

FPG VOYAGE CHARTER PARTY (CAPESIZE)

Geneva,

It is this day mutually agreed

Between : Formosa Petrochemical Corp.

A corporation organized and existing under and by virtue of the laws of the Republic of China, with its principal office at 8F, 201 Tung-Hwa North Road, Taipei 105, Republic of China (hereinafter referred to as the "Charterer")

And:

A corporation organized and existing under and by virtue of the laws of, Owner and/or Disponent Owner of the vessel, (hereinafter referred to as the "Owner")

As follows:

ARTICLE 1 CARGO AND QUANTITY

.....

ARTICLE 2 LAYDAYS PERIOD AND VESSEL NOMINATION

Period

For vessel's nomination please refer to Article 10 of General Terms.

ARTICLE 3 LOADING PORT

1 safe port / 1 safe berth

ARTICLE 4 DISCHARGING PORT

The Discharging Port shall be one safe berth, one safe port of Mailiao, Taiwan, where Charterers guarantees minimum 17.5 meter salt water arrival draft. Charterers has an option to use two berths for discharging, in such case, all time and expenses for shifting the vessel shall be for Charterers' account.

ARTICLE 5 VESSEL DESCRIPTION

Vessel

.....

Owners should nominate the performing vessel with main particulars as follows:

M.V. "-----" or sub

DWT ----- MT at Draft ----- M.

LOA ----- M, BEAM ----- M

BLT -----, ----- Flag

-- HOLDS / -- HATCHES

Owner confirms vessel is not equipped with lighting post.

Owner confirms each hatch opening size is minimum 12.5 M × 12.5 M.

Owner confirms vessel is equipped with safety ropes.

LR NO:
SMC NO:
DOC NO:

Vessels to be Rightship, port authority of loading port (ie PWCS for Newcastle port) and shippers approved
Owners to satisfy themselves with draft restrictions both ends.

ARTICLE 6 FREIGHT

Charterers to pay freight rate at 50% discount on those coal quantity which exceeds maximum contractual quantity concluded on C/P.

***** (PORT) : *** mts wwd shinc

The basic freight rates based on F.I.O.S.T. each one safe berth loading port and one safe berth discharging port.

ARTICLE 7 BILLS OF LADING

The Bills of Lading shall be on-board Bills of Lading in Owner's wording as attached to this Charter Party, and shall be marked the wording "Freight payable, terms and conditions as per Charter Party."

ARTICLE 8 LAYTIME ALLOWED

8.1. Loading Rate

The loading rate at respective loading ports shall be as follows:

Turn Time Load Port(s)

.....

NOR Load Port(s)

.....

8.2. Discharging Rate

If the whole or a part of the cargo is discharged at Mai-Liao port, the laytime allowed shall be calculated based on the discharging rate **35,000 metric tons per weather working day of 24 consecutive hours, Saturdays, Sundays and Holidays included, excluding Chinese Lunar New Year Holidays**, hrs tt, nor can only be tendered during

ARTICLE 9 DEMURRAGE AND DESPATCH MONEY

Demurrage / despatch rate is: for laytime saved at both ends.

ARTICLE 10 NOTICE

For the purposes of notification for both parties according to Article 30 of the "General Terms", the full styles and communications of Owner are as follows:

**ARTICLE 11
EXTENSION CLAUSE**

In case of unexpected situation which stop Charterer from performing the shipments within the agreed shipping period, Owner agree to extend the shipping period till **XXXX**.

**ARTICLE 12
OTHERS**

- 11.1. Other terms and conditions shall be subject to "General Terms and Conditions for Voyage Charter Party", which is incorporated as part of this "Charter Party".
- 11.2. Anything not stipulated in the "Charter Party" shall be mutually agreed.

**ARTICLE 13
COMMISSION**

A brokerage commission of each payable by Owners to Commission payable on freight, deadfreight and demurrage.

ARTICLE 14

All negotiation and eventual fixture to be kept strictly private and confidential.

IN WITNESS WHERE OF, the Parties have caused this Charter Party to be duly executed by their respective authorized representatives.

Charterer :**Owner:**

Name :
Title :

Name :
Title :

GENERAL TERMS AND CONDITIONS FOR VOYAGE CHARTER PARTY

These Terms and conditions ("General Terms"), which shall be deemed to be part of any Charter Party concluded with, consist of the following Articles :

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GENERAL TERMS AND CONDITIONS FOR VOYAGE CHARTER PARTY

Geneva,

It is this day mutually agreed between Charterer and Owner, which are both specified in the "Charter Party", upon the shipping terms as follows:

ARTICLE 1 DOCUMENTS CONSTITUTING THE CHARTER PARTY

- 1.1. The following document shall constitute the Charter Party between Charterer and Owner.
 - 1.1.1. This CHARTER PARTY.
 - 1.1.2. The GENERAL TERMS AND CONDITIONS ("GENERAL TERMS").
- 1.2. If one document constituting part of the Charter Party (as such may have been modified, amended, or superseded) conflicts with another, the conflict shall be resolved by giving precedence to the documents in the order in which they are listed in Section 1.1. Unless otherwise specifically stated, addenda to documents shall, in the event of conflict, prevail over the documents themselves and later addenda shall prevail over earlier ones.

ARTICLE 2 CARGO AND QUANTITY

The cargo and quantity for total and each shipment shall be in accordance with the cargo and quantity specified in the "Charter Party", but always subject to the draft limitations at both ends.

ARTICLE 3 LAYDAYS PERIOD

Owner shall dispatch the performing vessel to arrive at the loading port within the laydays period specified in the "Charter Party".

ARTICLE 4 LOADING PORT

The loading port shall be as specified in the "Charter Party".

Owner shall be responsible to verify whether there are any restrictions or limitations (including draft and facilities, etc.) at loading port. Any time lost as a result of such non-compliance shall not count as laytime.

At loading port, time to conducting draft survey, if any, after completion of loading not to count as laytime. At loading port, shifting time from anchorage to berth shall not count as laytime, even on demurrage.

ARTICLE 5 DISCHARGING PORTS

Unless otherwise provided for in the "Charter Party", the cargo loaded on vessels shall be discharged at Mailiao port, the Republic of China.

Owners shall be responsible to comply with the restrictions or limitations (including draft and facilities, etc.) at the discharging port. Any time lost as a result of such non-compliance shall not count as laytime.

Notwithstanding anything to the contrary contained herein, even after the conclusion of the relevant C/P, Charterers shall have the right to discharge the whole or part of the cargo at any one or two berths in Mai Liao port.

ARTICLE 6 VESSEL DESCRIPTION

- 6.1. The particulars of the performing vessel nominated by Owner shall be as specified in the "Charter Party".

The vessel to be nominated shall be tight, staunch and strong and in every way fitted for the voyage, and shall be classed highest or equivalent gearless (at the Charterer's option as specified in the "Charter Party") single-deck self-trimming bulk carrier. In Addition, the Oil/ Bulk/Ore (OBO) combined vessel is not acceptable.

Owners shall cooperate to provide to Charterers with the vessel's blue print and/or certificate if required by Charterers.
- 6.2. Performing vessels are Panamax vessels. The size of each hatch opening shall not be smaller than 12.5 M × 12.5 M in length and width, there shall be no lighting post on the vessel to hamper cargo discharging work.
- 6.3. The vessel must be equipped with proper safety measures to ensure safe entry to and exit from the ship. In case of Capesize shipment, the vessel must be equipped with safety rope for protecting stevedore working on the hatch cover. The vessel's gangway, hold-ladders, and other measures shall be kept in good and safe condition throughout the discharging process.
- 6.4. The vessel's air draft (from water line up to top of hatch coaming) should be kept within fifteen (15) meters throughout the discharging process. Time lost due to insufficient ballast pump capacity in relation to the actual loading or discharging rate shall not count as laytime.
- 6.5. Owner shall cooperate to pump out the bilge water in holds.

ARTICLE 7 FREIGHT

The basic freight rate for each shipment shall be in accordance with the basic freight rate specified in the "Charter Party".

ARTICLE 8 FREIGHT PAYMENT

- 8.1. The freight payable, based on the quantity of the cargo set out in the on-board Bills of Lading, shall be fully paid to Owner in U.S. Dollars within eight (8) Taipei banking days after (1) the completion of loading (last cargo on board) and (2) Charterer's receipt of Owner's freight invoices issued by Owner/Owner's agent in Taiwan on behalf of Owner, but in any case always before breaking bulk and Owners default to delay submitting invoice is excepted.
- 8.2. Whether ship and/or cargo is lost or not, the freight paid to Owner pursuant to Section 8.1 shall be discountless and non-returnable. However, if the loss of or damage to the goods or any additional expenses incurred is resulting from the intentional act or negligence of Owner, its agents and employees, Owner shall refund such freight to Charterer.
- 8.3. Not later than seven (7) days after loading, Owner should forward by express registered air mail one copy of each of the documents including original on-board Bills of Lading, Notice of Readiness, Stowage Plan and Statement of Fact (or port log) to Formosa Plastics Group., Purchasing Division. The face of the envelope must be marked "C/P Shipping Documents" with the name of vessel.

ARTICLE 9 BILLS OF LADING

The Bills of Lading shall be on-board Bills of Lading and shall be marked the wording as specified in the "Charter Party", and furthermore, shall be marked "For and on behalf of Master" after signed party if the Bills of Lading are not issued by Master.

The weight stated in the Bills of Lading must correspond to that set out in the Certificate of Weight issued on the basis of draft survey by an independent licensed marine surveyor designated by Charterer. A fraction of a ton shall be rounded up to a ton if the fraction is one half of a ton or more, and shall be disregarded if less than one half of a ton.

Such Bills of Lading shall be signed promptly and released to cargo Supplier within twenty-four (24) running business hours after presentation of Master's receipt.

ARTICLE 10 NOMINATION

- 10.1. At least 45 days before the first layday of the shipment, Charterers is to advise Owners of a tentative schedule in indicating laydays of 15 days spread for the shipment of the contract, intended loading port and grades of the cargoes to be loaded.

At least 35 days prior to the commencement of the first laydays as indicated by Charterers in her tentative schedule, Owner is to notify Charterers of the nominated vessel or substitute, indicating main particulars of the vessel complying with ARTICLE 5 in the VOYAGE CHARTER PARTY, eta at the loading port and estimated cargo intake, arrival draft.

Owner is to have the option to substitute the performing vessel at any time subject to Charterer's approval without delay provided such vessel intake is similar to the vessel originally nominated and the laycan remains unchanged. Owner shall use her endeavour to nominate such substitute vessel 15 days prior to the commencement of laydays. Charterer shall confirm the nomination of the vessel or substitute within 2 business days in Taipei time and such confirmation shall not be unreasonably withheld.

It is essence of this "Charter Party" that Owner is responsible for nominating a vessel to perform the specified shipment with the agreed laydays. If the vessel so nominated fails to arrive at the loading port within the laydays; or if Owner is unable to nominate a vessel acceptable to Charterer for any shipment; or judging from the vessel's position and schedule, Charterer shall be entitled:

- (1) To terminate the subject shipment, but not than 7 days before the laydays commencement; and/or
- (2) To arrange a substitute vessel or vessels to perform that specified shipment or shipments within the same laydays or within a new laydays set by Charterer.

- 10.2. Charterer has the right to reject Owner's nomination of any vessel which has been arrested, boycotted or banned at the loading port and/or discharging port.
- 10.3. Owner shall ensure Master to advise the coal supplier or its agent and Charterer by telex or telefax of vessel's ETA at loading port and tonnages to be loaded fourteen (14) days, seven (7) days, seventy-two (72) hours, forty-eight (48) hours, twenty-four (24) hours and twelve (12) hours prior to vessel's ETA at loading port respectively.
- 10.4. Owner shall ensure Master to advise Charterer of vessel's ETA at discharging port by telex or telefax fourteen (14) days, seven (7) days, seventy-two (72) hours, forty-eight (48) hours, twenty-four (24) hours and twelve (12) hours prior to vessel's ETA at discharging port respectively.
- 10.5. Before the coal being loaded on the performing vessel, Owner shall cause the Master to declare in writing to the coal supplier the maximum quantity of coal that vessel can be loaded. Such declaration shall be given at least three (3) days prior to the vessel's arriving at loading port.

ARTICLE 11 LAYTIME ALLOWED

Laytime allowed for each shipment shall be as specified in the "Charter Party".

ARTICLE 12 DEMURRAGE AND DESPATCH MONEY

- 12.1. Demurrage shall be payable at the rate as specified in the "Charter Party" per day or pro rata for all time lost at both ends. Owner agrees to pay Charterer despatch money at the rate as specified in the "Charter Party" per

day or pro rata for fractions of a day for all laytime saved at both ends. Laytime at loading port and discharging port shall be reversible.

- 12.2. Demurrage and/or despatch money should be settled with Owner and paid for in U.S. Dollars as soon as laytime calculations have been agreed.

ARTICLE 13 LOADING TERMS AND CONDITIONS

- 13.1. Notice of readiness (hereinafter referred to as N/R) shall be tendered at any time at any day, whether in free pratique or not, whether in berth or not, whether in customs clearance or not, within the specific laydays, after vessel arrives at loading port whether in berth or not.

However N/R may also be tendered upon vessel's arrival without free pratique and/or customs clearance provided that Owner proves that free pratique and/or customs clearance is impossible to obtain according to port regulations or customs. In such cases, time lost for obtaining free pratique and/or customs clearance after N/R is tendered shall not count as laytime.

If free pratique or customs clearance is not granted after N/R is tendered, such N/R shall become null and void and a fresh N/R shall be tendered after free pratique and customs clearance are granted.

If N/R tendered by Owner is not complied with the requirements set forth above, such improper N/R shall not be binding upon Charterer, even such N/R being accepted by the coal supplier, unless Owner obtains Charterer's prior consent.

- 13.2. Before tendering Notice of Readiness to the coal Supplier at the loading port, the holds of the performing vessel should be clean, dry, in good order, and ready to receive the entire cargo in all respects. Such conditions should be written on Notice of Readiness if requested by Shippers. All residue and other material shall be removed from holds properly.
- 13.3. Laytime shall commence 12 hours (hereinafter referred to as "Turn Time") after Notice of Readiness is accepted unless sooner commenced.

The time required for draft survey conducted by surveyor and loading of bunkers and lubricants on the vessel shall not be included in the laytime unless the loading of the coal is done concurrently. The time used for draft check requested by Owner shall not count in the laytime, unless the loading, trimming of the coal is done concurrently. The laytime shall end at the point of time when the loading and all trimming work has been completed.

If vessel arrives at loading port and if Charterer approves loading to commences before the commencement of the established laydays, N/R shall be tendered during hours after the commencement of the laydays, and N/R tendered before the laydays and being accepted shall be deemed to be accepted at the beginning of the office hour after the commencement of the laydays. Laytime shall commence 12 hours after N/R is thus accepted. If loading commences before the expiry of Turn Time, only time used for loading (except time for trimming) shall counts as laytime.

If vessel arrives at loading port later than the latest day of the laydays and is still accepted by Charterer, without prejudice to the right and remedies stipulated in Article 10, only actual time used for loading shall count as laytime (except time used for trimming).

- 13.4. Owner shall make the holds clear and swept. On berthing, the vessel is to inspected and certified by a licensed marine surveyor designated by Charterer. If the vessel after berthing is not ready in all respects, then the time from failure of inspection to her readiness for loading shall not count as laytime. The time required for holds initial inspection by surveyor should count as laytime. If the vessel fails to pass the inspection, then the time from such failure to the passing of the re-inspection shall not count as laytime.
- 13.5. If vessel's berthing or loading is delayed or interrupted due to bad weather, any time lost shall not count as laytime throughout laytime allowed and actual time is used in loading.
- 13.6. The time lost due to the breakdown of loading facilities at loading port shall be deducted proportionally from laytime throughout laytime allowed and actual time is used in loading.

- 13.7. If vessel is being loaded during a time of precipitation, Owner shall ensure that the Master closes all cargo holds timely.
- 13.8. Owner shall ensure Master to pay close attention to coal loading, stowing, and trimming etc. and to dispose coal in strict compliance with the regulations, recommendations, memoranda whatsoever prepared by IMO or other international organizations or Protection & Indemnity Clubs or any governmental agencies.

In order to carry and deliver coal safely, after loading has been completed, Master shall ensure that the temperature of coal and concentration of gas in the holds shall be closely monitored and ensure that all necessary and proper means and measures have been taken to eliminate the possibility of accidents resulting from coal overheating, gas emission & concentration or explosion.

The coal supplier shall be responsible for furnishing Owner or his agent with the category and characteristics of coal loaded as per IMO's code or regulations and responsible for trimming and stowage of coal to the reasonable satisfaction of the Master.

- 13.9. For the purposes of laytime calculation, the Statement of Facts of loading, unless otherwise provided by the coal supplier, shall be prepared by Owner at its own expenses and be confirmed and signed by both Owner and the coal supplier or their respective agents.
- 13.10. If it is necessary for the Vessel to drain away bilge water on her return voyage to Taiwan, Owner shall ensure that the Master gauges the volume of the bilge water drained away and prepares a record to be furnished to Charterer. If it is impossible for the Master to gauge in detail the volume of the bilge water drained away due to the structure of the Vessel, Owner shall make a reasonable estimate of the volume of the water drained away and submit such estimate in writing to Charterer.

ARTICLE 14 DISCHARGING TERMS AND CONDITIONS

- 14.1. Notice of Readiness shall be tendered during 0600-1800 Sunday holiday included, but except Chinese New Year Holidays, after vessel arrives at the discharging port, whether in berth or not, provided the vessel is in free pratique, customs clearance by port authorities and ready to discharge cargo in every respect, but not including the arrangement of discharging equipment such as mobile cranes, bulldozers, etc. If N/R tendered is accepted during the time other than normal office hours, N/R shall be deemed to be accepted at the beginning of next working day. However N/R may also be tendered upon vessel's arrival without free pratique and/or customs clearance provided that Owner proves that free pratique and/or customs clearance on the vessel is impossible to obtain according to port regulations or customs. In such cases, time lost for obtaining free pratique and/or customs clearance on the vessel after N/R is tendered shall not count as laytime.

If free pratique or customs clearance is not granted after N/R is tendered, such N/R shall become null and void and a fresh N/R shall be tendered after free pratique and customs clearance are granted. The time and expenses for customs clearance on the cargoes shall be always for Charterer's account.

- 14.2. Laytime shall commence 12 hours (hereinafter referred to as "Turn Time") after Notice of Readiness is accepted, unless sooner commenced. If the discharging commences earlier, then the actual discharging time before the expiry of this 12 hours period shall count as laytime. The laytime shall end at the point of time when discharging has been completed.

If there are any stevedore damage which vessel sustained at Mailiao port due to any cause attributable to the Charterer and the repair will be made at Discharging Port after the completion of discharging, the laytime shall end at the point of time when the repair is finished. In case stevedore damage entailed vessel has to go drydock, all time and expense incurred directly resulted from such damage should be for Charterer's account. However, if such damage is not affecting vessel's seaworthiness nor with vessel's class, Owner shall agree to postpone such repair until vessel's next drydocking, when direct cost and time used for the repair shall be Charterer's account. Time lost during the period when the vessel is waiting for berth should not count as laytime, provided that the discharging operation of the berth that the vessel is waiting for is interrupted by bad weather (including typhoon, strong wind, raining etc.), unless vessel is already on demurrage.

- 14.3. If vessel after berthing is not in all respects ready for discharging, the actual time lost from the time of her berthing to her readiness for discharging shall not count as laytime. If vessel's berthing or discharging is delayed or interrupted due to bad weather (including typhoon, strong wind, raining etc.), any time lost shall not count as laytime, unless vessel is already on demurrage.

- 14.4. The vessel shall be suitable for grab/continuous unloader discharge
- 14.5. Owner shall, in complying with Port/Wharf regulations and Charterer's instructions, conduct any arrangement to have vessel berth i.e. application for pilot and tow service etc., immediately after the vessel tendering of N/R and conduct discharging immediately after the vessel is berthing and have the vessel vacate from the discharging berth promptly after completion of the discharging, with a reasonable time.

ARTICLE 15 WINCHES AND POWER, HATCHES AND OVERTIME

Owner shall ensure that the vessel nominated for the carriage of the coal shall provide free use of winches and power only for moving vessel a little forward or back when one of the two shore unloaders is out of order. The vessel shall also provide free use of lighting facilities on board that may be needed for working on the vessel.

All opening and the last closing of hatches at both ends shall be for Owner's account and its time lost thus incurred shall not count as laytime, even on demurrage. Irrespective of the loading and/or discharging cost, Charterer and/or the coal supplier and/or port authority have option to request loading and/or discharging be carried out beyond ordinary working hours and during excepted periods, extra cost of stevedores and all extra expenses incurred on shore shall be for Charterer's account, Owner shall provide, free of charge, all vessel's facilities, inclusive services of officers and crew, to comply with loading and discharging operation.

ARTICLE 16 SHIFTING & LIGHTERAGE

Shifting time and expenses shall be for the party who has given the order. Shifting time from anchorage to berth (from anchor up or pilot on board whichever is earlier, to all made fasten alongside berth) shall not count as laytime at both ends.

At discharging port, Charterer has the right to order vessel to shift from one berth to another berth or anchorage according to Charterer's need. Owner shall render all possible co-operation. In this circumstances, shifting time and expenses (including pilotage, tuggage, mooring and unmooring charges) thus incurred shall be for Charterer's account. However, the cost for bunker fuels used and the services of officers and crew shall always be borne by Owner.

ARTICLE 17 STEVEDORE DAMAGE CLAUSE

- 17.1. Charterer is not responsible for the stevedore damage which the Vessel sustained at the loading port. Any stevedore damage at the loading port shall be settled directly between Owner and stevedore. Owner shall ensure that Master will notify shipper and stevedore about the damage at the time of occurrence of damage or before Vessel's departure from loading port. Except in the case of hidden damage which shall be reported on completion of discharge. In the event of a dispute between Owners and stevedores, Charterers to offer Owners all possible assistance to resolve same.
- 17.2. Charterer is not responsible for the stevedore damage which the Vessel sustained at the discharging port, unless notified in writing by the Master/Owner's agent at the time of occurrence of such damage or as soon as possible thereafter but before departure. The Master shall use his best effort to obtain the written acknowledgement by the responsible parties causing the damage unless the damage should have been made good in the mean time.
- 17.3. The Charterer's maximum liability hereunder, arising from any cause whatsoever, whether based in contract, tort (including negligence) or any other theory of law, shall not exceed reasonable direct repair costs. A complaint based on any aforementioned cause of action must be lodged and filed with Court in London except otherwise stipulated in this "Charter Party"

ARTICLE 18 AGENTS

The agency fees at both ends shall be borne by Owner. Unless otherwise requested by port authority, shipping agent at both ends shall be appointed by Owner. If the discharging port is Mailiao, Owner's agent is to nominate Formosa Plastics Maritime Corporation as port agent.

ARTICLE 19 MARINE REGULATIONS

- 19.1. Owner and the performing vessels shall comply with all applicable laws and regulations whether promulgated by governmental authority or by authorized private organization(s), of the port or terminal (hereinafter referred to as "Marine Regulations").

Charterer's acceptance of nomination of vessel or approval of loading schedule will in no way relieve Owner of responsibility for failing to comply with the requirements stipulated in this Article.

If the clause under this Charter Party conflicts with the Marine Regulations at which the vessel call, the Marine Regulations shall be applied.

- 19.2. In full compliance with the "Regulations Governing the Civil Relationship Between Taiwan and Mainland China" and its enforcement rules and any rule, regulation, order issued pursuant to said Regulations, all performing vessels under this "Charter Party" should not call directly at the ports of Chinese Mainland or other specific countries announced by the Government of the Republic of China, enroute either to or from the ports of Taiwan, Republic of China.
- 19.3. Any performing vessels shall comply with the flags allowed by the Republic of China.

ARTICLE 20 MARINE FORCE MAJEURE

- 20.1. Neither Owner nor Charterer shall be liable for any delay or failure in performance under this "Charter Party" if and to the extent that such delay or failure in performance results from any event of Force Majeure. The term "Force Majeure", as used in this "Charter Party" means cause or causes which are not within the control of the party or parties claiming Force Majeure and includes, but is not limited to:

- 20.1.1. Acts of God, war (declared or undeclared), blockade, riots, revolution, insurrection, civil commotions, mobilisations, strikes, slowdowns, labor disputes, suspension of labour or measures adopted to counteract the same, demonstrations, street protests, picketings by workers or others, civil disobedience or disturbances, lock-outs, blockage or blocking up by people, plagues, epidemics, fires, floods, storms, snow, typhoons, earthquakes, landslides, obstruction of navigation at ports of delivery or destination, acts of government or public enemy.
 - 20.1.2. Major breakdowns of loading/discharging facilities which directly affect the loading or discharging of the vessel.
 - 20.1.3. Major breakdowns of or damages to vessels nominated by Owner caused by Acts of God, perils of the seas, fire, barratry of the Master and crew, pirates, collisions, strandings and accidents of navigation or latent defects in or accident to hull and/or machinery and/or boilers, whether occasioned by the negligence, default or error in judgement of the pilot, Master, mariners or other persons employed by the shipowner, or for those acts he is responsible, and other causes of whatsoever kind or nature beyond the control of Owner.
- 20.2. The party whose performance of any obligation is directly affected by reason of any of the causes referred to above shall, within twenty-four (24) hours, give notice thereof to the other party concerned by telex or telefax, and shall also within ten (10) working days thereafter as well as after the termination of such events, notify the other party concerned in writing of particulars of the relevant events and supply supporting evidence. The party affected by Force Majeure shall use best efforts to mitigate the adverse effect thereof on its performance hereunder, and shall resume, with the least possible delay, performance of its obligations upon cessation of such cause. If the affected party fails to notify the other party within twenty-four (24) working days, the Force Majeure event shall take effect after notice has been given.

- 20.3. In the event by reason of Force Majeure, Owner or Charterer is unable to meet its contractual obligations hereunder, then Owner and Charterer shall mutually agree to reschedule shipments to cope with the situation. However, if the Force Majeure events persist for more than three (3) months, both parties have the options to cancel the affected shipment(s) by giving no less than fifteen (15) days prior notice to the other party. If the Force Majeure events persist for more than six (6) months, this "Charter Party" shall be terminated automatically.
- 20.4. Should either Owner or Charterer declare Force Majeure, nothing herein shall relieve either Owner or Charterer of its respective obligation under this "Charter Party" (such as, but not limited to, the obligation of Owner or Charterer to make any payment which has become due and payable under this "Charter Party") which are unaffected by such declaration.

ARTICLE 21 WAR CLAUSE

BIMCO STANDARD WAR RISKS CLAUSE FOR VOYAGE CHARTERING, 1993
Code Name: "VOYWAR 1993"

- (1) For the purpose of this clause, the words:
- (a) "Owners" shall include the shipowners, bareboat Charterers, disponent owners, managers or other operators who are charged with the management of the Vessel and the Master, and
 - (b) "War Risks" shall include any war (whether actual or threatened), act of war, civil war, hostilities, revolution, rebellion, civil commotion, warlike operation, the laying of mines (whether actual or reported), acts of piracy, acts of terrorists, acts of hostility of malicious damage, blockades (whether imposed against all vessels or imposed selectively against vessel of certain flags or crews or otherwise howsoever) by any person, body terrorist or political group, or the Government of any state whatsoever, which in the reasonable judgement of the Master and/or the 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.
- (2) If at any time before the Vessel commences loading, it appears that, in the reasonable judgement of the Master and/or the Owners, 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, the Owners may give notice to the Charterers cancelling this Contract of Carriage, or may refuse to perform such part of it as may expose, or maybe likely to expose, the Vessel, her cargo, crew or other persons on board the Vessel to War Risks; provided always that if this Contract of Carriage provides that loading or discharging is to take place within a range of ports, and at the port or ports nominated by the Charterers the Vessel, her cargo, crew, or other persons onboard the Vessel may be exposed, or may be likely to be exposed, to War Risks, the Owners shall first require the Charterers to nominate any other safe port which lies within the range for loading or discharging, and may only cancel this Contract of Carriage if the Charterers shall not have nominated such safe port or ports within 48 hours of receipt of notice of such requirement.
- (3) The Owners shall not be required to continue to load cargo for any voyage, or to sign Bills of Lading for any port or place, 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 or place 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 the 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, the Owners may by notice request the Charterers to nominate a safe port for the discharge of the cargo or any part thereof, and if within 48 hours of the receipt of such notice, the Charterers shall not have nominated such a port, the Owners may discharge the cargo at any safe port of their choice (including the port of loading) in complete fulfillment of the Contract of Carriage. The Owners shall be entitled to recover from the 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 discharging port and if the extra distance exceeds 100 miles, to additional freight which shall be the same percentage of the freight contracted for as the percentage which the extra distance represents to the distance of the normal and customary and route, the Owners having a lien on the cargo for such expenses and freight.
- (4) If at any stage of the voyage after the loading of the cargo commences, it appears that, in the reasonable judgement of the Master and/or the Owners, 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 discharging port, the Owners shall give notice to the Charterers that this route will be taken. In this event, the Owners shall be entitled, if the total extra distance exceeds 100 miles, to additional freight which shall be the same percentage of the freight contracted for as the percentage which the extra distance represents to the distance of the normal and customary route.

- (5) The vessel shall have liberty
 - (a) to comply with all orders, directions recommendations or advise as to departure, arrival, routes, sailing in convey, ports of call, stoppages, destinations, discharge of cargo, delivery or in any way whatsoever which are given by the Government of the Nation under whose flag the Vessel sails, or other Government to whose laws the 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;
 - (b) to comply with the orders, directions or recommendations of any war risk underwriters who have the authority to give the same under the terms of the war risks insurance;
 - (c) to comply with the terms of any resolution of the Security Council of the United Nations, any directions 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 the Owners are subject, and to obey the orders and directions of those who are charged with their enforcement;
 - (d) to discharge at any other port any cargo or part thereof which may render the Vessel liable to confiscation as a contraband carrier.
 - (e) to call at any port to change the crew or any part thereof or other persons on board the Vessel when there is person to believe that they may be subject to internment, imprisonment or other sanctions;
 - (f) Where cargo has not been loaded or has been discharged by the Owners under provisions of this Clause, to load other cargo for the Owner's 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.
- (6) If in compliance with any of the provisions of sub-clauses (2) to (5) of this Clause anything is done or not done, such shall not be deemed to be a deviation, but shall be considered as due fulfillment of the Contract of Carriage.

ARTICLE 22 BOTH TO BLAME COLLISION CLAUSE

If the ship comes into collision with another ship as a result of the negligence of the other ship 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 ship, the owner of the goods carried hereunder will indemnify the carrier against all loss or liability to the other or non-carrying ship or her Owners in so far as such loss or liability represents loss of or damage to or any claim whatsoever of the owner of the said goods, paid or payable by the other or non-carrying ship or her Owners to the owners of the said goods and set off, recouped or recovered by the other or non-carrying ship or her Owners as part of their claim against the carrying ship or carrier.

The foregoing provisions shall also apply where the Owner, operators or those in charge of any ship or ships or objects other than, or in addition to, the colliding ships or objects are at fault in respect to a collision or contract.

ARTICLE 23 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 consequences of which, the carrier is not responsible, by statute, contract, or otherwise, the goods, shippers, consignees or owners of the goods 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 goods. 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 goods and any salvage and special charges thereon shall, if required, be made by the goods, shippers, consignees or owners of the goods to the carrier before delivery.

ARTICLE 24 OWNER'S LIBERTY CLAUSE

The vessel in addition to all other liberties shall have liberty with reasonable ground as part of the contract voyage and at any stage thereof to proceed to any port or ports whatsoever whether such ports are on or off the direct and/or customary route or routes to the ports of loading or discharge named in this charter and there take oil bunkers in any quantity in the discretion of Owners even to the full capacity of fuel tanks, deep tanks and any other compartment in which oil can be carried whether such amount is or is not required for the chartered voyage.

Nothing herein stated is to be construed as Owner's excuse for delay. Vessel shall remain to proceed with reasonable dispatch and shall arrive at the first discharging port within reasonable time limits. Owner's liberty shall be consistent with the main purpose of the "Charter Party".

ARTICLE 25 NO ADDRESS COMMISSION AND NO ASSIGNMENT

NO ADDRESS COMMISSION AND NO ASSIGNMENT

Notwithstanding any navigation custom, the vessel and Owner to be free of any rebate or address commission upon the gross amount of Freight, Dead Freight and Demurrage. Charterers shall not assign this 'Charter Party' in whole or in part to any third party without prior written consent of the other party. Any purported assignment by Charterers without said written consent shall be void and of no effect.

ARTICLE 26 GENERAL AVERAGE

General average, if any, to be settled at a place to be agreed upon with the cargo underwriters according to York-Antwerp Rules 1994. Should the vessel deviate from the normal intended voyage under this "Charter Party", Master and/or Owner shall inform Charterer of same without delay.

ARTICLE 27 INDEMNITY

- 27.1. Any loss, expenses or damage provided in the "Charter Party" shall be fully paid by the defaulting party to the other party within 30 days after receipt of debit notes and/or notice from the other party.
- 27.2. Unless otherwise expressly stipulated in this "Charter Party", Charterer shall not be responsible for loss or damage sustained by the Owner or Vessel arising or resulting from any cause without the act, fault or neglect of the Charterer, his agents or servants.

ARTICLE 28 GOVERNING LAW AND JURISDICTION

This "Charter Party" shall be governed by and construed in accordance with English law (to the exclusion of its rules of conflicts of laws)

All disputes or differences which may arise from or in connection with this "Charter Party" shall be judged by the arbitration in London in accordance with LMAA's rule. Both parties hereby agree that arbitration in London shall have an exclusive jurisdiction over any suit in connection with this "Charter Party".

ARTICLE 29 TAXES

Taxes on vessel or freight at both ends, if any, shall be declared and paid directly by the Owner. Taxes on cargo at both ends, if any, shall be for Charterer's account.

ARTICLE 30 NOTICE

Any notice, declaration and other communications which either party may be required to give or make to the other party shall, unless otherwise mutually agreed or specifically provided herein, be deemed to be properly given or made if given or made in writing and delivered by hand or sent by post (registered, and air-mail if international), postage prepaid, or by telegraph or telex and subsequently confirmed by letter to the other party, to their respective address specified below. Any notice, declaration and other communication given or made by post shall be deemed to be duly received on the 10th business day after the day of posting and those given or made by telegraph, telex or facsimile shall be deemed to be duly received on the day following the date on which the telegraph, telex or facsimile is dispatched (with a confirmation answerback, if by telex).

Charterers' full style and communications is as follows:

Owners full style and communications is as specified in the "Charter Party".

ARTICLE 31 BIMCO ISPS CLAUSE FOR VOYAGE CHARTER PARTIES

- (A) (i) From the date of coming into force of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) in relation to the Vessel, the Owners shall procure that both the Vessel and "the Company" (as defined by the ISPS Code) shall comply with the requirements of the ISPS Code relating to the Vessel and "the Company". Upon request the Owners shall provide a copy of the relevant International Ship Security Certificate (or the Interim International Ship Security Certificate) to the Charterers. The Owners shall provide the Charterers with the full style contact details of the Company Security Officer (CSO).
 - (ii) Except as otherwise provided in this Charter Party, loss, damage, expense or delay, excluding consequential loss, caused by failure on the part of the Owners or "the Company" to comply with the requirements of the ISPS Code or this Clause shall be for the Owners' account.
- (B) (i) The Charterers shall provide the CSO and the Ship Security Officer (SSO)/Master with their full style contact details and any other information the Owners require to comply with the ISPS Code.
 - (ii) Except as otherwise provided in this Charter Party, loss, damage, expense, excluding consequential loss, caused by failure on the part of the Charterers to comply with this Clause shall be for the Charterers' account and any delay caused by such failure shall be compensated at the demurrage rate.
- (C) Provided that the delay is not caused by the Owners' failure to comply with their obligations under the ISPS Code, the following shall apply:
 - (i) Notwithstanding anything to the contrary provided in this Charter Party, the Vessel shall be entitled to tender Notice of Readiness even if not cleared due to applicable security regulations or measures imposed by a port facility or any relevant authority under the ISPS Code.
 - (ii) Any delay resulting from measures imposed by a port facility or by any relevant authority under the ISPS Code shall count as laytime or time on demurrage if the Vessel is on laytime or demurrage. If the delay occurs before laytime has started or after laytime or time on demurrage has ceased to count, it shall be compensated by the Charterers at the demurrage rate.
- (D) Notwithstanding anything to the contrary provided in this Charter Party, any additional costs or expenses whatsoever solely arising out of or related to security regulations or measures required by the port facility or any relevant authority in accordance with the ISPS Code including, but not limited to, security guards, launch services, tug escorts, port security fees or taxes and inspections, shall be for the Charterers' account, unless

such costs or expenses result solely from the Owners' negligence. All measures required by the Owners to comply with the Ship Security Plan shall be for the Owners' account.

- (E) If either party makes any payment which is for the other party's account according to this Clause, the other party shall indemnify the paying party.