



TRAFIGURA DRY BULK VOYAGE CHARTERPARTY

DECEMBER 2016

PART I

01.	Date
02.	Owner (full title and registered address)
03.	Charterer (full title and registered address)
04.	Vessel
05.	Loading port(s)
06.	Cargo description
07.	Cargo quantity
08.	Discharging port(s)
09.	Laycan
10.	Restrictions on tender of notice of readiness at loading port(s)
11.	Restrictions on tender of notice of readiness at discharging port(s)
12.	Turn time or commencement of laytime at loading port(s)
13.	Turn time or commencement of laytime at discharging port(s)
14.	Demurrage rate
15.	Freight
16.	Rate at which cargo to be loaded
17.	Rate at which cargo to be discharged
18.	Owner's bank account
19.	Address commission
20.	Brokerage commission
21.	Owner's email address for notices
22.	Charterer's email address for notices
23.	Special conditions

PART II

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On the date written in BOX 1, it is agreed between the party named in BOX 2 as the registered or disponent owner (the "Owner") of the vessel named in BOX 4 (the "Vessel") and the party named in BOX 3 (the "Charterer") as follows:

1. INTERPRETATION

- 1.1 The contents of the BOXES at Part I, these terms and conditions at Part II, the Vessel description at Annex 1, and any special conditions stated or referred to at BOX 23 shall together comprise the charterparty (the "Charterparty").
- 1.2 In the case of any conflict or ambiguity, the following order of precedence shall apply: (1) any special conditions stated or referred to at BOX 23; (2) the contents of the BOXES at Part I; (3) these terms and conditions at Part II and (4) the contents of Annex 1.

2. LOADING PORT(S) AND CARGO

- 2.1 The Vessel shall proceed to the port(s) or place(s) named as the loading port(s) in BOX 5 (or to those nominated by the Charterer from the range stated therein), with all reasonable despatch and without deviation in the order nominated by the Charterer.
- 2.2 The Vessel shall load cargo of the description contained in BOX 6 in the quantity stated in BOX 7 as and where directed by the Charterer, in compliance with Clause 7.

3. DISCHARGING PORT(S)

- 3.1 On completion of loading, the Vessel shall proceed to the port(s) or place(s) named as the discharging port(s) in BOX 8 (or to those nominated by the Charterer from the range stated therein), with all possible despatch and without deviation in the order nominated by the Charterer.
- 3.2 The Vessel shall discharge and deliver the Cargo as and where directed by the Charterer, in compliance with Clause 7.

4. CANCELLING

- 4.1 If a valid notice of readiness ("NOR") has not been tendered in accordance with Clause 5 on or before the last day of the laycan as stated in BOX 9 or as subsequently varied by the terms of this Charterparty or agreement between the parties (the "Cancelling Date") the Charterer has the option to cancel this Charterparty at any time up to 24 hours after tender of a valid NOR, and the Owner agrees to indemnify the Charterer in respect of any loss, damage, or additional expense reasonably incurred as a result of the Vessel missing the laycan including, without limitation, additional storage and handling fees, hedging losses, and any additional freight cost for a substitute vessel.
 - 4.2 If the Owner anticipates that, despite the exercise of due diligence, the Vessel will not be ready to load by the Cancelling Date, the Owner may notify the Charterer immediately stating the expected ready to load date, which shall be given in good faith, and requiring the Charterer to exercise their option either to:
 - 4.2.1 accept the date 2 calendar days after the new expected ready to load date as the new Cancelling Date, in which case the Vessel shall join the queue for a berth as and when it becomes ready and, notwithstanding the tender of an NOR, laytime shall only commence when the Vessel is all fast at the berth; or
 - 4.2.2 cancel the Charterparty forthwith, in which case the Owner shall indemnify the Charterer in respect of any loss, damage, or additional expense reasonably incurred as a result including, without limitation, additional storage and handling fees, hedging losses, and any additional freight cost for a substitute vessel;
- such option to be declared within 48 hours of the Owner's notice, failing which the option under Clause 4.2.1 shall be deemed selected.

5. NOR

- 5.1 NOR is not to be tendered and will not be accepted by the Charterer before the date and time stated in BOX 9.
- 5.2 NOR at the loading port shall be tendered to the Charterer and their nominated agent in writing, any time day or night but subject to any restrictions noted in BOX 10, after the Vessel has arrived and is all fast at the berth nominated by the Charterer, is in all respects ready to load with holds fit to receive the Cargo (being swept, cleaned, dry and free of loose rust and residues/smells of previous cargoes), and is otherwise in accordance with the terms and conditions of this Charterparty, whether in free pratique or not, whether customs cleared or not.
- 5.3 NOR at the discharging port(s) shall be tendered to the Charterer and their nominated agent in writing, any time day or night but subject to any restrictions noted in BOX 11, after the Vessel has arrived, is in all respects ready to discharge and is otherwise in accordance with the terms and conditions of this Charterparty, whether in free pratique or not, whether customs cleared or not.

- 5.4** If the berth nominated by the Charterer is not available, NOR may be tendered when the Vessel is anchored or drifting safely at the place where vessels usually wait for the berth.
- 5.5** If the Vessel is later found not ready in all respects to commence cargo operations in accordance with this Clause 5, or is not in free pratique or customs cleared in time to commence cargo operations then, without prejudice to the Charterer's rights under Clause 4, any previously tendered NOR shall be deemed null and void. For the avoidance of doubt, no laytime or time on demurrage shall have accrued, or shall accrue in the time thereby lost and the Vessel shall re-tender NOR once ready. Any expenses directly attributable to the tender of the invalid NOR, including without limitation, standby costs of shore labour, trucks and other equipment shall be for the Owner's account.
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6. COMMENCEMENT OF LAYTIME

- 6.1** Once valid NOR has been tendered and accepted by the Charterer, laytime (or time on demurrage) for loading/discharging shall commence:
- (a) where turn time, is stated in BOX 12 for loading and/or BOX 13 for discharging, on the expiry of the turn time; or
 - (b) where a time of a day is stated in BOX 12 for loading and/or BOX 13 for discharging for the commencement of laytime, at that time on such a day; and
 - (c) where nothing is stated in BOX 12 for loading and/or BOX 13 for discharging, 12 hours from tendering of the NOR.
- 6.2** One half of any time used for cargo operations before commencement of laytime as above shall count as laytime or time on demurrage.
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7. LOADING AND DISCHARGING

- 7.1** The Owner shall determine, check and ensure that the Owner and the Vessel satisfy and comply with any restrictions and/or applicable regulations and rules in force at the loading and discharging ports.
- 7.2** The cargo shall be loaded, stowed/trimmed and discharged free of expense to the Owner, under the Master's direction, supervision and responsibility, including with regard to loading and discharging speeds.
- 7.3** The cargo shall be loaded, carried and discharged in accordance with IMO recommendations.
- 7.4** The cargo shall be loaded at the average rate stated in BOX 16 per weather working day of 24 consecutive hours.
- 7.5** The cargo shall be discharged at the average rate stated in BOX 17 per weather working day of 24 consecutive hours.
- 7.6** Laytime shall be calculated by reference to the average rate of loading stated at BOX 16 or the average rate of discharging at BOX 17, as the case may be, and the bill(s) of lading quantity plus any quantity in respect of which deadfreight is charged.
- 7.7** Laytime or time on demurrage shall terminate on completion of loading or discharging.
- 7.8** Laytime to be non-reversible between loading and discharging ports.
- 7.9** The Charterer has the option to load and/or discharge at more than one berth at each loading or discharging port stated in BOXES 5 and 8. Shifting or warping expenses shall be for the Owner's account.
- 7.10** For the purpose of performing draft surveys, the Master is to furnish the Charterer or its agents or draft surveyor the documents and information referred to in Clause 16.1(l) and any other hydrostatic information required by the draft surveyors and certify that they are correct. At preliminary survey the total quantities of ballast, bunkers, stores etc. are to reasonably agree with the deadweight indication on the deadweight scale. The Vessel's trim when conducting draft surveys shall be within the range covered by the calibrated trim tables. The Owner shall be responsible for all loss, damage and expenses caused by the Vessel or the Master's failure to comply with this Clause 7.10 and/or Clause 16.1(l). Any time lost by reason of such failures shall not count as used laytime or time on demurrage.
- 7.11** Should the Owner and/or the Master cause or permit the Vessel to be loaded with a quantity of cargo such that on arrival at any discharging port, the Vessel has a draft in excess of the permissible entry draft at that port, the Charterer or consignee(s) or their agent(s) shall have the right to require the Vessel to proceed to that port, or to any other port or place as they may require, for the purpose of lightening and/or complete or partial discharge. The costs of any lightening and any other additional costs incurred and time lost by reason of the necessity to lighten and/or divert the Vessel as a consequence shall be for the Owner's account and shall not count as laytime or time on demurrage.
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8. TIME COUNTING

- 8.1** Time shall not count as laytime or time on demurrage if spent or lost:
- (a) on inward passage from the Vessel's waiting area to the berth, shifting or warping between berths or due to any delay to the Vessel shifting to or between or warping between berths, including awaiting daylight, tide, opening of locks, pilot or tugs, even if lightening occurred at such waiting area;
 - (b) in connection with hatch operations, including first opening, last closing and all interim opening and closing;

- (c) whilst awaiting the Owner's or Master's instructions to proceed with any cargo operations;
- (d) performing intermediate surveys and draft checks;
- (e) as a result of the Vessel losing a provisional berthing slot in the event the Owner fails to tender a valid NOR in accordance with the provisions of this Charterparty;
- (f) as a result of local law or regulations, sanctions, action or inaction by local authorities (including, but not limited to, coast guard, naval, customs, immigration or health authorities) relating to the legal or physical state of the Vessel or the acts or omissions of the Owner, including time taken to ensure compliance;
- (g) as a result of actual or threatened escape or discharge of oil on or from the Vessel;
- (h) as a result of breakdown, inefficiency, repairs or any other conditions whatsoever attributable to the Vessel, the Master, officers, crew and / or the Owner, including inability to load or discharge the Cargo within the time allowed, any breach of this Charterparty by the Owner or any other cause attributable to the Vessel or the Owner;
- (i) during any interruption to cargo operations in connection with the Vessel having insufficient ballast pump capacity relative to its loading capacity;
- (j) in ballasting or de-ballasting, bunkering or for any other Vessel/Owner's purposes, unless carried out concurrently with cargo operations; or
- (k) as a result of restraint of labour of the Master, officers or crew of the Vessel or tug boats or pilots;
- (l) as a result of a Force Majeure Event,

provided always that Clauses 8.1(k) and (l) shall not apply to prevent time running in the event of delay by usual congestion, but shall apply in the event of delay by consequential congestion resulting from the causes listed therein.

9. DEMURRAGE AND DESPATCH

- 9.1** The Charterer shall pay demurrage for laytime exceeded at the loading and discharging port at the rate stated in BOX 14 per day of 24 consecutive hours or pro rata for part thereof.
- 9.2** The Owner's claim for demurrage shall be made in writing and be supported by:
 - (a) NORs and statements of facts from loading and discharging ports, countersigned by the shipper/receivers' agent (or accompanied by a letter of protest by the Master), and
 - (b) Calculations and an invoice for the demurrage claimed.
- 9.3** Any demurrage for which a claim complying with Clause 9.2 has not been presented by the Owner within 45 days of completion of discharge shall be deemed waived and absolutely barred.
- 9.4** The Owner shall pay the Charterer despatch money for laytime saved at one half the demurrage rate.

10. CHANGE OF LOADING AND/OR DISCHARGING PORTS

- 10.1** The Charterer shall have the option to instruct the Vessel to proceed to alternative and/or additional loading and/or discharging port(s) within the range(s) in BOX 5 and BOX 8, in which case a freight differential which gives the Owner the same time charter equivalent return as the base freight rate originally agreed shall apply.
- 10.2** The calculation of the freight differential shall be conducted on an open book basis starting with the original freight, adjusted up or down according to any increase or decrease in the cost of performance of the voyage, taking into account the Vessel's actual sailing speed and fuel consumption both at sea and in port, in order to provide the Owner with the same time charter equivalent return. The starting point shall be the Vessel's last discharging port before loading, with no repositioning advantage or disadvantage based on the new loading or discharging port(s) to be allowed. Bunker prices for the purpose of the calculation shall be the delivered Platts Bunkerwire price (on the ETA at the last actual discharging port of the voyage) at the closest customary bunkering port to the last actual discharging port for which prices are routinely published.
- 10.3** The Charterer shall present a freight differential calculation to the Owner. The Owner shall within 72 hours of receipt either agree the calculation or present an alternative with supporting documents for consideration, failing which the freight differential as calculated by the Charterer shall apply.
- 10.4** The Owner shall, at the Charterer's request and without delay issue and release new bill(s) of lading reflecting the change of discharging port(s) upon surrender of the original bill(s) of lading.

11. FREIGHT

- 11.1 Freight shall be the figure stated in BOX 15 per metric ton (or per wet metric ton of ore), based on the bill of lading weight.
 - 11.2 Freight is deemed earned upon completion of loading and is inclusive of all port charges, pilotage, light dues and all other dues for the Owners' account as per Clause 26.
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12. PAYMENT TERMS

- 12.1 95% of freight to be paid within 5 days of:
 - (a) completion of loading; or
 - (b) release by the Owner to the Charterer of signed clean bills of lading,
 whichever is the later but always before breaking bulk and provided that the Charterer has received the Owner's freight invoice.
 - 12.2 The balance of freight, any freight differential, and demurrage to be paid within 30 days of right and true delivery of cargo at the discharging port, provided Clause 9 has been complied with and laytime and freight differential calculations have been agreed upon.
 - 12.3 The Charterer is entitled to set off any despatch and other amounts due to the Charterer under this Charterparty from their payment under Clause 12.2.
 - 12.4 Payments to the Owner to be made into the bank account specified in BOX 18.
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13. BILLS OF LADING

- 13.1 The Master or his authorised agents on his behalf shall sign bills of lading as presented and in the form presented by the Charterer, with a signed copy of the authorisation to be provided to the Charterer on demand. Alternatively, in the Charterer's option, the Master shall authorise the Charterer or its agents to sign the bills of lading on his behalf.
 - 13.2 The bill of lading shall reflect the shipper's figures as per shore scales or draft survey, at the Charterer's option.
 - 13.3 The Master shall reject any cargo which would result in the bills of lading being claused with remarks qualifying its apparent good order and condition.
 - 13.4 Three negotiable bills of lading marked "freight payable as per charterparty" or, at Charterer's option, "freight pre-paid" shall be released to the shipper upon completion of loading.
 - 13.5 The Master shall at the Charterer's request and without delay sign and release, or shall authorise agents to sign on his behalf and release, split bills as required by the Charterer against surrender of the full set of original bills to which the split bills relate.
 - 13.6 The Master shall, at the Charterer's request and without delay sign and release, or authorise agents to sign on his behalf and release, new bill(s) of lading reflecting any amendments requested by the Charterer to the original bills, including but not limited to amendment to the name of the shippers, consignee, notify party or destination against surrender of the full set of original bills to which the requested amendments relate.
 - 13.7 If the bills of lading are not available in time for delivery at the discharging port, the Owner shall deliver the entire cargo without presentation of bills of lading against a letter of indemnity signed by the Charterer only on the Owner's standard P&I Club wording. The letter of indemnity shall become null and void and shall be returned to the Charterer immediately upon surrender of the original bills of lading to the Owner in due course.
 - 13.8 The Master shall ensure that mate's receipts and bills of lading describe the order and condition of the cargo accurately, and the Owner shall indemnify the Charterer against the consequences of any failure to do so.
 - 13.9 The shipper is not the Charterer's agent for the purposes of drawing up the mate's receipt or bill of lading.
 - 13.10 This Charterparty shall have effect subject to the Hague-Visby Rules, which shall apply to any bill of lading issued under this Charterparty. Charterer shall have no liability to the Owner in respect of any additional liability incurred by the Owner by virtue of a bill of lading being compulsorily subject to the application of the Hague Rules, Hamburg Rules or Rotterdam Rules or any other compulsorily applicable law or legislation, in excess of any liability that the Owner would have incurred if such bill of lading had been subject to the Hague-Visby Rules only.
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14. LIGHTS AND GEAR

- 14.1 The Vessel shall supply free use of the Vessel's cargo handling gear including grabs as per the Vessel's description, which shall be kept in good order and condition, with sufficient power for cargo operation. Shore labour shall operate the gear at the Charterer's cost.

- 14.2** The Vessel shall supply free use of lights with sufficient power for night work.
- 14.3** Unless caused by negligence of shore labour, time lost due to breakdown of the Vessel's cargo handling gear or loss of power pro-rated over the number of gears required over the relevant time shall not count as laytime or time on demurrage and any costs, expenses or damages incurred by the Charterer as a result of such breakdown including but not limited to costs of shore cranes or barge demurrage shall be for the account of the Owner.

15. AGENTS AND DISBURSEMENTS

- 15.1** The Vessel shall be consigned to agents nominated by the Charterer at all loading and discharging ports. All fees and expenses shall be for Owner's account.
- 15.2** The Owner shall advance to the agents sufficient cash for the Vessel's disbursements prior to the Vessel's arrival.

16. THE VESSEL

- 16.1** The Owner warrants that the Vessel shall before and at the beginning of the voyage, and throughout the continuance of the Charterparty:
- (a) comply with the description set out in Annex 1 of the Charterparty;
 - (b) be suitable at all times for the loading, carriage and discharge of the cargo(es) described in BOX 6;
 - (c) be in all respects seaworthy and cargo-worthy, tight, staunch and strong and in every way fitted for the relevant voyage(s);
 - (d) be a single deck, self-trimming bulk carrier or ore carrier with engine and accommodation aft, without longitudinal centre line bulkheads;
 - (e) have been and be approved by RightShip with a minimum rating of three stars and be classed 100A1 at Lloyd's or equivalent free of recommendation or conditions of class;
 - (f) not be over 20 years old ex-shipyard;
 - (g) comply with the requirements of the ISM Code and ISPS Code, and the Owner shall also ensure shore-side compliance;
 - (h) be acceptable to the relevant authorities at the loading ports and discharging ports named in BOX 5 and BOX 8;
 - (i) conform with all laws, regulations and requirements in force at or applicable to the loading ports and discharging ports, and have such physical dimensions as enable her safely to use the named loading and discharging ports;
 - (j) not be the target of Sanctions or be owned, chartered, operated or controlled by a Sanctioned Entity;
 - (k) be suitable for mechanical and grab loading, and grab discharge with no fittings protruding from internal hold surfaces and fitted with Australian hold ladders;
 - (l) have certified calibration scales for all tanks including fore and aft peak tanks, double bottom tanks and deep tanks, if any, capacity plan, displacement scale and deadweight scale and, clearly cut and marked on the shell plating, plimsoll and other draft marks amidships and draft marks at the bow and stern on port and starboard sides.
 - (m) be crewed by persons whose minimum terms and conditions of employment are covered by an ITF agreement or equivalent;
 - (n) have been entered with a Protection & Indemnity Club which is a member of the International Groups of P&I Clubs for full P&I coverage and shall remain so covered for the duration of this Charter;
 - (o) have hull and machinery insurances placed through reputable brokers on International Hull Clauses terms or equivalent and in full force and effect, that the insured value of the Vessel is as specified in Annex 1 and that such insurances shall be maintained for the duration of this Charter; and
 - (p) satisfy and be approved under the Charterer's vetting program.
- 16.2** The Owner shall promptly furnish to the Charterer copies of the Vessel's classification and statutory certificates, P&I Club certificate of entry, "know your client" information, and any other certification or documentation that the Charterer or the administrators of the Charterer's vetting program reasonably request from time to time.
- 16.3** Each of the warranties set out at Clauses 16.1(e), (f) 16.1(g), 16.1(j), 16.1(k), (l), (m),(n) and (o) above are to be regarded as an essential part of this Charter, which is conditional on its truth for performance, such that breach of this condition shall entitle the Charterer to terminate this Charterparty and/or to recover damages.
- 16.4** The Owner warrants that the Vessel is not at risk of quarantine, detention or delay due to pests, disease or places visited, and that neither the Vessel nor any of the crew have in the 3 months prior to the first day of the laycan called at or visited

(or will call at or visit prior to arriving at the loading port) any port or place where there existed a risk of exposure of Vessel, crew or cargo to an infectious or contagious disease or pest harmful to humans or animals.

- 16.5** Should the Vessel when at a loading port not to be in compliance with this Clause 16 and/or not be able to perform cargo operations when requested to do so, then notwithstanding and without prejudice to any right(s) the Charterer may have under any other provision of this Charterparty or at law, the Charterer may, in its option, by written notice to the Owner:
- (a) reject the Vessel and cancel the Charterparty; or
 - (b) treat the Charterparty as suspended until the Owner rectifies the default to the satisfaction of the Charterer and re-tenders the NOR, and any NOR previously tendered or accepted, whether valid at the time of issue or not, shall be automatically deemed to be invalid and all time until the default is rectified and the Vessel is in an equivalent position or turn shall be for the Owner's account and shall not count as laytime or time on demurrage.
- 16.6** The Owner shall keep the Charterer fully indemnified and held harmless against any and all consequences of the Owner's breach of the warranties and undertakings in this Clause 16, including, without limitation, additional storage and handling fees, hedging losses, and any additional freight cost for a substitute vessel.
- 16.7** Notwithstanding Clauses 16.5 and 16.6 above, the Charterer may in its sole discretion and by written notice to the Owner accept a non-compliant Vessel without prejudice to the Charterer's other remedies and to each of the Owner's other obligations under this Charterparty (including, without limitation, each of the other Vessel-related requirements under this Clause 16).

17. SUBSTITUTION

17.1 Substitution of Vessel

17.1.1 Where a named Vessel "or substitute (sub)" has been named in BOX 4, the Owner has the right to substitute the Vessel with an alternative Vessel, provided that the Owner and Vessel complies with this Clause 17.

17.1.2 Where a "TBN" vessel has been named in BOX 4, the Owner shall nominate a performing vessel in accordance with this Clause 17.

17.1.3 The Owner warrants and shall confirm in the notice of substitution/nomination that:

- (a) the class, type, size and capacity of the substitute/nominated Vessel is similar in all material respects to the vessel description set out at Annex 1;
- (b) the substitute/nominated Vessel complies with the requirements of this Charterparty;
- (c) the expected time of readiness of the substitute/nominated Vessel is before the Cancelling Date; and
- (d) notice of substitute/nomination is given not less than 15 (fifteen) days before the earlier of the expected time of arrival ("ETA") of the substitute Vessel and the Cancelling Date, and all information required in Clause 17.2 is provided with the notice.

17.1.4 Should it later become apparent that the substituted/nominated vessel does not comply with Clause 17.1 and, as a result, cargo operations of the substituted Vessel are delayed (including where the Vessel is ordered to vacate the berth), all costs and expenses incurred shall be for the Owner's account. Further, all time lost as a result shall not count as laytime, or time on demurrage.

17.2 Contents of notice

17.2.1 When proposing to substitute/nominate a Vessel, the Owner shall provide the Charterer in writing with details of the following and copies of documents, together with any additional particulars and documents/certificates as may be requested by the Charterer from time to time:

- (a) the Vessel's cargo capacity;
- (b) the Vessel's estimated time and date of readiness at the loading port (which shall be within the laycan); and
- (c) details of the Vessel including:
 - (i) name, type, flag, year built, length overall, beam, DWT estimated draft on arrival and number, dimensions and location of hatches, and International Maritime Organisation ship identification number;
 - (ii) Classification Certificate;
 - (iii) Document of Compliance (DOC);
 - (iv) Safety Management Certificate (SMC);
 - (v) International Ship Security Certificate (ISSC);

- (vi) name of the Vessel's P&I Club and certificate of entry;
- (vii) any other information reasonably required by the Charterer or loading port authorities from time to time.

Acceptance/rejection of Vessel

17.3.1 The Charterer shall notify the Owner of its acceptance of the substitute/nominated Vessel in writing within one day which is a working day at both the intended loading and discharging ports from its receipt of the Owner's notice in accordance with Clauses 17.1 and 17.2. The Charterer uses a vetting system to approve all Vessels and may require additional Vessel information to enable acceptance, in which case the time for Vessel acceptance shall run from the provision by the Owner of such additional information.

17.3.2 For the avoidance of doubt:

- (a) the Charterer shall be entitled to reject any Vessel that fails the vetting procedure conducted by or on behalf of the Charterer and/or is not accepted by the loading port for any reason, notwithstanding that it complies with the requirements of this Charterparty;
- (b) the Charterer's acceptance of a Vessel shall in no way derogate from the Owner's obligations under this Charterparty nor constitute acceptance by the Charterer that the Owner has complied with those obligations;
- (c) the Charterer's acceptance of a Vessel for one voyage shall not be deemed to be continued acceptance of the same Vessel for further voyages; and
- (d) the Charterer shall incur no liability for rejecting a Vessel in good faith or on the basis of a failure by the Owner to comply with this Clause 17.

17.3.3 If a substitution or nomination is rejected, the Owner shall within 24 hours nominate a, or another, substitute vessel complying with this Clause 17 but, where notice cannot be given in accordance with Clause 17.1.3(d) the Charterer may in its sole option cancel this Charterparty, without prejudice to its rights under the Charterparty or at law.

17.3.4 Where the context so permits, any reference to the Vessel herein shall also apply to any substitute vessel.

18. NOTICES FROM VESSEL

18.1 The Owner or Master shall provide written notices to the Charterer in good faith upon:

- (a) Sailing and arrival at each loading and discharging port, including on sailing from the port immediately preceding the first loading port; and
- (b) 14, 10, 7 and 5 days, and 72 and 48 hours prior to the ETA at each loading port and discharging port; and
- (c) upon becoming aware of any occurrence likely to result in the previously given ETA or expected time of readiness being revised by 24 hours or more.

18.2 Each notice shall include:

- (a) ETA at next port; and
- (b) Expected time of readiness; and
- (c) Expected fore and aft drafts on departing current port and arriving at next port.

18.3 The Owner or Master shall in addition provide any other notices required by the loading or discharging port authorities.

18.4 The Master shall in addition send a daily noon report to the Charterer, stating:

- (a) Vessel's position; and
- (b) Average speed over last 24 hours; and
- (c) ETA at next port and distance to next port.

19. CARGO DRAINAGE AND EQUIPMENT

- 19.1** The Owner/Master shall check and drain bilges throughout the continuance of the Charterparty, and shall make reasonable efforts to log drainage of liquid from cargo into bilges.
 - 19.2** The Owner shall permit the shipper to stow and fit such equipment on board the Vessel as the shipper may deem fit to optimise care of the cargo, including without limitation systems to optimise cargo drainage, without material modification to the Vessel and without damage exceeding usual wear and tear.
-

20. LIGHTENING

- 20.1** The Charterer has the option to discharge the cargo into lighters and/or otherwise lighten the Vessel. All expenses relating to lightening shall be for the Charterer's account.
 - 20.2** The Vessel shall tender NOR after the Vessel has arrived at the lightening site, is in all respects ready to discharge and is otherwise in compliance with the terms and conditions of this Charterparty.
 - 20.3** Clauses 5.4 and 5.5, Clause 6, Clause 7 and Clause 8 shall apply and laytime shall count as if the lighterage site was a berth.
-

21. COMMISSIONS

- 21.1** Address commission at the rate stated in BOX 19 is deductible by the Charterer from freight, deadfreight and demurrage.
 - 21.2** Brokerage commission at the rate stated in BOX 20 is payable by the Owner on freight, deadfreight and demurrage.
-

22. SUBLetting AND ASSIGNING ETC

- 22.1** The Charterer may sublet or re-let the Vessel and may assign or subcontract any of its rights, duties or obligations under this Charter, but shall remain at all times responsible for its proper performance.
-

23. DEVIATION, AWAITING ORDERS, SLOW STEAMING AND INTERIM PORTS

- 23.1** The Vessel has liberty to deviate for the purposes of saving life or property.
 - 23.2** Unless ordered otherwise by the Charterer, the Vessel shall not slow steam and shall proceed at full service speed on voyages to and from loading and discharging ports.
 - 23.3** The Charterer has the option to order the Vessel to wait for orders or to slow steam. Time spent waiting or lost slow steaming shall be compensated at the demurrage rate. The Charterer shall be credited with any savings in bunkers consumed and shall pay for any additional bunkers consumed, with the bunker prices in each case being calculated in accordance with Clause 10.2.
 - 23.4** The Charterer has the option to order the Vessel to call at ports or places on the customary route from the loading port(s) to the discharging port(s). The Owner shall be compensated via a freight differential, to be calculated in accordance with Clause 10.
-

24. LIENS

- 24.1** The Owner shall have a lien on the cargo on board the Vessel for freight and general average contributions due under this Charterparty only where 48 hours' prior written notice of the amount due and lien to be exercised has been provided to the Charterer.
 - 24.2** The Owner shall defend, indemnify and hold the Charterer harmless from any lien on cargo, freight or subfreights exercised by the registered or disponent owner of the Vessel, arising from the failure of the Owner or any other disponent owner to discharge its contractual obligations to the Vessel's registered or disponent owner.
-

25. DEADFREIGHT

- 25.1** If the Charterer fails to supply a full and complete cargo reflecting the Master's pre-stow plan, deadfreight shall be payable at the rate stated in BOX 15 on the difference between the Master's pre-stow plan as approved by the Charterer and quantity supplied by the Charterer.
- 25.2** For the avoidance of doubt:
 - (a) no deadfreight shall be payable if the failure is due in whole or in part to a Force Majeure event or Owner's fault, and
 - (b) the Owner shall not be at liberty to load an alternative cargo.

26. TAXES, DUES AND CHARGES

- 26.1 Taxes, dues and charges levied against the cargo are for the Charterer's account.
- 26.2 Taxes, dues and charges levied against the Vessel and/or the freight, including port dues, are for the Owner's account.

27. OPENING AND CLOSING OF HATCHES

- 27.1 All costs, expenses in relation to the opening and closing of hatches shall be for the Owner's account, and time lost shall not count as laytime or time on demurrage.
- 27.2 The Master shall ensure that hatches are closed when cargo operations in a particular hold are not in progress and/or when necessary due to adverse weather.

28. COMPLIANCE

- 28.1 Upon entering into and at all times during the continuation of this Charterparty, the Owner and the Vessel are and shall continue to be in full compliance with and eligible to trade under all applicable regulations, rules, conventions, guidelines, circulars and recommendations related, without limitation, to vessel navigation, manning, operations, safety, design, construction, maintenance, equipment, size and capacity, pollution prevention, financial responsibility, reporting, customs, immigration and border protection, and terminal or port requirements; both in the country of the Vessel's registry, applying internationally, and/or in any place to which the Vessel may be directed or may proceed in connection with this Charterparty, including those which were not in force on the date of the Charterparty. The Vessel shall have and maintain on board all certificates, records and other documentation required to demonstrate compliance with this Clause.
- 28.2 Any delays, losses, expenses, damages or claims arising as a result of a failure to comply with this Clause shall be for the Owner's account and any time lost as a result shall not count as laytime or time on demurrage.

29. LANGUAGE

- 29.1 The Owner warrants that the Master and Chief Officer shall be fluent in English.

30. EXCEPTIONS AND FORCE MAJEURE

- 30.1 Subject always to the obligation of the Owner to comply with Clause 16 and subject to the further provisions of this Clause 30, the Owner, Charterer, shippers and receivers shall be relieved from liability for any delay or failure in the performance of any of their obligations under this Charterparty to the extent that such delay or failure is due to or results directly or indirectly from a Force Majeure Event, nor shall laytime or demurrage count during any time lost.
- 30.2 If a Force Majeure Event affects or is reasonably likely to affect the performance of a party's obligations, they shall give written notice as soon as is reasonably practicable to the other party, setting out particulars and enclosing such supporting evidence as is or becomes available.
- 30.3 Each party shall take reasonable steps to mitigate the effect of Force Majeure Events on performance of its obligations under the Charterparty.
- 30.4 If a Force Majeure Event affects the performance of this Charterparty for a period of 3 continuous days after the Vessel has given NOR at the first loading port then, if no cargo has been loaded on the Vessel, the Charterers may at any time while the Force Majeure Event continues up to 21 days after NOR has been given terminate the Charterparty without liability or penalty, without prejudice to any rights or obligations of the Parties which have accrued prior to the occurrence of the relevant Force Majeure Event. If the charterer does not elect to terminate the Charterparty, it shall continue in full force and effect and time shall count after such 21 day period has expired.
- 30.5 If a Force Majeure Event affects performance of this Charterparty for a period in excess of 21 continuous days then, if some cargo has been loaded on the Vessel, the Charterer may, without prejudice to any rights or obligations of the Parties which have accrued prior to the occurrence of the relevant Force Majeure Event;
 - (a) terminate the Charterparty without liability or penalty save that the Charterer may elect to discharge the cargo at the loading port or at another safe port within 400 nautical miles, paying all the costs of such discharge including the reasonable voyage costs of sailing to the other port, to be calculated according to the principles in Clause 10.2, or
 - (b) continue the voyage with only the cargo loaded up to that point or by loading additional cargo at another safe port, compensating the Owner with a freight differential calculated in accordance with Clause 10.2, but in each case the Owner shall be entitled to no lesser an amount of freight than would have been earned had the quantity of cargo originally intended to be loaded been so loaded but giving credit for any time or expenses saved by loading less cargo.
- 30.6 "Force Majeure Event" means the occurrence or effect of any event or circumstance (or any combination of events and/or circumstances) that is beyond the reasonable control of a party and partly or wholly prevents, hinders or delays due performance by that party of its obligations under this Charterparty (other than an obligation to pay money); and, provided that the above conditions are satisfied, includes but is not limited to:

- (a) fire, ice, frost, fog, flood, washout, storm, lightning, hurricane, tempest, perils of the sea or other acts of God;
- (b) acts of public enemies, war (whether declared or undeclared), civil war, piracy, terrorist activities, embargo, blockage, revolution, political disturbance, sabotage, explosion, riot, insurrection, mobilisation, civil commotion;
- (c) strike, lockout or stoppage (whole or partial) of labour connected with the mining, transportation, handling, loading or discharging of cargo;
- (d) accidents at, or breakdown of machinery at, a mine or accident at or breakdown of machinery at a loading or discharge port, or obstruction or partial obstruction, embargo or delay on the way between the mine or storage place and the berth;
- (e) acts, orders or restrictions of government or of local authorities or of any court, sanctions, or controls on exports; and
- (f) in the case of the Charterer, any circumstance or event which affects or delays, whether wholly or in part, the ability to load or discharge the cargo (including a suppliers' or receivers' default or a force majeure event under the applicable supply contracts).

31. EXTRA INSURANCE

31.1 Any additional insurance levied on the cargo due to the Vessel's age or class shall be for the Owner's account. The Charterer shall have the option to deduct the extra insurance on cargo from freight, upon presentation to the Owner of proof of payment.

32. ARREST

32.1 The Owner shall indemnify the Charterer against the consequences of the Vessel being arrested, detained or otherwise sanctioned during the period of the Charterparty. Time so lost shall not count as laytime or time on demurrage.

32.2 If the arrest, detention or sanction has remained in place for more than 5 continuous days, the Charterer shall have the option to terminate this Charterparty without prejudice to any other remedy available. Any cargo on board shall be discharged at the Owner's cost and risk.

32.3 Clauses 32.1 and 32.2 shall not apply if the arrest, detention or sanction was due to the fault of the Charterer.

33. STEVEDORE DAMAGE

33.1 The Owner shall settle any stevedore damage to the Vessel directly with stevedores, who shall be under the supervision, control and responsibility of the Master at all times. The Owner shall notify the stevedore of any damage allegedly caused by their actions as soon as reasonably possible, latest within 24 hours of such damage being noted.

33.2 The Charterer, shipper or receiver shall not be responsible for the acts or defaults of the stevedores, neither shall the Charterer, shipper, receiver or stevedores be responsible for fair wear and tear to the Vessel.

34. VOYAGE INSTRUCTIONS

34.1 The Charterer's orders shall not be superseded by instructions from the shippers, receivers or terminal. In case of conflict, the Master shall contact the Charterer immediately and shall not resume loading, nor sail without a full cargo without the consent of the Charterer.

35. ELECTRONIC BILLS OF LADING

35.1 At the Charterer's option, bills of lading shall be issued, signed and transmitted in electronic form with the same effect as their paper equivalent.

35.2 The Owner shall subscribe to and use the electronic (paperless) trading system nominated by the Charterer, provided such systems are approved by the International Group of P&I Clubs. Any fees incurred in subscribing to or for using such systems shall be for the Owner's account.

36. HOLD CLEANLINESS

36.1 The Owner shall sweep and clean the holds between and after carriage of cargoes at their expense and in their time, including removal of cargo residues and hold washing water, and shall be responsible for compliance with MARPOL Annex V. All cleaning products and materials shall be supplied by the Owner at their expense and shall comply with MARPOL Annex III.

37. CHANGE OF CONTROL

37.1 In the event of a change in the effective ownership or control of the Owner during the term of this Charterparty, the Charterer shall have the option at any time to cancel this Charterparty, without prejudice to any of the Charterer's rights or

remedies under the Charterparty. For the purpose of this Clause, a change of 30% or more of the directors, or of 30% or more of the beneficial ownership of the shares in the Owner shall constitute a change in effective ownership or control.

38. DOUBLE BANKING

- 38.1** The Charterer may require the Vessel to lie alongside another vessel, barge or floating object such as a crane for the purposes of cargo operations, always under the Master's control and supervision. The Charterer shall reimburse the Owner's reasonable costs of such additional equipment as is reasonably required by the Vessel to perform the required operations safely.

39. OIL POLLUTION

- 39.1** The Owner shall indemnify and hold the Charterer harmless against any liability the Charterer may incur or which may from time to time be imposed on the Charterer by reason of any actual, anticipated or alleged incident of pollution emanating from or caused by the Vessel unless the Charterer caused the incident.
- 39.2** The Owner shall notify the Charterer immediately of any actual, anticipated or alleged incident of pollution involving the Vessel.

40. INFECTIOUS DISEASES

- 40.1** The Vessel shall not be obliged to proceed to or continue to or remain at any place at which, in the reasonable judgement of the Master/Owner, there exists a risk of exposure of the Vessel or crew to a highly infectious or contagious disease seriously harmful to humans (an "Affected Area") provided always that such risk is materially different in nature or extent to those prevailing at the date of this Charterparty.
- 40.2** If the Owner decides in accordance with Clause 40.2 that the Vessel shall not proceed or continue to an Affected Area they shall immediately notify the Charterer, who shall be obliged to issue alternative voyage orders. If the Charterer does not issue such alternative voyage orders within seventy two (72) hours of receipt of the Owner's notification, the Owner may discharge any cargo already on board at a safe port or place as close as reasonably possible to the intended port of discharge.
- 40.3** In case of change of discharging port in accordance with this Clause, the Owner shall receive full freight as if the cargo had been carried to the discharging port and, if the extra distance exceeds 100 miles, be entitled to recover from the Charterer any extra expenses incurred by the Owner due to such alteration of destination.

41. AMENDED BIMCO PIRACY CLAUSE

- 41.1** The Vessel shall not be obliged to proceed to or through, any port, place, area or zone, or any waterway or canal (hereinafter "Area") which, in the reasonable judgement of the Master and/or the Owners, is dangerous to the Vessel, her cargo, crew or other persons on board the Vessel due to any actual, threatened or reported acts of piracy and/or violent robbery and/or capture/seizure (hereinafter "Piracy"), provided always that such risk is materially different in nature or extent to those prevailing at the date of this Charterparty.
- 41.2** If the Owner decides that the Vessel shall not proceed or continue to or through the Area they will immediately inform the Charterer, who shall issue alternative voyage orders within seventy two hours of receipt of Owners' decision not to proceed or continue.
- 41.3** If the Owner consents to proceed to or through an Area exposed to the risk of Piracy the Owner shall have the liberty:
- (a) to take reasonable preventative measures to protect the Vessel, crew and cargo, including but not limited to, re-routing within the Area, proceeding in convoy, using escorts, avoiding day or night navigation, adjusting speed or course, or engaging security personnel and/or equipment on or about the Vessel;
 - (b) to comply with the requirements of Owner's insurers who have the authority to make such requirements under the terms of the insurance;
 - (c) to comply with all orders, directions or recommendations given by the Government of the Nation under whose flag the Vessel sails, or other Government to whose laws the Owner is subject, or any other Government, body or group, including military authorities, whatsoever acting with the power to compel compliance with their orders or directions; and
 - (d) to comply with the terms of any resolution of the Security Council of the United Nations, 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 Owner is subject, and to obey the orders and directions of those who are charged with their enforcement.
- 41.4** If the Owner deploys guards or security personnel to sail on the Vessel:
- (a) the Owner shall advise the Charterer accordingly;
 - (b) such guards or security personnel shall be at the Owner's sole responsibility and expense and under the supervision, control and responsibility of the Master;

- (c) any time taken for their deployment shall be for Owner's account;
 - (d) the Owner will indemnify and hold the Charterer harmless from any costs, losses and/or damages arising out of or in connection with the carriage of such guards or security personnel (including carriage of any weapons) and/or any use of any such weapons;
 - (e) the Owner warrants that it will follow the latest version of any relevant industry guidelines on the employment of a security team in existence at the time of signing of any security contract; and
 - (f) the Owner warrants that any weapons carried shall be embarked, disembarked and moved between ports and/or places with the necessary licences and in accordance with the laws of the Flag State and any other applicable laws and will be duly declared by the Owner as required by applicable laws, rules and regulations at all ports designated by the Charterer.
- 41.5** This Clause 41 shall be incorporated into any bill(s) of lading issued pursuant to this Charterparty. The Charterer shall indemnify the Owner against all consequences or liabilities that may arise from the Master signing bill(s) of lading as presented to the extent that the terms of such bill(s) of lading impose or result in the imposition of more onerous liabilities upon the Owner than those assumed by the Owner under this Clause 41.
- 41.6** If in compliance with this Clause 41 anything is done or not done, such shall not be deemed a deviation, but shall be considered as due fulfilment of this Charterparty. In the event of a conflict between the provisions of this Clause 41 and any implied or express provision of the Charterparty, this Clause 41 shall prevail.

42. ISPS/MTSA

- 42.1** The Owner shall comply with the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS Code) relating to the Vessel and "the Company" (as defined by the ISPS Code). If trading to or from the United States or passing through United States waters, the Owner shall also comply with the requirements of the US Maritime Transportation Security Act 2002 (MTSA) relating to the Vessel and the "Owner" (as defined by the MTS).
- 42.2** Upon request the Owner shall provide the Charterer with a copy of the relevant International Ship Security Certificate (or the Interim International Ship Security Certificate) and the full style contact details of the Company Security Officer (CSO).
- 42.3** Loss, damages, expense or delay (excluding consequential loss, damages, expense or delay) caused by failure on the part of the Owner or "the Company" to comply with the requirements of the ISPS Code/MTSA or this Clause 42 shall be for the Owner' account, except as otherwise provided in this Charterparty.
- 42.4** The Charterer shall provide the Owner and the Master with their full style contact details and, upon request, any other information the Owner requires to comply with the ISPS Code/MTSA.
- 42.5** Notwithstanding anything to the contrary provided in this Charterparty, any costs or expenses whatsoever arising out of or related to security regulations, the ship security plan, or measures required by the port facility or any relevant authority in accordance with the ISPS Code/MTSA including, but not limited to, security guards, launch services, Vessel escorts, security fees or taxes and inspections, shall be for the Owner's account.

43. GENERAL AVERAGE & NEW JASON

- 43.1** General average is to be adjusted, stated and settled in London according to the York-Antwerp Rules 1994.
- 43.2** 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 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.
- 43.3** 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.

44. BIMCO BOTH-TO-BLAME COLLISION CLAUSE

- 44.1** If the Vessel 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 Vessel, the owners of the cargo 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 owners of said cargo, paid or payable by the other or non-carrying ship or her owners to the owners of said cargo and set-off, recouped or recovered by the other or non-carrying ship or her owners as part of their claim against the carrying Vessel or Carrier. The foregoing provisions shall also apply where the owners, 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 of a collision or contact.

45. AMENDED BIMCO ICE CLAUSE FOR VOYAGE CHARTER PARTIES

45.1 Port of Loading

45.1.1 If at any time after setting out on the approach voyage the Vessel's passage is impeded by ice, or if on arrival the loading port is inaccessible by reason of ice, the Master or Owner shall notify the Charterer thereof and request them to nominate a safe and accessible alternative port.

45.1.2 If the Charterer fails within 72 running hours, Sundays and holidays included, to make such nomination or agree to reckon laytime as if the port named in the contract were accessible or declare that they cancel the Charterparty, the Owner shall have the option of cancelling the Charterparty.

45.2 Port of Discharge

45.2.1 If the voyage to the discharging port is impeded by ice, or if on arrival the discharging port is inaccessible by reason of ice, the Master or Owner shall notify the Charterer thereof. In such case, the Charterer shall have the option of keeping the Vessel waiting until the port is accessible against paying compensation in an amount equivalent to the rate of demurrage or of ordering the Vessel to a safe and accessible alternative port.

45.2.2 If the Charterer fails to make such declaration within 72 running hours, Sundays and holidays included, of the Master or Owner having given notice to the Charterer, the Master may proceed without further notice to the nearest safe and accessible port and there discharge the cargo.

45.2.3 If at any discharging port the Master considers that there is a danger of the Vessel being frozen in, and provided that the Master or Owner immediately notifies the Charterer thereof, the Vessel may leave with cargo remaining on board and proceed to the nearest safe and ice free place and there await the Charterer's nomination of a safe and accessible alternative port within 72 running hours, Sundays and holidays excluded, of the Master's or Owner's notification. If the Charterer fails to nominate such alternative port, the Vessel may proceed to the nearest safe and accessible port and there discharge the remaining cargo.

45.2.4 On delivery of the cargo other than at the port(s) named in the contract, all conditions of the Bill of Lading shall apply and the Vessel shall receive the same freight as if discharge had been at the original port(s) of destination, except that if the distance sailed to the substituted port(s) exceeds the originally intended sailing distance by 100 nautical miles, the Charterer shall pay to the Owner any extra expenses incurred by the Owner due to such alteration of destination.

46. WAR RISKS

46.1 War risk insurance premiums including closure insurance premiums (i.e. blocking and trapping) in effect on the date of this Charter shall be for the Owner's account. Any additional war risk premiums or war bonus to offices and crew incurred as a result of the Vessel entering an area necessary to perform this Charter which became an excluded war risk area or in respect of which the War Risks are materially different in nature or extent to those prevailing at the date of this Charterparty shall be for the Charterer's account and payable against proper documentation provided always that the Charterer is given written notice of the amount of such additional premiums as soon as possible and, in any event, before such additional premiums are paid by the Owner. The Charterer shall not be responsible for any additional premiums should the Owner fail to give such prior notice. The Owner shall use all reasonable efforts to ensure the lowest possible premiums. For any payments due under this Clause 46.1, if the relevant invoice is not received by the Charterer within 90 days of completion of discharge, the Charterer shall have no liability for such payment.

46.2 Any additional costs resulting from a longer stay in an excluded war risk zone for the Owner's / Vessel's purpose not in the Charterer's control, such as but not limited to bunkering, repairs, awaiting the Owner's orders, clearing customs and crew change, will be for the Owner's account.

46.3 For the purpose of this Clause 46, the words "War Risks" shall include any actual, threatened or reported war; act of war; civil war; hostilities; revolution; rebellion; civil commotion; warlike operations; laying of mines; 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, or the government of any state whatsoever.

46.4 If at any time before the Vessel commences loading, it appears that, in the reasonable judgement of the Master and/or the Owner, performance of this Charter, 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 which are materially different in nature or extent to those prevailing at the date of this Charterparty, the Owner may give notice to the Charterer 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 the Owner shall first require the Charterer to nominate any other safe port and may only cancel this Charter if the Charterer shall not have nominated such safe port or ports within seventy-two (72) hours of receipt of notice of such requirement.

46.5 The Owner shall not be required to continue to load Cargo for any Voyage, or to sign bill(s) 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 Owner, 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 which are materially different in nature or extent to the

those prevailing at the date of this Charterparty. If it should so appear, the Owner may by notice request the Charterer to nominate a safe port for the discharge of the Cargo or any part thereof, and if within seventy-two (72) hours of the receipt of such notice, the Charterer shall not have nominated such a port, the Owner may discharge the Cargo at any safe port of its choice (including the loading port) in complete fulfilment of this Charter. The Owner shall be entitled to recover from the Charterer 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(s) and if the extra distance exceeds one hundred (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, the Owner having a lien on the Cargo for such expenses and freight.

- 46.6** 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 Owner, 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 which is materially different in nature or extent to the that which would have been contemplated at the date of this Charterparty, and there is another longer route to the discharging port, the Owner shall give notice to the Charterer that this route will be taken. In this event the Owner shall be entitled, if the total extra distance exceeds one hundred (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.
- 46.7** In connection with the reasonable judgement of the Master and/or the Owner that 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, the Vessel shall have the liberty:
- (a) to comply with all orders, directions, recommendations or advice as to departure, arrival, routes, sailing in convoy, ports of call, stoppages, destinations, discharge of the 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 Owner is subject, or any other government which so requires, or anybody 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 risks 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, 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 Owner is 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; and
 - (e) to call at any other port to change the crew or any part thereof or other persons on board the Vessel when there is reason to believe that they may be subject to internment, imprisonment or other sanctions.

If in compliance with any of the provisions of Clauses 46.7(a) to 46.7(e) anything is done or not done, such shall not be deemed to be a deviation, but shall be considered as due fulfilment of this Charter.

47. INSOLVENCY AND SET-OFF

- 47.1** In the event that the Owner becomes insolvent, or there is reasonable evidence of the Owner's inability to pay its debts as they mature or an order is made or resolution passed, or is likely to be so ordered or made, for the Owner's winding up, restructuring, dissolution, liquidation, receivership or bankruptcy, or the Owner enters into an arrangement or composition with or for the benefit of its creditors or to seek protection from its creditors (whether during the period of this Charterparty or not), the Charterer is entitled to:
- (a) terminate this Charterparty with immediate effect, without prejudice to any of its other rights under this Charterparty and without any liability on the part of the Charterer; and/or
 - (b) set off any amounts believed in good faith and on reasonable grounds to be due or likely to become payable by the Owner to the Charterer, whether under this Charterparty or otherwise, against any undisputed amounts believed in good faith and on reasonable grounds to be due or likely to become payable by the Charterer to the Owner under this Charterparty. The Charterer shall give seven (7) days' written notice to the Owner of any intended set-off to be effected under this provision. If an obligation is unascertained, the Charterer may in good faith estimate that obligation and set-off in respect of that estimate, subject to the Charterer accounting to the Owner when the obligation is ascertained.

- 47.2** This Clause 47 shall survive the cancellation or termination of the Charterparty.

48. SANCTIONS

- 48.1** The Owner and the Charterer respectively warrant that:

- (a) to the best of their knowledge (having made due enquiries), at the date of this fixture and throughout the duration of this Charterparty they are not a Sanctioned Entity or an Affiliate of a Sanctioned Entity; and

- (b) for the duration of the Charterparty, each party shall comply with all Sanctions applicable to it. The Owner warrants that the Vessel shall before and at the beginning of the voyage and throughout the duration of the Charterparty not be, or be owned, chartered or operated or controlled by, a Sanctioned Entity.

48.2 “**Affiliate**” means in relation to either party, any undertaking (as defined in section 1161 of the Companies Act 2006) which is a subsidiary undertaking or a parent undertaking (including the ultimate parent undertaking) of that party and any undertaking which is a subsidiary of such parent undertaking (subsidiary undertaking and parent undertaking are as defined in section 1162 of the Companies Act 2006).

48.3 “**Sanctions**” 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 relevant bodies and organisations of the United Nations, the European Union, the United Kingdom, the United States or any other jurisdiction applicable to a party.

48.4 “**Sanctioned Entity**” means any entity, being an individual, corporation, company, vessel, association or government, who or which is the subject of Sanctions.

48.5 If at any time during the performance of this Charterparty, one party (“**Party A**”) becomes aware that the other party (“**Party B**”) is in breach of the above warranties in this Clause (whether as a result of any action and/or omission), Party A must advise Party B in writing of the breach(es) and then without prejudice to Party A’s other rights:

- (a) Party A shall be entitled to immediately suspend the affected performance obligation and, if appropriate, request or issue alternative voyage orders;
- (b) if the circumstances resulting in such suspension continue for more than 7 days from the date of Party A’s notice, provided such circumstances are continuing, Party A shall be entitled to terminate the Charterparty with immediate effect on written notice to Party B, or, if cargo is on board, direct the Vessel to any safe port of the Charterer’s choice and there discharge the cargo (with termination effective on completion of discharge). Upon termination there shall be no further liability on either party save for any accrued rights or remedies including under this Clause;
- (c) if Party A is the Owner, any alternative orders requested by the Owners shall be given promptly by the Charterer, and the Charterer shall be liable for hire (or demurrage and bunkers if under a voyage charter) for all time pending receipt of the Charterer’s alternative voyage orders;
- (d) the Charterer shall continue to pay hire or shall (if under a voyage charter) pay freight as per the original voyage orders, together, if Party A is the Owner, with any additional freight and costs that may be due as a result of any change in discharge port(s);
- (e) if Party A is the Charterer and issues alternative voyage orders or issues directions under paragraph (ii) above, for the first 72 hours following the written notice to the Owner, the Charterer shall not be liable for hire, bunkers, demurrage or any other costs and the Owner shall be liable to the Charterer for any additional time, freight, bunkers and expenses incurred as a result of proceeding to alternative discharge port(s);
- (f) where any time, freight, bunkers and expenses have been saved by the Charterer issuing alternative voyage orders or directions, the Owner shall be liable to reimburse the Charterer for any such savings, and such savings may be set-off by the Charterer against any sums that it owes to the Owner under the Charterparty, including freight.

48.6 To the extent any payment would be in violation of or otherwise prohibited by Sanctions applicable to a party, any payment obligations arising prior to termination of the Charterparty (including but not limited to hire or freight) which have been incurred but not yet paid shall continue to be suspended until such time as payment is no longer prohibited by Sanctions and not be affected by such termination.

48.7 In the event that a payment arising pursuant to this Charterparty cannot be made in United States Dollars due to Sanctions or applicable laws, the parties shall review and mutually agree in writing the applicable payment settlement currency and the relative rate of exchange provided such does not contravene any Sanctions or applicable law, regulation or decree binding upon a party and shall amend, or procure the amendment of the Charterparty accordingly. The rate of exchange is to be fixed using an internationally recognized and tradable daily fixation, the date of which shall be mutually agreed by the parties.

48.8 Notwithstanding anything in this Clause to the contrary, neither the Owner nor the Charterer shall be required to do anything which constitutes a violation of, or would be in contravention of, any Sanction applicable to it.

49. ANTI-BRIBERY & CORRUPTION

49.1 The Owner and the Charterer respectively warrant and undertake to the other that in connection with this Charterparty each party will comply with all the laws, rules, regulations, decrees and/or official government orders applicable to it relating to anti-bribery and anti-money laundering (which shall collectively be referred to as “**AML Laws**”).

49.2 The Owner and the Charterer each warrant and undertake to the other that it has not and shall not, in connection with this Charterparty and where the same would be in breach of any AML Laws applicable to it, pay, offer, give or promise to pay or authorise the payment of any monies or the transfer of any financial or other advantage or other things of value to:

- (a) a government official or an officer or employee of a government or any department, agency or instrumentality of any government;

- (b) an officer or employee of a public international organisation;
- (c) any person acting in an official capacity for or on behalf of any government or department, agency, or instrumentality of such government or of any public international organisation;
- (d) any political party or official thereof, or any candidate for political office;
- (e) any director, officer, employee or agent/representative of an actual or prospective counterparty, supplier or customer of the Owner or the Charterer; or
- (f) any other person, individual or entity at the suggestion, request or direction or for the benefit of any of the above-described persons and entities.

- 49.3** The Owner and the Charterer each warrant and undertake that they have and shall maintain in place for the duration of this Charterparty its own policies and procedures designed to ensure compliance with this Clause 49.
- 49.4** The Owner or the Charterer may terminate this Charterparty with immediate effect upon written notice to the other at any time if the other party breaches any of the above warranties and/or undertakings.

50. CONFIDENTIALITY

- 50.1** The Owner and the Charterer and their agents shall hold in confidence the terms of this Charterparty and all information, documentation, data or know-how disclosed in the course of its performance or any dispute resolution under it, including without limitation, information relating to each other's products, operations, pricing practices, processes, plans or intentions, know-how, and business affairs, and will not disclose the same to any third party other than:
- (a) when and to the extent they are required to do so pursuant to an applicable law, order or regulation; and
 - (b) to their auditors or other professional advisors to the extent required for the proper performance of their work.
- 50.2** No announcement, statement or promotion in connection with this Charterparty may be made by the Owner or the Charterer without the prior approval of the other party (such approval not to be unreasonably withheld).
- 50.3** The obligations contained in this Clause 50 shall survive the cancellation or termination of the Charterparty for a period of two (2) years.

51. INSPECTION

- 51.1** The Charterer or its nominated surveyor shall be entitled to inspect the Vessel at any time on reasonable notice in port, so long as cargo operations are not affected, in order to assess compliance with the terms of this Charterparty, including without limitation Clause 16.1. The Owner, Master and crew shall render all reasonable assistance to the Charterer or nominated surveyor, and the Vessel's logs, certificates and other compliance documentation shall be made available to the Charterer during the inspection.

52. NOTICES

- 52.1** Unless otherwise provided in this Charterparty or otherwise agreed in writing, a notice, to the Owner under this Charterparty must be transmitted by e-mail to the e-mail address noted in BOX 21.
- 52.2** Unless otherwise provided in this Charterparty or otherwise agreed in writing, a notice, to the Charterer under this Charterparty must be transmitted by e-mail to the e-mail address noted in BOX 22.
- 52.3** Any notice sent by instant messenger shall not constitute a valid notice under this Charter.

53. ASSIGNMENT AND SUB-LETTING

- 53.1** The Charterer may sub-let the Vessel to any entity or person, without prejudice to the respective rights and obligations of either party under this Charterparty.
- 53.2** The Charterer may, with the Owner's consent (such consent not to be unreasonably conditioned, delayed or withheld), assign this Charterparty to any entity or person, without prejudice to the respective rights and obligations of either party under this Charterparty, however the Charter shall remain responsible for performance of this Charterparty.

54. LAW & ARBITRATION

- 54.1** This Charterparty, any question regarding its validity, existence or termination, and any non-contractual obligations arising from or connected with it shall be governed by and construed in accordance with English law.

- 54.2** Any dispute arising out of or in connection with this Charterparty (including any question regarding its validity, existence or termination and any non-contractual obligations arising from or connected with it) shall be referred to arbitration in London before three arbitrators in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof.
- 54.3** If the amount in dispute is US\$100,000 or less, the matter shall be referred to a sole arbitrator under the LMAA Small Claims Procedure.

55. DRUGS AND ALCOHOL

- 55.1** The Owner undertakes that it has, and shall maintain for the duration of the Charterparty, a policy on drugs and alcohol abuse applicable to the Vessel (the “**D&A Policy**”) that meets or exceeds (i) all applicable laws, rules and regulations and guidelines (including those from the International Maritime Organisation and the International Chamber of Shipping) and (ii) the standards of a reasonable and prudent operator. For the purposes of this Clause, a “reasonable and prudent operator” shall mean one acting with that degree of care, skill, diligence, prudence and foresight which would reasonably be expected from a first class, skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances.
- 55.2** The Owner 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 itself mean that the Owner has not exercised due diligence, but in all cases it shall be for the Owner to show that it has.
- 55.3** The Owner undertakes that to the best of its knowledge, information and belief, having made due enquiry, neither the Master nor any officer or crew member has any un-spent convictions whatsoever concerning drug or alcohol abuse.

56. QUARANTINE

- 56.1** If the Charterer requires the Vessel to proceed to any port at which, at the time the Vessel is ordered to that port, there is quarantine, any time spent or lost while the Vessel is detained due to quarantine shall count as laytime or demurrage. However, if quarantine is declared while the Vessel is on passage to such port, the Charterer shall not be liable for any delay caused by such quarantine.

57. HSE

- 57.1** The Owner shall report to the Charterer at hsec@trafigura.com within 24 hours of the occurrence of any of the following incidents:
- (a) If the Vessel is involved in a marine incident that has affected, or is likely to affect the safety, operation or seaworthiness of the Vessel;
 - (b) If the Vessel is involved in, or causes a marine incident that involves:
 - the death of a person;
 - serious injury to a person (e.g. one that results, or may result in, an LTI as defined below);
 - the loss of a vessel;
 - the loss of a person from a vessel;
 - significant damage to a vessel; or
 - loss of cargo from a vessel.
 - (c) If there is an incident which causes:
 - the death of, or serious personal injury to, any person;
 - an employee who performs work in connection with this Charterparty to be incapacitated from performing work for a period of 1 day or more (a Lost Time Injury (“**LTI**”)); or
 - a dangerous occurrence, which is an occurrence that could have caused the death of, or serious personal injury to, any person on board the Vessel.
- 57.2** The Owner is aware of Trafigura Maritime Logistics Pte Ltd’s HSE expectations which are contained on the following website: <http://www.trafigura.com/hsec-resource-centre>. The Owner warrants and undertakes that it has procedures in place for the duration of the Charterparty that are at least equivalent to these expectations.

58. ADMINISTRATION

- 58.1** A formal Charterparty shall not be issued in paper or electronic form unless requested in writing by either party. If one is requested, the Owner or the Owner’s broker shall prepare a Charterparty in the format of the Trafigura Voyage Charterparty Version 1 December 2016, as modified by the recap fixture email and bearing the date of such recap. This should be completed within one month of a request by one of the parties.

ANNEX 1 – VESSEL DESCRIPTION