforesaid, from time to time, with sufficient funds to defend the same;

30.3.3 to provide Owners on demand with such bail or other security as may be required if, in connection with the delivery of the cargo as aforesaid, the Vessel, or any other vessel or property belonging to Owners, should be arrested or detained or, if the arrest or detention thereof should be threatened, in order to prevent such arrest or detention, or to secure the release of such Vessel or property and to indemnify Owners in respect of any loss, damage, cost or expense caused by such arrest or detention whether or not the same be justified; and

30.3.4 to produce and deliver to Owners all original Bills of Lading in respect of the cargo loaded by the Vessel as soon as same shall have arrived and/or come into the possession of Charterers whereupon Charterers' liability hereunder shall cease.

The provisions of the foregoing undertakings shall be governed by English Law.

## 31. FREIGHT RATE

- 31.1 The Freight Rate shall be that stated in Section H of PART 1. If the cargo quantity stated in Section C of PART 1 is a minimum quantity, then the freight payable for any cargo loaded in excess of the said minimum quantity shall, notwithstanding this Clause 31, be at the Overage rate stated in Section H of PART 1, unless a lump sum freight has been agreed in which case no Overage shall be payable. Where the Freight Rate stated in Section H of PART 1 is expressed as a percentage of Worldscale the Worldscale rate shall be the rate in force at the date of this Charter.
- 31.2 If Charterers instruct Owners to order the Vessel to increase speed under Clause 3 the Freight Rate shall be increased as provided in Section H of PART 1 for each knot of increased speed above the Charter Speed and pro rata for fractions of a knot up to the Maximum Speed. Such increase shall be calculated in accordance with the following example:

Example: The Vessel proceeds at Charter Speed of 10 knots, the rate for which is Worldscale 40. After 10 days the Master is instructed to complete the voyage at 12 knots. The remainder of the voyage takes 20 days. The increased speed option provides for a premium of 0.5 of a Worldscale point per knot of increased speed over Charter Speed.

The freight rate for the above voyage would be calculated as follows:

$$\begin{aligned} \text{Voyage freight rate} &= \frac{(\text{W}40 \times 10 \text{ days}) + \text{W}41^* \times 20 \text{ days}}{30 \text{ (total voyage days)}} \\ &= \text{W}40.67 \\ &\quad (*1 \text{ point premium for 12 knots Maximum Speed}) \end{aligned}$$

If the Vessel fails to maintain the speed ordered, due to breakdown or any other reason whatsoever beyond Charterers' control, the freight rate shall be calculated based on the average speed actually achieved by the Vessel using BP Worldwide Marine Distance Tables to assess the length of the voyage between pilot stations at the loading and discharge ports but the freight rate shall not be less than the Freight Rate at Charter Speed.

- 31.3 If a lump sum freight is agreed for the voyage this shall be in respect of the overall voyage of the Vessel from the first loading port to the final discharge port.

Charterers shall be entitled to load and discharge at additional ports within the Ranges stated in Sections E and F of PART 1. If the lump sum freight stated in Section H of PART 1 specifically includes additional loading or discharge ports or if a further lump sum payment is agreed for additional loading or discharge ports then no other payment shall, subject to Clauses 5 and 34, be made by Charterers and laytime or, if the Vessel is on demurrage, demurrage shall count in accordance with the provisions of this Charter.

In the absence of any agreement in respect of lump sum freight for additional loading or discharge ports Charterers shall reimburse Owners for any additional port costs incurred by Owners in complying with Charterers' instructions. Time used at the additional ports, including time which would otherwise be excluded under Clause 18.1 (subject to the exceptions and exclusions of laytime and/or demurrage found elsewhere in this Charter, including but not limited to those under Clauses 17 and 18) shall count as laytime or, if the Vessel is on demurrage, as demurrage. Laytime, or, if the Vessel is on demurrage, demurrage shall commence upon tender of a valid NOR which has become effective as determined under Clause 6.3 and shall end when cargo hoses have been finally disconnected. The provisions of Clause 22.3 shall also apply, and reference in Clause 22.3 to the term "alternative port" shall for the purposes of this Clause 31.3 be deemed to be a reference to "additional port".

- 31.4 Freight shall be payable immediately after completion of discharge, on the gross quantity of cargo loaded by the Vessel as evidenced by the Bills of Lading furnished by the shippers, less any sum derived from the operation of Clauses 2, 32 and 33 and less any disbursements or advances made to the Master or Agents at loading and/or discharge ports, any sums payable by Owners under Clause 34, and any additional cargo insurance premium for Owners' account under Clause 35, provided that no freight shall be payable on any quantity that submerges, at any stage of the voyage, the marks appropriate under the International Load Line Convention, 1966, or any modification or amendment thereof, to the voyage to be performed under this Charter.
- 31.5 All payments due to Owners under this Charter shall be remitted by Charterers to the account stated in Section K of PART 1.

## **32. ADDRESS COMMISSION**

Charterers shall deduct 1.25% address commission from freight (including fixed and variable freight differentials), and any deadfreight and demurrage payable under this Charter.

## **33. CARGO RETENTION**

- 33.1 If any quantity of cargo remaining on board the Vessel ("ROB") upon completion of discharge is judged by an independent surveyor appointed by Charterers to be liquid, or if Charterers can show that the ROB would have been liquid if Owners and/or the Master, officers and crew had followed Charterers' instructions for the management of the cargo, then Charterers shall be entitled to deduct from freight the value of such quantity of cargo calculated on the basis of the free on board ("FOB") value at the loading port plus freight thereon calculated in accordance with Clause 31 hereof.

33.2 For the purpose of this Clause 33, any quantity of ROB shall be regarded as liquid if sampling and testing, which testing shall be performed as soon as practicable after sampling, shows the ROB to have had a dynamic viscosity of less than 600 centipoise at its temperature when sampled from the Vessel's tank or, if Charterers' heating instructions have not been complied with, at the temperature that would have been applicable in the Vessel's tank if such instructions had been complied with.

Any quantity of ROB which is of insufficient depth to be sampled shall also be regarded as liquid if the independent surveyor judges it to be liquid after using other means of testing including, without limitation, a representative number of dips across each tank.

33.3 The independent surveyor's findings shall be final and binding upon Owners and Charterers save for instances of arithmetical error in calculation.

33.4 Charterers hereby agree to indemnify Owners against any liability to a Bill of Lading holder resulting from non-delivery of any such cargo in respect of which a deduction from freight is made under this Clause 33 provided always that Charterers shall under no circumstances be liable to indemnify Owners in an amount greater than the amount of freight so deducted.

33.5 For the purpose of this Clause 33, slops shall not be included in the measured and reported liquid volume of oil on board the Vessel prior to loading.

33.6 For the avoidance of doubt this Clause 33 refers solely to liquid cargo ROB from the cargo loaded hereunder and any measured volume of liquid oil on board the Vessel prior to loading shall be deducted from any calculation made under this Clause 33.

#### **34. DUES AND OTHER CHARGES**

34.1 If, under Sections 4 and 5 of Part B of the Preamble of Worldscale, a due or charge is expressly stated to be for the account of Owners or Charterers then such due or charge shall be payable accordingly. Dues and other charges payable by Charterers under Section 5 of Part B of the Preamble of Worldscale shall in the first instance be paid by Owners and Charterers shall reimburse Owners upon presentation of all supporting invoices by Owners.

34.2 If freight for a voyage is not based on Worldscale but is calculated on some other basis such as, without limitation, an agreed lump sum amount or a per tonne amount, Charterers shall not be liable for any costs covered by Worldscale, under a fixed or variable freight differential (Section D of Worldscale), such costs being deemed to be included in the agreed freight. However Sections 4 and 5 of Part B of the Preamble of Worldscale shall still apply.

34.3 If a charge is imposed upon Charterers by the owner of a berth by reason of prolonged occupation of the berth by the Vessel for reasons beyond the control of Charterers, their servants or agents then such charge shall be paid by Owners.

#### **35. CARGO INSURANCE**

Any additional premiums which may be charged by cargo underwriters on any cargo insurance in respect of the cargo carried hereunder by reason of the Vessel's age and/or condition shall be for Owners' account, and Charterers shall be entitled to deduct the cost of any such additional premium from freight payable under Clause 31.

#### **36. CODING OF CARGO DOCUMENTATION - US CUSTOMS REGULATIONS**

36.1 If Charterers require the Vessel to discharge at a port within the jurisdiction of the US Customs Service, the Master shall insert Owners' Unique Identifier on each Bill of Lading accompanying a shipment of imported cargo in accordance with US Customs Regulations (19 CFR Parts 4 and 178). Owners shall provide Charterers and Agents on request with details of their Unique Identifier in respect of any cargo carried hereunder.

36.2 If the Master fails to insert Owners' Unique Identifier under this Clause 36 Owners shall be liable for any delays resulting therefrom and any time lost thereby shall not count as laytime or, if the Vessel is on demurrage, as demurrage.

#### **37. UNITED STATES COAST GUARD ("USCG") CERTIFICATE OF FINANCIAL RESPONSIBILITY/UNITED STATES COAST GUARD REGULATIONS**

37.1 Owners undertake that the Vessel shall carry on board a valid USCG Certificate of Financial Responsibility ("COFR") as required under the US Federal Oil Pollution Act 1990 and that for the duration of this Charter the said COFR shall be maintained in all respects valid for trading to ports in the USA. Owners further undertake that the Vessel shall carry on board copies of the Vessel's Federal Oil Spill Response Plan and any US State specific Response Plan (individually and collectively "Response Plan") that have been approved by the USCG or by the appropriate State Authority respectively and that the Master shall operate the Vessel fully in accordance with the said Response Plan.

37.2 Owners undertake that the Vessel shall for the duration of this Charter either comply with all applicable USCG Regulations or carry on board appropriate waivers from the USCG if in any respect whatsoever the Vessel does not so comply.

#### **38. EXCEPTIONS**

- 38.1 The provisions of Articles III (other than Rule 8), IV, IV bis and VIII of the Schedule to the Carriage of Goods by Sea Act, 1971 of the United Kingdom shall apply to this Charter and shall be deemed to be inserted *in extenso* herein. This Charter shall be deemed to be a contract for the carriage of goods by sea to which the said Articles apply, and Owners shall be entitled to the protection of the said Articles in respect of any claim made hereunder.
- 38.2 Charterers shall not, unless expressly provided otherwise in this Charter, be responsible for any loss, damage, cost, expense, delay or failure in performance hereunder arising or resulting from Act of God, act of war, hostilities, seizure under legal process, quarantine restrictions, labour disputes or strikes threatened or actual, riots, civil commotions, arrest or restraint of princes, rulers or people.

### 39. WAR RISKS

39.1 For the purpose of this Clause 39 the words:-

"Owners" shall include the shipowners, bareboat charterers, disponent owners, managers or other operators who are charged with the management and/or operation of the Vessel, and the Master; and

"War Risks" shall include any war (whether actual or threatened), act of war, civil war, hostilities, revolutions, rebellion, civil commotion, warlike operations, the laying of mines (whether actual or reported), acts of piracy, acts of terrorists, acts of hostility or malicious damage, blockades (whether imposed against all vessels or imposed selectively against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever), by any person, body, terrorist or political group, of the Government of any state whatsoever, which, in the reasonable judgment of the Master and/or Owners, may be dangerous or are likely to be or to become dangerous to the Vessel, her cargo, crew or other persons on board the Vessel.

39.2 If at any time before the Vessel commences loading, it appears, in the reasonable judgement of the Master and/or Owners, that performance of the contract of carriage, or any part of it, may expose, or is likely to expose, the Vessel, her cargo, crew or other persons on board the Vessel to War Risks, Owners may give notice to Charterers cancelling this Charter, or may refuse to perform such part of it as may expose, or may be likely to expose, the Vessel, her cargo, crew or other persons on board the Vessel to War Risks provided always that if either Section E or F of PART 1 provides for a loading or discharging Range, as the case may be, and the Vessel, her crew, other persons on board, or cargo may be exposed, or may be likely to be exposed, to War Risks, at the port originally nominated by Charterers, then Owners shall first require Charterers to nominate a safe port which lies within the relevant Range, and may only cancel this Charter if Charterers shall not have nominated such safe port within forty-eight (48) hours of receipt of such request.

39.3 Owners shall not be required to continue to load cargo for any voyage, or to sign Bills of Lading for any port, or to proceed or continue on any voyage, or on any part thereof, or to proceed through any canal or waterway, or to proceed to or remain at any port whatsoever, where it appears, either after the loading of the cargo commences, or at any stage of the voyage thereafter before the discharge of the cargo is completed, that, in the reasonable judgement of the Master and/or Owners, the Vessel, her cargo (or any part thereof), crew or other persons on board the Vessel (or any one or more of them) may be, or are likely to be, exposed to War Risks. If it should so appear, Owners may, by telex, request Charterers to nominate a safe port for the discharge of the cargo or any part thereof, and if within forty-eight (48) hours of the receipt of such telex, Charterers shall not have nominated such a port, Owners may discharge the cargo at any safe port of their choice (including the loading port) in complete fulfilment of their obligations under this Charter. Owners shall be entitled to recover from Charterers the extra expenses of such discharge and, if the discharge takes place at any port other than the loading port, to receive the full freight as though the cargo had been carried to the discharge port originally nominated. Any additional period by which the steaming time taken to reach the port at which the cargo is discharged exceeds the time which would have been taken had the Vessel proceeded to the original discharge port directly, and bunkers consumed for steaming during such additional period, shall be calculated and compensated in accordance with the provisions of Clause 22.3.

39.4 If at any stage of the voyage after the loading of the cargo commences, it appears, in the reasonable judgement of the Master and/or Owners, that the Vessel, her cargo, crew or other persons on board the Vessel may be, or are likely to be, exposed to War Risks on any part of the route (including any canal or waterway) which is normally and customarily used in a voyage of the nature contracted for, and there is another longer route to the discharge port, Owners may give notice to Charterers that this route should be taken. In such case this Charter shall be read in respect of freight and all other conditions whatsoever as if the voyage performed were that originally designated.

However if the Vessel discharges the cargo at a port outside the Ranges stated in Section F of PART 1, freight shall be paid as for the voyage originally designated and any additional period by which the steaming time taken to reach the discharge port exceeds the time which would have been taken to reach the originally designated discharge port directly, and bunkers consumed for steaming during such additional period, shall be calculated and compensated in accordance with the provisions of Clause 22.3. Any additional port, canal or waterway expenses incurred by Owners as a result of the Vessel discharging outside the Ranges stated in Section F of PART 1 as aforesaid shall be for Charterers' account and Charterers shall reimburse to Owners any amounts due under this Clause 39.4 upon receipt of Owners' invoice together with full supporting documentation.

39.5 The Vessel shall have liberty:-

- 39.5.1 to comply with all orders, directions, recommendations or advice as to departure, arrival, routes, sailing in convoy, ports of call, stoppages, destinations, discharging of cargo, delivery or in any way whatsoever which are given by the government of the state under whose flag the Vessel sails, or other government to whose laws Owners are subject, or any other government which so requires, or any body or group acting with the power to compel compliance with their orders or directions;
  - 39.5.2 to comply with the orders, direction or recommendations of any war risks underwriters who have the authority to give the same under the terms of the war risks insurance applicable to the Vessel;
  - 39.5.3 to comply with the terms of any resolution of the Security Council of the United Nations, any directives of the European Community, the effective orders of any other supranational body which has the right to issue and give the same, and with national laws aimed at enforcing the same to which Owners are subject, and to obey the orders and directions of those who are charged with their enforcement;
  - 39.5.4 to discharge at any other port any cargo or part thereof which may render the Vessel liable to confiscation as a contraband carrier;
  - 39.5.5 to call at any other port to change the crew or any part thereof or other persons on board the Vessel if there is good reason to believe that they may be subject to internment, imprisonment or other sanctions; and
  - 39.5.6 if cargo has not been loaded or has been discharged by Owners under this Clause 39, to load other cargo for Owners' own benefit and carry it to any other port or ports whatsoever, whether backwards or forwards or in a contrary direction to the ordinary or customary route.
- 39.6 If in compliance with Clauses 39.2 to 39.5 anything is done or not done, such shall not be deemed to be a deviation, but shall be considered as due fulfilment by the party concerned of its obligations under this Charter.

#### **40. BOTH-TO-BLAME COLLISION**

- 40.1 If the liability for any collision in which the Vessel is involved while performing this Charter falls to be determined in accordance with the laws of the USA, or the laws of any State which applies laws similar to those applied in the USA in the circumstances envisaged by this Clause 40, the following provision shall apply:-

"If the Vessel comes into collision with another vessel as a result of the negligence of the other vessel and any act, neglect or default of the Master, mariner, pilot or the servants of the carrier in the navigation or in the management of the Vessel, the owners of the goods carried hereunder will indemnify the carrier against all loss or liability to the other or non-carrying vessel or her owners in so far as such loss or liability represents loss of, or damage to, or any claim whatsoever of the owners of, said goods, paid or payable by the other or non-carrying vessel or her owners to the owners of said goods and set off, recouped or recovered by the other or non-carrying vessel or her owners as part of their claim against the carrying vessel or carrier.

The foregoing provisions shall also apply where the owner, operators or those in charge of any vessel or vessels or objects other than, or in addition to, the colliding vessels or objects are at fault in respect of collision or contact."

- 40.2 Whilst Charterers shall procure that all Bills of Lading issued under this Charter shall contain a provision in the foregoing terms, to be applicable where the liability for any collision in which the Vessel is involved falls to be determined under the preamble of this Clause 40, Charterers neither warrant nor undertake that such provision shall be effective. In the event that such provision proves ineffective Charterers shall, notwithstanding anything to the contrary herein provided, not be obliged to indemnify Owners.

#### **41. GENERAL AVERAGE**

General Average shall be adjusted and settled in London in accordance with the York-Antwerp Rules, 1994 or any modification or re-enactment thereof for the time being in force.

#### **42. NEW JASON**

If, notwithstanding Clause 41, General Average is adjusted in accordance with the law and practice of the USA, the following provision shall apply:-

"In the event of accident, danger, damage or disaster before or after the commencement of the voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequence of which, the carrier is not responsible, by statute, contract or otherwise, the cargo shippers, consignees or owners of the cargo shall contribute with the carrier in general average to the payment of any sacrifices, losses or expenses of a general average nature that may be made or incurred and shall pay salvage and special charges incurred in respect of the cargo.

If a salving ship is owned or operated by the carrier, salvage shall be paid for as fully as if the said salving ship or ships belonged to strangers. Such deposit as the carrier or his agents may deem sufficient to cover the estimated contribution of the cargo and any salvage and special charges thereon shall, if required, be made by the cargo shippers, consignees or owners of the cargo to the carrier before delivery".

#### **43. CLAUSE PARAMOUNT**

All Bills of Lading issued under this Charter shall be deemed to contain the following Clause Paramount:-

"CLAUSE PARAMOUNT

- (1) This Bill of Lading shall have effect subject to any national law making the International Convention for the unification of certain rules of law relating to bills of lading signed at Brussels on 25th August 1924 (The Hague Rules) or the Hague Rules as amended by the Protocol signed at Brussels on 23rd February 1968 (The Hague/Visby Rules) compulsorily applicable to this Bill of Lading. If any term of this Bill of Lading be repugnant to that legislation to any extent, such term shall be void to that extent but no further. Neither the Hague Rules nor the Hague/Visby Rules shall apply to this Bill of Lading where the goods carried hereunder consist of live animals or cargo which by this Bill of Lading is stated as being carried on deck and is so carried.
- (2) Save where the Hague or Hague/Visby Rules apply by reason of (1) above, this Bill of Lading shall take effect subject to any national law in force at the port of shipment or place of issue of the Bill of Lading making the United Nations Convention on the Carriage of Goods by Sea 1978 (the Hamburg Rules) compulsorily applicable to this Bill of Lading in which case this Bill of Lading shall have effect subject to the Hamburg Rules which shall nullify any stipulation derogating therefrom to the detriment of the shipper or consignee.
- (3) Where the Hague, Hague/Visby or Hamburg Rules are not compulsorily applicable to this Bill of Lading, the carrier shall be entitled to the benefits of all privileges, rights and immunities contained in Articles I to VIII of the Hague/Visby Rules.
- (4) Nothing in this Bill of Lading shall be construed as in any way restricting, excluding or waiving the right of any relevant party or person to limit his liability under any available legislation and/or law".

**44. OIL POLLUTION INSURANCE**

44.1 Owners warrant that they have, and shall maintain in force throughout the period of this Charter, the following oil pollution insurances:-

44.1.1 the standard oil pollution insurance cover (currently US\$500 million) available, from time to time, from their Protection and Indemnity Club; and

44.1.2 any additional oil pollution insurance cover (currently US\$200 million) which is, or becomes, available from market, or other sources provided always that the security of the provider of the cover is acceptable to Charterers.

**45. OIL POLLUTION PREVENTION**

45.1 Owners undertake that the Vessel:-

45.1.1 is a tanker owned by a member of the International Tanker Owners Pollution Federation Limited and will so remain throughout the period of this Charter.

45.1.2 is entered in the P & I Club stated in Section 9.1 of the BP Shipping Questionnaire last completed by or on behalf of Owners and will so remain unless Owners have given Charterers prior written notice of their intention to change. Owners warrant however, that the Vessel will only be entered in a P & I Club within the International Group of P & I Clubs.

45.2 When an escape or discharge of Oil occurs from the Vessel and causes or threatens to cause Pollution Damage, or when there is the Threat of an escape or discharge of Oil (i.e. a grave and imminent danger of the escape or discharge of Oil which, if it occurred, would create a serious danger of Pollution Damage, whether or not an escape or discharge in fact subsequently occurs), then upon notice to Owners or Master, Charterers shall have the right (but shall not be obliged) to place onboard the Vessel and/or have in attendance at the incident one or more Charterers' representatives to observe the measures being taken by Owners and/or national or local authorities or their respective servants, agents or contractors to prevent or minimise Pollution Damage and, in Charterers' absolute discretion, to provide advice, equipment or manpower or undertake such other measures, at Charterers' risk and expense, as are permitted under applicable law and as Charterers believe are reasonably necessary to prevent or minimise such Pollution Damage or to remove the Threat of an escape or discharge of Oil.

45.3 The provisions of this Clause 45 shall be without prejudice to any other rights and/or duties of Charterers or Owners whether arising under this Charter or under applicable law or under any International Convention.

45.4 In this Clause the terms "Oil", "Threat" and "Pollution Damage" shall have the same meaning as that defined in the Civil Liability Convention 1969 or any Protocol thereto.

**46. LIEN**

Owners shall have a lien upon the cargo for all freight, deadfreight, demurrage and the cost of recovery thereof.

**47. SUB-LETTING**

Charterers may sub-let the Vessel without prejudice to the respective rights and obligations of either party under this Charter.

**48. ADMINISTRATION**

48.1 Unless otherwise specifically requested by either Owners or Charterers, no formal charterparty shall be prepared and signed. The terms and conditions of this Charter shall be evidenced by a recap fixture telex ("Recap Fixture Telex") issued by Charterers' broker to Owners and Charterers and shall be confirmed as correct by return telexes from both parties to the said broker who shall acknowledge receipt of such confirmation telexes to both parties within forty-eight (48) hours after the lifting of subjects and a charterparty in the format of this Charter, as modified by the Recap Fixture Telex and bearing the same date as the Recap Fixture Telex, shall be deemed to have been signed by Owners and Charterers.

48.2 If either party requires a formal charterparty to be prepared and signed then Owners shall procure that Owners' broker shall prepare a charterparty in the format of this Charter, as modified by the Recap Fixture Telex, and bearing the same date as the Recap Fixture Telex and shall arrange for signature thereof by both Owners and Charterers.

**49. LAW**

The construction, validity and performance of this Charter shall be governed by English Law. The High Court in London shall have exclusive jurisdiction over any dispute which may arise out of this Charter.

*In Witness Whereof* the parties have caused this Charter to be executed as of the date first above written

.....  
for and on behalf of  
MR. VINCENT SILVA

.....  
OWNERS

.....  
for and on behalf of  
MR. PHIL JONES

.....  
CHARTERERS



Shipper

TO BE USED WITH CHARTER-PARTIES

Reference no 94566

CHELSEA PETROLEUM  
10 RASHFORD STREET  
#19-00 UNITED FINANCIAL CENTRE  
SINGAPORE

Consignee

UNITED MARITIME LOGISTICS PTE LTD  
PRINS SCHMEICHEL 1,  
1218 Kobenhavn, DENMARK

Notify address

ERIKSEN LIMITED  
CENTER BLVD. 32  
6589 Kobenhavn, DENMARK

Vessel	Port of loading
MT INDIA	SINGAPORE

Port of discharge  
DENMARK

Shipper's description of goods	Gross weight
BACH HO OIL	22,500MT

" CLEAN ON BOARD "

" FREIGHT PAYABLE AS PER CHARTER PARTY "

(of which on deck at Shipper's risk; the Carrier not being responsible for loss or damage howsoever arising)

Freight payable as per CHARTER PARTY dated 10-Dec-18  FREIGHT ADVANCE Received on account of freight:  .....  Time used for loading ..... Days ..... hours	<p><b>SHIPPED</b> at the Port of Loading in apparent good order and condition on board the Vessel for carriage to the Port of Discharge or so near thereto as she may safely get the goods specified above.</p> <p>Weight, measure, quality, quantity, condition, contents and value unknown.</p> <p>IN WITNESS whereof the Master or Agent of the said Vessel has signed the number of Bills of Lading indicated below all of this tenor and date, any one of which being accomplished the others shall be void.</p> <p>FOR CONDITIONS OF CARRIAGE SEE OVERLEAF</p>
--	--

Freight payable at	Place and date of issue
	SIN SINGAPORE 12,12,2018
Number of original B/L	Signature
3 (THREE)	FOR AND ON BEHALF OF MASTER (CAPT. STEVE GEORGE GERRARD) MT INDIA  AGENT

Printed and sold  
By Wyl & Zonen B.V., Rotterdam (phone 31-610-4252827)  
by the authority of The Baltic and International Maritime  
Council (BIMCO), Copenhagen

CODE NAME: "COMGENBILL" EDITION 1994

**BILL (S) OF LADING**

TO BE USED WITH CHARTER-PARTIES

Reference No: 94567

Shipper:

CHELSEA PETROLEUM  
10 RASHFORD STREET  
#19-00 UNITED FINANCIAL CENTRE  
SINGAPORE

Consignee:

UNITED MARITIME LOGISTICS PTE LTD  
PRINS SCHMEICHEL 1,  
1218 København, DENMARK

Notify address:

ISMO LUIS TOWER  
RIGHT STREET, 67  
HELSINKI, FINLAND

Vessel	Port of loading
MT INDIA	SINGAPORE

Port of discharge  
FINLAND

Shipper's description of goods	Gross weight
BACH HO OIL	22,500MT

" CLEAN ON BOARD "  
" FREIGHT PAYABLE AS PER CHARTER PARTY "

(of which on deck at Shipper's risk; the Carrier not being responsible for loss or damage howsoever arising)

<p>Freight payable as per CHARTER PARTY dated <b>10-Dec-18</b></p> <p>FREIGHT ADVANCE Received on account of freight:</p> <p>.....</p> <p>Time used for loading ..... Days ..... hours.</p>	<p><b>SHIPPED</b> at the Port of Loading in apparent good order and condition on board the Vessel for carriage to the Port of Discharge or so near thereto as she may safely get the goods specified above.</p> <p>Weight, measure, quality, quantity, condition, contents and value unknown.</p> <p>IN WITNESS whereof the Master or Agent of the said Vessel has signed the number of Bills of Lading indicated below all of this tenor and date, any one of which being accomplished the others shall be void.</p> <p>FOR CONDITIONS OF CARRIAGE SEE OVERLEAF</p>
---	--

Freight payable at	Place and date of issue <b>SIN SINGAPORE 12.12.2018</b>
Number of original Bill,  <b>3 (THREE)</b>	Signature  <b>FOR AND ON BEHALF OF MASTER (CAPT. STEVE GEORGE GERRARD) MT INDIA</b>   <b>AS AGENT</b>

Printed and sold  
By Wm & Zonen B.V., Rotterdam (phone:31-010-4252827)  
by the authority of The Baltic and International Maritime  
Council (BIMCO), Copenhagen

**BILL OF LADING**

TO BE USED WITH CHARTER-PARTIES  
 CODE NAME: 'CONGENBILL'  
 EDITION 1994  
 ADOPTED BY  
 THE BALTIC AND INTERNATIONAL MARITIME COUNCIL (BIMCO)

**Conditions of Carriage**

(1) All terms and conditions, liberties and exceptions of the Charter Party, dated as overleaf, including the Law and Arbitration Clause, are herewith incorporated.

**(2) General Paramount Clause.**

(a) The Hague Rules contained in the International Convention for the Unification of certain rules relating to Bills of Lading, dated Brussels the 25th August 1924 as enacted in the country of shipment, shall apply to this Bill of Lading. When no such enactment is in force in the country of shipment, the corresponding legislation of the country of destination shall apply, but in respect of shipments to which no such enactments are compulsorily applicable, the terms of the said Convention shall apply.

(b) Trades where Hague-Visby Rules apply.

In trades where the International Brussels Convention 1924 as amended by the Protocol signed at Brussels on February 23rd 1968 - the Hague-Visby Rules - apply compulsorily, the provisions of the respective legislation shall apply to this Bill of Lading.

(c) The Carrier shall in no case be responsible for loss of or damage to the cargo, howsoever arising prior to loading into and after discharge from the Vessel or while the cargo is in the charge of another Carrier, nor in respect of deck cargo or live animals.

**(3) General Average.**

General Average shall be adjusted, stated and settled according to York-Antwerp Rules 1994, or any subsequent modification thereof, in London unless another place is agreed in the Charter Party.

Cargo's contribution to General Average shall be paid to the Carrier even when such average is the result of a fault, neglect or error of the Master, Pilot or Crew. The Charterers, Shippers and Consignees expressly renounce the Belgian Commercial Code, Part II, Art. 148.

**(4) New Jason Clause.**

In the event of accident, danger, damage or disaster before or after the commencement of the voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequence of which, the Carrier is not responsible, by statute, contract or otherwise, the cargo, shippers, consignees or the owners of the cargo shall contribute with the Carrier in General Average to the payment of any sacrifices, losses or expenses of a General Average nature that may be made or incurred and shall pay salvage and special charges incurred in respect of the cargo. If a salving vessel is owned or operated by the Carrier, salvage shall be paid for as fully as if the said salving vessel or vessels belonged to strangers. Such deposit as the Carrier, or his agents, may deem sufficient to cover the estimated contribution of the goods and any salvage and special charges thereon shall, if required, be made by the cargo, shippers, consignees or owners of the goods to the Carrier before delivery.

**(5) Both-to-Blame Collision Clause.**

If the Vessel comes into collision with another vessel as a result of the negligence of the other vessel and any act, neglect or default of the Master, Mariner, Pilot or the servants of the Carrier in the navigation or in the management of the Vessel, the owners of the cargo carried hereunder will indemnify the Carrier against all loss or liability to the other or non-carrying vessel or her owners in so far as such loss or liability represents loss of, or damage to, or any claim whatsoever of the owners of said cargo, paid or payable by the other or non-carrying vessel or her owners to the owners of said cargo and set-off, recouped or recovered by the other or non-carrying vessel or her owners as part of their claim against the carrying Vessel or the Carrier.

The foregoing provisions shall also apply where the owners, operators or those in charge of any vessel or vessels or objects other than, or in addition to, the colliding vessels or objects are at fault in respect of a collision or contact.

For particulars of cargo, freight, destination, etc., see overleaf.

## LAYTIME AND DEMURRAGE CALCULATION

**COUNTERPARTY:** United Maritime  
**CP DATE:** 9 December 2018  
**VESSEL/VOYAGE:** MT India  
**TOTAL QTY:** 45,000 MT  
**LOADING PORT:** Singapore  
**CARGO:** Bach Ho Oil  
**TERMS:** SHINC - SUN. & HOLIDAYS INCL.

### LOAD PORT ACTIVITY REMARK DATE TIME

END OF SEA PASSAGE (ESP) 9/12/18 2359  
NOR TENDERED 10/12/18 0001  
ANCHORED SINGAPORE INNER ANCHORAGE 10/12/18 0001  
LAYTIME COMMENCED 10/12/18 0601 (+6 hours of tendering NOR)  
FREE PRATIQUE GRANTED 11/12/18 1730  
HOSES CONNECTED 11/12/18 1800  
COMMENCED LOADING 11/12/18 1810  
COMPLETED LOADING 12/12/18 2300  
LAYTIME COMPLETED 12/12/18 2330  
HOSES DISCONNECTED 12/12/18 2330  
CARGO DOCUMENTS ON BOARD 12/12/18 2345  
START SEA PASSAGE (SSP) 13/12/18 0015

### LAYTIME CALCULATIONS START (Date-Time) END (Date-Time) % TIME

LAYTIME USED 10/12/18 0601 to 12/12/18 2330  
**NET TIME USED:** 2 days 17 hours 29 mins  
**ALLOWED LAYTIME:** 03d12:00  
**BALANCE:** 18 hours 31 mins

### DISCHARGE PORTs ACTIVITY REMARK DATE TIME

**DISCHARGING PORT:** Fredericia, Denmark

### PORT ACTIVITY REMARK DATE TIME

END OF SEA PASSAGE (ESP) 6/01/19 0555  
NOTICE OF ARRIVAL TENDERED 6/01/19 0600  
DRIFTING AT CHARTERERS ORDER UNTILL 13/01/19 1000  
NOR TENDERED 13/01/19 1005  
LAYTIME COMMENCED 13/01/19 1400  
HOSES CONNECTED 13/01/19 1400  
COMMENCED DISCHARGING 13/01/19 1435  
COMPLETED DISCHARGE 14/01/19 0630  
LAYTIME COMPLETED 14/01/19 0645  
HOSES DISCONNECTED 14/01/19 0645  
CLEAR FROM BERTH 14/01/19 0900  
START SEA PASSAGE (SSP) 14/01/19 0930

### LAYTIME CALCULATIONS START (Date-Time) END (Date-Time) % TIME

LAYTIME USED 06/01/19 0601 to 14/01/19 0645  
**DEDUCTIONS REMARKS:** 13/01/19 1000 to 13/01/19 1400  
**TOTAL DEDUCTION:** 4 hours  
**NET TIME USED:** 7 days 20 hours 45 mins  
**ALLOWED LAYTIME:** 18 hours 31 mins  
**BALANCE LAYTIME:** - 7 days 2 hours 32 mins

**DISCHARGING PORT: Helsinki, Finland**

**PORT ACTIVITY REMARK DATE TIME**

END OF SEA PASSAGE (ESP) 15/01/19 0755

NOR TENDERED 15/01/19 0800

LAYTIME COMMENCED 15/01/19 1230

HOSES CONNECTED 15/01/19 1230

COMMENCED DISCHARGING 15/01/19 1245

COMPLETED DISCHARGE 15/01/19 2350

LAYTIME COMPLETED 15/01/19 2355

HOSES DISCONNECTED 15/01/19 2355

CLEAR FROM BERTH 16/01/19 0030

START SEA PASSAGE (SSP) 16/01/19 0045

**LAYTIME CALCULATIONS START (Date-Time) END (Date-Time) % TIME**

LAYTIME USED 15/01/19 1230 to 15/01/19 2355

**NET TIME USED:** 11 hours 25 mins

**ALLOWED LAYTIME:** 00d00:00

**BALANCE LAYTIME:** - 11 hours 25mins

**TOTAL DEMURRAGE TIME: 7 days 13 hours 57 mins**

**DEMURRAGE DAYS: 7.58 DAYS**

**DEMURRAGE RATE: USD 30,000 PER DAY**

**DEMURRAGE DUE: USD 227,400**

**SALE CONTRACT**

FRACTURE  
INVOICE  
#12230

**CHELSEA PETROLEUM**

Seller –	Buyer -				
Chelsea Petroleum 10 Rashford Street #19-00, United Financial Centre Singapore	United Maritime Logistics Pte Ltd Prins Schmeichel, 1218 Kobenhavn, Denmark				
PAYABLE IN <b>USD</b> Shipped Via: MT INIDA	Date of Invoice: 15 December 2018 Contract Date: 10 December 2018 Due Date: 22 December 2018				
SALE TERMS: FOB INCOTERMS APPLICABLE: FOB PORT OF SINGAPORE					
LOADED ON <b>MT INDIA</b> BL DATE: 12 December 2018 CARGO: BACH HO OIL SHIPPED VOLUME: 45,000 MT	<table><thead><tr><th data-bbox="727 1252 906 1284">AMOUNT/MT</th><th data-bbox="1192 1252 1377 1284">TOTAL PRICE</th></tr></thead><tbody><tr><td data-bbox="760 1314 873 1346">USD 1500</td><td data-bbox="1192 1314 1377 1346"><b>USD 6,75,00,000</b></td></tr></tbody></table>	AMOUNT/MT	TOTAL PRICE	USD 1500	<b>USD 6,75,00,000</b>
AMOUNT/MT	TOTAL PRICE				
USD 1500	<b>USD 6,75,00,000</b>				
ANY DISPUTE UNDER THE SALE CONTRACT TO BE REFERRED TO ARBITRATION IN SINGAPORE					
<p><b>PAID ON 24 DECEMBER 2018</b></p>	Invoice is payable to CHELSEA PETROLEUM AT THE ACCOUNT DETAILS PROVIDED AT THE BACK SIDE				
	Payment Terms: Cash against Documents				
	Terms and Conditions on the back side				

NORDIC TIMES

no. 2017.075

INTERNATIONAL TRADE

17 February 2019

FINLAND OIL IMPORTS FACE UNPRECEDENTED



Bach Ho Oil Field - Vietnam

Carriers and Importers of the Oil. In order to diminish these adverse effects, it is important for the parties involved in the trade to be aware of the Cloud Point which is at 43-48 deg C.

Recent Issues

It has been noticed that several shipments (at least 15 shipments in the last two months) received in Baltic Region in last one year have faced the issue of wax formation. Due to which there is always a risk of a claim arising for the cargo shortage / damage, usually from the receiver of the cargo.

What do the experts say?

As per an advice received from the Fulham Laboratories (highly recognized for their expertise in Bach Ho Oil trade), this is a temperature sensitive cargo which needs to be carried with care. However, recently Dr. Ibrahimović (Chemical Scientist at the Fulham Laboratories) came out with a statement saying that certain parcels imported this winter have faced wax formation despite being adequately heated during the voyage. He has refused to comment further until testing of the Oil at the molecular level is completed.

What's Happening!

What is Bach Ho Oil and where is it produced?

The Bach Ho oil field is a major oil field in the Cuu Long basin of the East sea located offshore due east of the Mekong Delta of Vietnam. The field contains major reserves hosted within highly fractured granitic basement rocks.

Transportation of Bach Ho Oil

Transportation of petroleum products through ships presents considerable risks including wax formation and deposition as a result of heat loss of fluids, which is harmful to the flow due to the reduced inner diameter or totally blocked inner-pipelines in extreme cases for not able to maintain the cargo temperature. The wax formation in the bottom of the ship tanks can cause colossal financial loss to all the parties involved including Cargo Shippers,



Thick wax formation of Bach Ho Oil.

## **DIRECTIONS OF TRIBUNAL**

1. Claim and Defence Submission to be made by March 13, 2019 (independent of the dates mentioned in the case study).
2. Oral Arguments have been scheduled for March 30 and March 31, 2019.
3. Clarifications, if any can be sought by February 15, 2019 (independent of the dates mentioned in the case study).
4. Issues according to the Tribunal are as per below –
  - a. Whether the arbitral tribunal has jurisdiction?
  - b. Whether United Maritime Logistics Pte Ltd are liable to City Shipping Company Limited for dues under the Charter party?
  - c. Whether City Shipping Company Limited is liable to United Maritime Logistics Pte Ltd for their claim? If so, to what extent?
  - d. Any other issues that parties may deem fit.
  - e. Costs?