

PREEM AB

1

PREEM AB CHARTERPARTY TERMS AND CONDITIONS DATED 2010-05-01

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SECTION 1

1. Basic Provisions
2. Worldscale and Overage
3. Misrepresentation
4. I T F Clause
5. Safe Port/Berth
6. Deviation
7. Agency
8. Expected to Arrive
9. Notice of Readiness
10. Time Bar
11. Statement of Facts
12. Calculation of laytime
13. Weather and seagoing clause
14. Retention
15. Letter of Indemnity and Invocation of Short Form Undertaking
16. Port Authority's Instruction
17. Competent Crew
18. Crew's Duties
19. Bunkers Onboard
20. Charterers Inspection
21. Cleaning
22. Cargo Temperature at Loading/Heating
23. Pumping
24. Closed Loading
25. Insurance
26. Vessel Certification
27. Remaining on Board
28. Pollution Clause
29. P&I Insurance
30. Drug and Alcohol Clause
31. ITOPF Clause
32. Small Claims Arbitration
33. Address Commission
34. Logbooks
35. Vessel Vetting Clause
36. Early Loading Clause
37. ISPS Clause, International Ship & Port Facility Safety Code
38. Charterers Mail
39. Accidents to Vessel and / or Cargo
40. Document of Compliance / ISM Clause, International Safety Management Code
41. Administration Clause

SECTION 2

- A. Crude Oil Washing
- B. Inert Gas
- C. Speed Clause
- D. Lightering Execution Clause
- E. Tank Stripping
- F. Lightering Stability
- G. Arab Clause
- H. Early Departure Clause
- I. Hydrogen Sulphide Clause

SECTION 1

1 The clauses hereinafter are, to the extent they are not added to, deleted or otherwise
2 changed by mutual consent, deemed incorporated into the ASBATANKVOY
3 Charterparty part 1 section M or otherwise, as appropriate, deemed incorporated into
4 such other Charterparty form the parties have agreed shall govern the charter.
5 Further, what is specified regarding Bill(s) of Ladings in these terms and in the actual
6 Charterparty form shall also, as far as possible, be applicable to Tanker Waybills
7 issued hereunder and further that the terms of the charter (inclusive of these terms and
8 conditions) shall not be superseded by the terms of the Bill of Lading or the Tanker
9 Way Bill, as the case may be.

1. BASIC PROVISIONS

10 The following provisions are always deemed incorporated into and thereby
11 made an integral part of the Charterparty:

- 12 i. General Average York /Antwerp 2004 London.
- 13 ii. a) English law,
14 b) Unless the charter is entered into by two Scandinavian (including Finland)
15 entities, in which case Swedish law shall apply.
- 16 iii. Arbitration in London and in case ii.b) applies, Stockholm.
- 17 iv. The time bar clause under the Hague-rules, and / or the US Carriage of Goods
18 by Sea Act (COGSA) and / or Hamburg rules as incorporated into the c/p
19 shall, for the purpose of the c/p, be deleted.
- 20 v. The Convention on Limitation of Liability for Maritime Claims, 1976.
- 21 vi. Any loss, damage, expense or delay caused by the failure on the part of vessel
22 or the "the Company" to comply with the ISM Code shall be for
23 Owners account

2. WORLDSCALE and OVERAGE

24 The Worldscale Association rates terms and conditions as published by
25 Worldscale (London) Ltd. and / or Worldscale Association (N.Y.) Inc. and
26 which is in force on the date of the Charterparty fixture shall apply to the
27 Charterparty.
28 Worldscale not applicable for vessels below 20.000 mt.
29 The freight for cargo volumes in excess of the minimum Charterparty

PREEM AB

30 cargo volume as per clause E of Part I of the ASBA-tank Charterparty, or any
31 other applicable Charterparty, shall always be 50% (fifty percent) of the
32 applicable freight rate for the minimum cargo quantity.

3. MISREPRESENTATION

33 Material representation(s) regarding the vessel's description and / or her
34 capacities and / or her position at the time of the fixture and which differs
35 substantially from the actual situation to the detriment of Charterers entitle
36 Charterers to either abrogate the Charterparty and / or to seek compensation
37 from Owners for all and any losses, damages and costs of any kind and
38 description, whether direct or indirect and which is the result of Owners
39 misrepresentation(s). Charterer's omission to act in this regard shall not
40 prejudice Charterers right to pursue the matter against Owners at a later date.

4. ITF

41 Owners guarantee that the crew's salaries, as well as other terms and
42 conditions of employment are equal to, or better than the minimum standards
43 approved by the International Transportworkers Federation (ITF), and further
44 maintain onboard a valid BLUE CERTIFICATE or agreement accepted by
45 ITF, as issued by the aforesaid organization. Any loss, cost or expense of any
46 kind and character (direct or indirect) suffered by Charterers as a result of
47 Owners failure so to employ or to maintain, shall be assumed by Owners and
48 may be deducted by Charterers from freight due.

5. SAFE PORT/BERTH

49 In ordering the vessel to proceed to a port, berth or place of loading and or
50 discharging, Charterers shall exercise due diligence to ascertain that such port,
51 berth or place is safe for the vessel to enter and to remain at or in and to lie
52 always afloat whilst loading and / or discharging or waiting to load and / or
53 discharge and provided Charterers exercised due diligence in this
54 regard no liability shall rest with Charterers for losses, damages or costs
55 arising as a result of the port and / or berth and / or place of loading or
56 discharging being unsafe.

6. DEVIATION

57 Notwithstanding anything else contained in this Charterparty and regardless of
58 which loading and / or discharging ports have been nominated and Bills of
59 Lading(s) issued, Charterers have the right to change its nominated loading
60 and / or discharging ports any number of times albeit, such changes must be
61 contained to the loading and / or discharge range specified in the relevant
62 Charterparty. Extra time and expense incurred by Owners in complying with
63 Charterers' request shall be for Charterers account pursuant to Clause 4,
64 subsection (c) of part 2 of the ASBATANK Charterparty Form and freight
65 shall be calculated on the actual voyage performed.

7. AGENCY

66 Owners shall appoint and pay for by Charterers chosen agents at loading and
67 discharging ports. All expenses for owners account.

8. EXPECTED TO ARRIVE

68 Owners shall advise Charterers and Charterers agents of the vessel's expected
69 arrival to the loading port and / or discharging port 72, 48 and 24 hours before

PREEM AB

70 the actual arrival, if the preceding voyage allows such notice periods or as
71 early as possible if the preceding voyage is shorter than either of the 72, 48
72 and 24 hour periods above.

73 In case the vessels advised ETA is changed by more than 6 hours Owners shall
74 advise Charterers and Charterers agents immediately of such change.

75 Failure to advise Charterers and Charterers agents of the vessel's ETA or
76 change of ETA as aforesaid shall entitle Charterers the use of twelve (12)
77 hours extra laytime in addition to the laytime provided.

9. NOTICE OF READINESS

78 Charterers shall always and regardless if the vessel is on demurrage or not
79 have the benefit of 6 hours of notice time unless loading and / or discharging
80 commences prior to the lapse of the notice time, in which case laytime shall
81 commence on loading or discharging, i.e. pump start. If at the port of loading
82 notice of readiness is given prior to commencement of laydays, laytime shall
83 not start until the lapse of 6 hours after 00.00 hours on the first day of the
84 laydays or when the loading commences, whichever occurs first.

10. TIME BAR

85 Charterers shall not be liable for demurrage incurred and / or other cost and/or
86 charges incurred under the charterparty and pertaining to Charterers use of the
87 vessel, unless Charterers, within 90 days from the moment of hoses
88 disconnected on discharge, have received notification of the claim, together
89 with the necessary documentation evidencing such claim. The time bar under
90 this clause is valid only as between Charterers and Owners and a third party in
91 a position to avail itself of this and other charterparty clauses by way of
92 incorporation into e.g. a sale / purchase agreement is irrevocably prohibited to
93 invoke the time bar against Charterers.

11. STATEMENTS OF FACTS

94 Owners or owners agents further undertake to provide Charterers with copies
95 of agents mailed and / or telexed and / or faxed statement of facts (load and
96 discharge ports) within three (3) days from the time the vessel completed
97 discharge.

12. CALCULATION OF LAYTIME

98 Time shall not count against laytime or, if the vessel is on demurrage, for
99 demurrage, when spent or lost:

- 100 (i) on an inward passage moving from anchorage - even if lightering has taken
101 place at the anchorage - to the berth or other place of loading and / or
102 Discharging specified by Charterers.
- 103 (ii) Due to fault, failure or inefficiency of the vessel, or the crew, including master
104 and officers causing delay in loading and / or discharging.
- 105 (iii) whilst handling ballast and / or taking on bunkers, unless such operation is
106 concurrent with the loading and / or the discharging operation and no loss of
107 time results
- 108 (iv) As a result of strike, lockout stoppage or restraint of labor of the master,
109 officers and / or the crew of the vessel, awaiting tug boats, pilot or tide.
- 110 (v) delays due to the vessel's failure to carry onboard and / or maintain valid

111 certificates, records or other documents necessary for Charterers intended
112 use of the vessel

113 (vi) If vessel is delayed in excess of two (2) hours after hoses being disconnected
114 solely for charterers purpose (for documents), laytime or, if vessel is on
115 demurrage, time on demurrage shall resume upon the expiration of said two
116 (2) hour period and shall continue from that point until termination of such
117 delay.

13. WEATHER AND SEAGOING CLAUSE

118 If due to weather the vessel is delayed in loading and / or discharging, and any
119 delays after berthing, such delay shall, for the purpose of the laytime
120 calculation, count as one half of the time used for such delay or if on
121 demurrage, at half demurrage rate.

14. RETENTION

122 If at the port of discharge a shortage of oil of more than 0,5% of the Bill of
123 Lading volume is ascertained between the B/L volume and cargo
124 received and measured ashore and / or received by and measured in a
125 lightering vessel or if liquid and pumpable cargo within the reach of vessel's
126 pumps is found in the discharging vessel's tanks and provided such volume(s)
127 is ascertained and confirmed by an independent inspector. Charterers have the
128 right to retain freight as full and final payment tantamount to the CIF value of
129 the cargo so ascertained and confirmed.

130 Charterer's failure to exercise the rights conferred by this clause shall not
131 prejudice its right to pursue the matter at a later date.

15. LETTER OF INDEMNITY AND INVOCATION OF SHORT FORM UNDERTAKING

132 The following standard wording shall be used in case discharge takes place
133 when the the proper number of the Bill(s) of Lading is or are not tendered at
134 the port of discharge, or when the Charterers order the vessel to discharge at
135 another port than stipulated in the Bill(s) of Lading.

136 Charterer's indemnification, as provided below, shall be effectuated through
137 invoking of the indemnity, whenever Charterers instruct Vessel to discharge at
138 another port than stipulated in the Bill(s) of Lading or without production of
139 the Original Bill(s) of Lading, in which case Charterers shall send to Owner's
140 the following short form message, dated and signed by the Charterers.

OTE:

141 Charterers hereby invoke their Letter of Indemnity as provided below in this
142 clause 14 of the C/P date dd/mm/yyyy followed by:

143 Vessel : name
144 Charterparty: date
145 Cargo : grade(s)
146 Consignee : company name
147 Consignor : company name
148 Load port :
149 Disch port :
150 Receiver : company name

UQTE:

CHARTERERS UNDERTAKE IN RELATION TO THE DELIVERY OF THE CARGO WITHOUT THE BILL (S) OF LADING BEING TENDERED.

151 **International Group of PI Club(s) Standard form of Letter of Indemnity**
152 **listed below, are part of this Clause 14, as applicable:**

153 A. Standard form Letter of Indemnity to be given in return for delivering
154 cargo without production of the original Bill of Lading.

155 B. Standard form Letter of Indemnity to be given in return for delivering
156 cargo at a port other than that stated in the Bill of Lading.

157 C. Standard form Letter of Indemnity to be given in return for delivering
158 cargo at a port other than that stated in the Bill of Lading and without
159 production of the original Bill of Lading.

160 AA. Standard form Letter of Indemnity to be given in return for delivering
161 cargo without production of the original Bill of Lading incorporating
162 a Bank's Agreement to join in the Letter of Indemnity.

163 BB. Standard form Letter of Indemnity to be given in return for delivering
164 cargo at a port other than that stated in the Bill of Lading incorporating
165 a Bank's Agreement to join in the Letter of Indemnity.

166 CC. Standard form Letter of Indemnity to be given in return for delivering
167 at a port other than that stated in Bill of Lading and without production
168 of the Bill of Lading incorporating a Bank's Agreement to join in the
169 Letter of Indemnity

16. PORT AUTHORITY'S INSTRUCTIONS

170 Vessel shall at all times follow Official Port Authority's instructions, port
171 regulations and docking procedures at ports of loading and discharge.

17. COMPETENT CREW

172 Save where accidents and / or sickness to a member of the vessel's crew
173 prevents the strict undertaking hereinafter described, Owners undertake to
174 maintain onboard the vessel and throughout the charterparty period, a full
175 complement of competent and fully certified officers and crew, being fully
176 experienced in tanker operations including but not limited to lightering
177 operations and if Owners fail in this regard and cause Charterers direct and
178 indirect losses, costs and / or expenses, Owners agree to hold harmless and
179 indemnify Charterers for its losses, costs and / or expenses of any kind or
180 character.

18. CREW'S DUTIES

181 It is understood that the crew shall handle fenders, cargo hoses as well as
182 mooring ropes and hawsers, if required by Official Port Authorities
183 and / or mooring master.

19. BUNKERS ONBOARD

184 It is agreed that Charterers' independent inspector may survey and measure
185 the vessels bunker tanks and cofferdams and to request these tanks and / or
186 cofferdams to be opened for inside inspection and ullaging. The inspector may
187 also draw samples from bunker tanks and cofferdams and to retain such
188 samples. Extra time spent whilst surveying, measuring and / or sampling as

189 aforesaid shall count as laytime or for demurrage if the vessel is on demurrage.
190 Owners warrant that the vessel's bunker supply at the commencement of the
191 loaded voyage will allow the vessel to complete the same without the
192 necessity for intermediate bunker calls. Charterers have a right of first refusal
193 to sell bunkers to Owners provided Charterers terms are competitive.

20. CHARTERERS INSPECTOR

194 Charterers may, from the time the vessel commences its ballast voyage to the
195 loading port or place and up to such time that it shall commence loading under
196 the charter, which follows on this charterparty, place on board the vessel,
197 whether the same is at sea or in port, a Charterers surveyor to i.a. survey,
198 measure and sample the vessel's cargo tanks as well as bunker tanks and
199 cofferdams / deep tanks and / or to supervise loading and / or discharge
200 operations under the charter party and / or survey the vessel to ascertain the
201 vessel's fitness, including class and other certificates of the vessel, as well as
202 the licenses of the master, officers and crew in general, to safely carry crude
203 oils, petroleum products, chemicals etc and the crew's ability to efficiently and
204 safely manage and operate the vessel.

205 Time lost for a purpose specified hereinbefore shall count as laytime and / or
206 demurrage, if the vessel is on demurrage, unless it is ascertained a breach of
207 the charter party, in which case laytime and / or demurrage, if the vessel is on
208 demurrage, shall not count.

21. CLEANING

209 Owners warrant that the vessel's tanks shall be clean so as to be fit to receive
210 the intended cargo and such cleanliness shall be guaranteed by the Master of
211 the vessel, and ascertained and approved by Charterers inspector at charterers
212 discretion.

213 In case the tanks are not approved by Charterers independent inspector,
214 Charterer may either abrogate the charter or request Owners to clean the tanks
215 for approval within 24 hours and time spent cleaning shall not count as
216 laytime and / or demurrage if the vessel is on demurrage.

22. CARGO TEMPERATURE AT LOADING/HEATING

217 Owners warrant that the vessel can receive cargo with a temperature of
218 maximum (78 deg.C) / (173 deg.F) and Owners further warrant that the vessel
219 will maintain loaded cargo temperature, up to maximum 135 (deg.F) / (57 deg
220 C) during loading, on the loaded voyage and throughout discharge.

23. PUMPING

221 Owners warrant that the vessel will discharge the cargo within 1/3 of agreed
222 laytime or maintain 100 psi. at vessel's manifold during discharge, always
223 provided shore facilities permit. Delays due to an inability to meet the
224 aforesaid warranty will be for Owners account and will not count as laytime or
225 for demurrage if the vessel is on demurrage. In case the vessel fails to meet the
226 aforesaid warranty, thereby causing delay to other vessels, Charterers may at
227 their own discretion order the vessel to vacate the berth. Owners shall also
228 continuously gauge the line pressure and maintain a log thereover and shall
229 allow Charterers inspector to inspect the gauge and / or sight log.

24. CLOSED LOADING

230 For the vessel to be accepted as capable of closed loading it must be able to
231 load cargo with all deck / tank openings (tank hatches, ullage ports, sighting
232 ports and sounding pipes etc) shut throughout loading and discharging
233 operations. Cargo tank venting is to be via high rising ventilation stacks, high
234 velocity or constant velocity valves. Vessel to be able to connect to VRU.

25. INSURANCE

235 Owners shall effect war risks insurance in respect of the Hull and Machinery
236 of the Vessel and their other interests (including, but not limited to, loss of
237 earnings and detention, the crew and their Protection and Indemnity Risks),
238 and the general premiums and/or calls therefore shall be for their account.
239 War Risks Insurance additional premiums incurred as a result of the vessel
240 entering an excluded area (“Additional Premium”) shall be for Charterer’s
241 account, net of all discounts or rebates and provided always that Charterers are
242 given notice of the amount of such Additional Premium as soon as possible
243 and, in any event, before such Additional Premium is paid.

244 The benefits of discounts or rebates on Additional Premium received by
245 owners from their War Risks insurers, underwriters or brokers shall be
246 credited to Charterers in full. Charterers shall reimburse owners any amounts
247 due under this Clause upon receipt of owners’ invoice together with full
248 supporting documentation including all associated debit and credit notes.
249 For the avoidance of doubt any “blocking and trapping”, “loss of profit”, “loss
250 of hire”, “loss of freight”, or “loss of bunkers” insurance taken out by owners
251 in respect of the vessel, and any additional premium relating thereto arising
252 from charterers’ trading of the vessel, shall be for Owners’ account.”

26. VESSEL CERTIFICATION

253 a. Owners warrant that the vessel is in full compliance with the latest
254 International Maritime Organization (IMO) regulations including but not
255 limited to the 1973 / 78 MARPOL regulations and that the vessel is fully
256 eligible for trading to and from such ports or places within the specific loading
257 and discharging ranges of the charterparty. Owners further warrant that the
258 vessel, for the duration of this charter, shall have onboard the requisite
259 certificates, records and / or other documents required for any voyage within
260 the scope of the charterparty.

261 b. Additionally, owners warrant that the vessel is in compliance with all rules
262 decrees, orders, regulations awards or ordinances of any US governmental
263 agency, whether federal, state or local, including but not limited to US Coast
264 Guards provisions for the Federal Water Pollution Control Act, Title 33 CFR,
265 151 and 154 / 155 / 156, as amended and Owners also warrant that the vessel
266 is not subject to a US Coast Guard letter of discrepancy.

27. REMAINING ON BOARD

267 Owners shall on completion of discharge on the voyage proceeding the present
268 advice Charterers of the OBQ remaining onboard and also type and origin of
269 such OBQ. Further and unless it is otherwise agreed, Owners undertake to
270 collect all such OBQs and / or tankwashings, as the case may be, into
271 one tank compartment and Owners shall advise Charterers of the quantities so
272 collected and which shall be kept segregated unless otherwise instructed.

28. POLLUTION CLAUSE

273 It is agreed that the vessel whilst under this Charter shall not discharge
274 tankwashings, retained dirty ballast water or slops into the sea in conflict with
275 the 73 / 78 MARPOL Convention inclusive of subsequent amendments and
276 not at all if it is possible to discharge tankwashings, dirty ballast water or slops
277 into such receiving facilities at the port of loading, as nominated by
278 Charterers.

279 Owners agree to advise Charterers of any tankwashings, dirty ballast water or
280 slops onboard at the inception of the charter and also account for the disposal
281 of such volumes, if any, pertaining to the voyages preceding the present
282 charter. Owners agree to maintain onboard and continuously update, as per
283 MARPOL 73 / 78 requirement (Appendix III of Annex I), an Oil Record
284 Book.

285 For the purpose of this clause the charter is deemed to commence when the
286 vessel sails for Charterers port of loading (or such other place where the
287 loading will take place) or if the vessel is unemployed at the time of the fixing
288 from the time the fixing is concluded and ceases when the vessel tenders
289 notice of readiness at the port which follows on Charterers final port of
290 discharge.

29. P&I INSURANCE

291 Owners warrant that they carry customary Protection and Indemnity cover
292 including cover for oil pollution with a maximum cover of USD 1 billion
293 (although oil pollution cover shall never exceed what is possible to cover via
294 PANDI club belonging to the International Group) which cover shall remain
295 in effect for the duration of this charter. Provided Charterers so request, the
296 charter is subject to the confirmation by the Owners PANDI club that the
297 vessel is held covered as aforesaid for the duration of the intended voyage and
298 that the club waives its pay to be paid rule if any, which confirmation, shall be
299 at hand at Charterers within 1 working day from the time of the fixing.

30. DRUG AND ALCOHOL CLAUSE

300 Owners warrant that they have a policy on Drug and Alcohol abuse ("Policy")
301 applicable to the vessel which meets or exceeds the standards in the OCIMF
302 latest edition guidelines for the "Control of Drugs and Alcohol onboard
303 Ship" and that Charterers inspector is entitled to inspect the program as well
304 as the various equipment used for the benefit of the policy. By breaching this
305 warranty, Owners are liable for all damages, cost and expenses and / or loss of
306 profit whether direct or indirect which Charterers may suffer as a result of the
307 said breach.

31. I.T.O.P.F. CLAUSE

308 Owners warrant that the vessel is enrolled in the International Tanker Owners
309 Pollution Federation (ITOPF) and that it will be so enrolled for the duration of
310 this Charter and further that the vessel similarly carries onboard a CLC-
311 certificate under the Civil Liability Convention of 1969, as amended 1992.

32. SMALL CLAIMS ARBITRATION

312 Dispute(s) under this charterparty and where the disputed capital amount is
313 less than about USD 50.000, interest not included, or its equivalent in other
314 currencies, can, if the aggrieved party so chooses, be decided in London under

315 LMAA's (London Maritime Arbitrators Association) small claims procedural
316 rules, which panel shall apply English law.

33. ADDRESS COMMISSION

317 An address Commission of 1,25% on all freight and demurrage due under the
318 charter is payable to Preem AB.

34. LOGBOOKS

319 Charterers are entitled to inspect vessel's logbooks (deck, machinery, oil and
320 radio), past and present, and Owners undertake to make these logbooks
321 available to Charterers, wherever specifications issued by Owners and/or
322 Class, and / or Repairyard and also to the records of the vessel's classification
323 society.

35. VESSEL VETTING

324 Owners further warrant that the OCIMF "Vessel Particular Questionnaire",
325 not older than 6 months, for the vessel is registered in the OCIMF Sire
326 programme and that a valid SIS-3 questionnaire is continuously updated.

327 Owners agree, that any report issued by an OCIMF Accredited Inspector, on
328 behalf of Preem AB, may be stored by Charterers in the OCIMF Sire
329 programme, computerized retrieval system for the benefit of the participants of
330 OCIMF, and Owners shall not be entitled to claim for damages from
331 Charterers and / or the Surveyor and / or OCIMF for any information
332 contained in the report, provided the report was issued and / or the information
333 included in good faith.

36. EARLY LOADING CLAUSE

334 If, with Charterers prior agreement, the vessel loads earlier than
335 commencement of laydays then Charterers shall have the benefit of such time
336 saved when calculating laytime and / or demurrage at subsequent ports of call,
337 and / or waiting places en route between ports. Such benefit shall be the time
338 between commencement of loading until the commencement of the original
339 laydays.

37. INTERNATIONAL SHIP & PORT FACILITY SAFETY (ISPS) CODE

340 Owner's warrant that the vessel at all times comply with the International
341 Ship & Port Facility Safety Code (ISPS).

342 Owners shall comply with obligations imposed upon it or the vessel under the
343 ISPS code and any other law and regulations relating to the security of the
344 vessel and port, as in force and of mandatory application to the vessel or
345 port(s) at the date of this charter.

346 The Owner shall upon request promptly provide the Charterer with a copy of
347 the International Ship Security Certificate issued under the ISPS code and full
348 details of the Company Security Officer

349 The Charterer shall promptly provide the following information so that the
350 Owner may comply with any requirements arising in relation to the
351 application of the relevant Security Regulations.

352 a/ the identity and contact details of all parties to any contracts relating to the
353 vessel and her employment, entered into by the Charterer.

354 b/ the identity and contact details of any personnel, other than those direct

355 emptied by the Owner.

356 c/ any other relevant information relating to the vessel's cargo or its
357 employment requested by the Owner.

358 Any loss, damage, expense or delay caused by the failure on the part of
359 vessel or the "the Company", to comply with the ISM Code shall be for
360 Owners account.

38. CHARTERER'S MAIL.

361 The Master and Owners shall be obliged to carry Charterers mail from
362 loadport(s) to dischargeport(s) and there, in return of a receipt of delivery,
363 deliver such mail to the party specifically nominated by Charterer.

39. ACCIDENTS TO VESSEL AND / OR CARGO.

364 In the event of an incident as described below, notification must be made:

- 365 - An incident which might or has put at risk the lives of persons and/or the safety
366 of the vessel and/or the environment and whose consequences have or might
367 involve any Preem company, third parties, governments or the media.
- 368 - A loss of primary containment of oil, gas (LNG/LPG), chemicals or bulk cargo
369 owned by Preem or at a Preem facility, or from a ship managed or chartered
370 by Preem.
- 371 - A significant delay to any ship whose charter, cargo or berth involves Preem.
- 372 - A serious incident of alleged noncompliance where regulator have or may
373 become involved.
- 374 - A security incident including a suspicious piracy approach or piracy attack.

375 Notification should be made as early as is practical and when safe to do so,
376 in the following order of priority:

377 By telephone, followed by e-mail to:

378	Vetting dept.	
379	+46 10 450 1098 & +46 10 450 1451	All segments
380	E-mail: vetting@preem.se	All segments

381 The following information must be included in the notification message:

- 382 - Name and IMO number of the vessel
- 383 - Type of incident (include estimated extent of damage)
- 384 - Local time, date and geographical location of the incident
- 385 - Number of casualties (if any)
- 386 - Whether or not the vessel is able to continue the voyage, and expected
387 duration of delay (if any).

388 In the event of an oil/chemical/gas spill, the message must also include:

- 389 - Type of oil/chemical/gas spilled
- 390 - Estimated quantity spilled / rate of spill if continuing
- 391 - Cause of spill (if known)
- 392 - Whether clean-up has been attempted, either by ship or third party

393 The foregoing requirements are in addition to any casualty reporting procedure
394 system vessel's owners / managers may have.

40. DOCUMENT OF COMPLIANCE

395 Owners warrant that the vessel shall have onboard at all times a valid
396 International Safety Management Certificate.

PREEM AB

397 Owners shall procure that throughout the duration of the charter period,
398 both the vessel and “the Company “ as defined by the ISM Code fully
399 comply with the requirements of the code, and shall upon request provide
400 a copy of a valid ISM Certificate and also a Document of Compliance to
401 charterers.

41. ADMINISTRATION CLAUSE

402 Charterparty terms and conditions are evidenced by the fixing confirmation
403 sent by the Broker. Both Parties shall each confirm their approval of the fixing
404 confirmation by return message to the Broker after all subjects lifted. The
405 Broker shall then confirm receipt of said confirmation to both parties. Unless
406 requested in writing by either Party, there shall be no formal written and
407 signed Charter Party.

End of Clauses Section 1

SECTION 2

A. CRUDE OIL WASHING CLAUSE

408 Owners warrant that the Vessel is equipped for Crude Oil Washing (COW)
409 operations and will comply with international, national and local requirements
410 as well as with Charterers specific crude oil washing instructions. If requested
411 by Charterer, vessel will conduct full COW of all tanks containing cargo
412 concurrent with cargo discharge operations. In the event that COW is
413 required / requested, the warranted maximum discharge time shall be
414 increased by eight (8) hours if all cargo tanks are washed, or pro rata if a lesser
415 number of tanks are washed.

416 Owners warrant that the vessels officers are trained and qualified for the
417 operation of COW. Owners further warrant that a log is kept during the COW
418 operation and that Owner will provide a copy signed by the Master to
419 Charterers.

420 If COW cannot be used as instructed by Charterers, they shall be notified
421 promptly and provided with an explanation as to the inability to perform COW
422 and insofar that such inability is occasioned by fault of the vessel (either
423 technical and / or in the handling of the system) Owners agree to indemnify
424 Charterers' for any and all direct and / or indirect (consequential) costs,
425 expenses or losses suffered by Charterers due to such inability. Charterers and
426 / or terminal operator may at any time interrupt COW in order to vacate berth.

B. INERT GAS CLAUSE

427 Owners warrant that the inert gas system is fully operational and maintained
428 in good repairs. Master further agrees to depressurize inerted cargo tanks, if
429 necessary, in order to ullage cargo volumes on board. Time used for
430 depressurizing shall count as laytime and / or demurrage if the vessel is on
431 demurrage. Inerting of cargo tanks shall conform with latest safety and
432 security regulations in force, including but not limited to recommendations
433 issued by IMO, OCIMF or ICS.

C. SPEED CLAUSE

434 The vessel shall perform the ballast passage with utmost dispatch and the
435 laden passage at (xx xx) knots weather and safe navigation permitting.
436 Charterers shall have the option to request the vessel to increase speed with
437 Charterers reimbursing Owners for the additional bunkers consumed, at
438 replacement cost.

439 Charterers shall also have the option to request the vessel to reduce speed on
440 laden passage. Additional voyage time shall count against laytime or
441 demurrage, if on demurrage, and the value of any bunkers saved shall be
442 deducted from any demurrage claim Owners may have under this Charter with
443 the value being calculated at original purchase price.

444 Owners shall provide documentation to fully support the claims and
445 calculations under this clause.

D. LIGHTERING EXECUTION CLAUSE

446 Charterers option to lighter the vessel via ship to ship transfer, in accordance
447 with ICS / OCIMF ship to ship transfer guide including latest amendments,

PREEM AB

448 (weather permitting and subject to Masters approval which not to be
449 unreasonably withheld) at anchor or underway off any port in the discharge
450 port range specified in Sect D of Part 1 (one) of this Charter Party. Charterers
451 to provide all fenders, hoses and equipment necessary to perform lighterage
452 operation. Owners to agree to allow supervisory personnel on board, including
453 mooring master to assist in the performance of lightering operations.

454 Charterer shall be responsible for damage to the vessel resulting from the
455 lightering operation except in the case of negligence on the part of the the
456 Owners, Masters and/or Crew. All time consumed from vessel's arrival at
457 lightering location to hoses off following lightering to count as used laytime.
458 load port (s) to the actual final discharge port (s). The lightering station shall
459 Freight payment is to be based on entire cargo quantity loaded from actual
460 not count as a second discharge port or second discharge berth in the
461 computation of freight rate from published Worldscale rates.

462 Any deviation from normal route and all time consumed etc to count as used
463 laytime. Compulsory extra insurance, if any, for lighterage to be for Charterers
464 account. Extra bunkers consumed to be for Charterers' account.

E. TANK STRIPPING CLAUSE

465 It is agreed that the vessel's cargo tanks shall be stripped subsequent a
466 complete lightering operation, if compatible with the vessel's safety.

F. LIGHTERING STABILITY CLAUSE

467 Owner guarantees vessel is capable of and will maintain a safe and reasonable
468 stability during and after the lighterage operation.

G. ARAB CLAUSE

469 Owner's guarantee that the vessel is not Arab blacklisted.

H. EARLY DEPARTURE CLAUSE

470 Owners agree to use early departure procedure (EDP) in Arabian Gulf ports
471 and in other loading port (s) wherever this procedure is customary.

I. HYDROGEN SULPHIDE CLAUSE

472 Owner/Master to confirm cargo tanks do not contain concentrations of H₂S or
473 mercaptans in excess of the threshold limit value (TLV) and advise
474 concentrations within individual tanks. Owners also confirm that H₂S
475 monitoring equipment is held on board.

476 Maximum permitted levels are currently as follow:

477 H₂S: 5 Parts per million (PPM)

478 Mercaptans: 0.5 Parts per million (PPM)

End of Preem Clauses