

LNG CARRIER VOYAGE CHARTER PARTY

BETWEEN

AS OWNER

AND

AS CHARTERER

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LNG CARRIER VOYAGE CHARTER PARTY

DATE: [Insert date]

It is this day agreed between **[Insert company name, address and number of registration]** ("Owner"), being the [disponent] owner(s) of the LNG vessel called **[Insert the name of the Vessel ("Vessel")]** and **[Insert company name, address and number of registration]** ("Charterer") that the transportation herein provided for will be performed subject to the terms and conditions of this Charter, which includes this Preamble, Part I, Part II and Appendix A. In the event of a conflict, the provisions of Part I will prevail over those contained in Part II, both of which will prevail over Appendix A.

PART I

A. VESSEL DESCRIPTION

Refer to Form C attached hereafter as Appendix A.

B. DELIVERY OF VESSEL WITHIN THE LAYCAN

The Vessel's current position is **[Insert current location]**.

The Owner expects the Vessel to arrive at the Loading Port at **[Insert time]** on **[Insert date]** (the "**Expected Arrival Date**").

The laycan (the "**Laycan**") shall be as follows:

Commencing: **[Insert the date]** at **[Insert the hour]** hours Local Time (the "**Commencing Date**")

Cancelling: **[Insert the date]** at **[Insert the hour]** hours Local Time (the "**Cancelling Date**").

The Vessel shall be deemed arrived at the Loading Port when the Owner has issued the NOR in conformity with the requirements of Section 3 Part II.

Should the Vessel not be ready to load by the Cancelling Date, Charterer shall have the option (but not the obligation) immediately to cancel this Charter unless the Vessel has

been delayed due to Charterer's change of orders in which case the Laycan shall be extended by the period of such delay.

Should Owner become aware of any change to the Expected Arrival Date in excess of **[Insert number of [x] hours]**, Owner shall immediately notify the Charterer of such change.

Should the Owner become aware that the Vessel will not arrive by the Cancelling Date, Owner will immediately give notice to Charterer declaring a new Expected Arrival Date and ask Charterer to elect whether or not to cancel this Charter.

Within **[Insert number of days]** days of receipt of such notice, Charterer shall either:

- (i) cancel this Charter;
- (ii) confirm a revised Laycan which shall be amended such that the new Expected Arrival Date and hour stated by Owner shall be the Commencing Date and the second day thereafter, at the same hour, shall be the Cancelling Date; or
- (iii) agree a new Laycan or an extension to the Laycan.

If Charterer fails respond to such notice within **[Insert number of days]** days, Charterer shall be deemed to have irrevocably elected option (ii) above.

Cancellation or failure to cancel shall be entirely without prejudice to any claim for damages Charterer may have for the Vessel not being ready to load by the original Cancelling Date stated in this Clause.

C. LOADING PORT

One safe port **[Insert the port or the optional ports where the Vessel must be delivered]**

For information only, the estimated date/time of departure from the Loading Port is:
[Insert date(s) and time]

D. DISCHARGING PORT

One safe port **[Insert the port or the optional ports]**

For information only, the unloading window for arrival at the Discharging Port shall be:

[Insert date(s) and time]

E. CARGO

Liquefied Natural Gas (“LNG”) not exceeding a specific gravity of 0.50.

The Vessel [**shall / shall not**] complement natural boil-off with forced boil-off to steam at the required Service Speed as set out in Appendix A.

F. TANKS' CONDITION

Owner and Charterer shall agree that in Clauses F1 and F2, either paragraphs (a) or paragraphs (b) shall apply. The non-applicable paragraph shall be struck-through and the change initialed at the time of execution of this Charter.

F.1. Before loading

- (a) The Vessel shall arrive at the Loading Port with her cargo spaces in a cold and ready to load condition. The Vessel shall be capable of maintaining such condition for **[Insert number of hours]** hours from service of NOR. Should the Vessel fail to arrive or maintain her cargo tank condition as specified herein, Charterer shall make additional LNG cargo available to the Vessel to purge and/or cool down as necessary to permit loading; however, the cost and time used to load any such additional LNG and to cool the Vessel's cargo tanks to loading temperature shall be for Owner's account.
- (b) The Vessel shall arrive at the Loading Port with her cargo spaces under an atmosphere of **[inert gas / natural gas]**. Charterer shall make available to the Vessel any LNG as may be required to purge (gas-up) the cargo spaces with natural gas and/or to cool down the Vessel's tanks in preparation for loading. The cost of such LNG for purging (gassing-up) and cooling down shall be for Charterer's account. The time required for purging (gassing up) or cooling down shall be for **[Owner's / Charterer's]** account, **[except for delays caused by the terminal which shall be for Charterer's account]**.

F.2. After unloading

Option 1: The Vessel shall be entitled to retain up to **[Insert the number of cubic meters]** cubic meters of LNG cargo as “heel” upon completion of discharge for the purposes of tank temperature maintenance in the following ballast passage.

Option 2: The Vessel shall not be entitled to retain any pumpable liquid heel upon completion of discharge. If non-pumpable LNG is remaining in tanks, Owner shall pay this non-pumpable LNG as per LNG Compensation hereafter.

G. LNG COMPENSATION

Wherever pursuant to this Charter any LNG Compensation is due by Owner to Charterer, it shall be calculated in accordance with the following LNG price: **[Insert the price]**/MMBTU).

H. FREIGHT

Option 1: **[Insert the lump sum freight, all inclusive]**

Option 2: **[Insert an amount, not including fuel costs which will be calculated and duly documented by Owner at the end of the voyage and paid by Charterer in addition to the amount above]**

Freight shall be deemed earned upon loading.

I. BILLING

Freight, demurrage and any other monies payable to Owner pursuant to this Charter shall be payable in **[Insert currency]** and invoiced to Charterer at:

[Insert address for billing]

and paid to Owner's designated bank account:

Bank: **[Insert]**

Account No.: **[Insert]**

Other Information: **[Insert]**

An advance partial payment of the Freight, in the amount of **[Insert a percentage of the lump sum freight]** shall be paid to Owner without deduction or set off upon the Vessel's arrival at the Loading Port in the Laycan Period. The balance of the Freight shall be payable without deduction or set off, subject to any freight/fuel calculation set out at Clause H, above, upon completion of discharge as evidenced by the unloading certificate.

J. LAYTIME

The total laytime for loading and unloading the cargo shall be: **[Insert the number of running hours]**

See furthermore Section 3, Part II

K. DEMURRAGE

Charterer shall pay to Owner for each day exceeding the total laytime a demurrage rate of **[Insert the demurrage rate]** per day and pro rata for any portion of a day.

L. CARGO MEASUREMENT

All cargo measurement hereunder for the calculation of Freight or any warranties, hereunder, related to cargo or heel volumes shall be determined from the final custody transfer documentation, certifying measurements taken on board the Vessel immediately before and after cargo transfer at the Loading and Discharging Ports, as applicable. Such measurements shall be witnessed (signed) by both the Vessel and the terminal providing or receiving the cargo. Charterer may provide its own representatives to be present at any custody transfer measurement applicable to cargo carried hereunder. Custody transfer measurements shall be carried out following the recommendation of GIIGNL custody transfer handbook and in accordance with standard industry practice.

M. BOIL-OFF

The Vessel shall be entitled to use all natural boil-off from the LNG cargo as fuel under the Vessel's boilers. Such boil-off shall be provided by Charterer without cost to Owner subject to the following warranties:

- (i) Owner warrants that any boil-off (whether natural or otherwise) shall not exceed

[**Insert total boil-off cap**] during the period from dropping last outward pilot at the Loading Port and service of NOR at the Discharging Port (such period hereinafter referred to as the "**Sea Passage**") and

- (ii) Owner warrants that at all times other than during the Sea Passage, the natural boil-off shall not exceed [**Insert the boil-off rate**] percent ([**Insert the boil-off rate**]%) of the Vessel's gross capacity per day.

Any boil-off in excess of the above warranties shall be paid for by Owner as LNG Compensation in accordance with Section G, Part I hereof save where Charterer has instructed Owner to force boil-off in which case the amount of such forced boil-off shall be provided by Charterer without cost to Owner.

The actual amount of boil off during Sea Passage shall be calculated by subtracting the volume of LNG contained in the Vessel's tanks at gauging after Sea Passage at the Discharging Port from the volume therein at gauging before Sea Passage at the Loading Port.

N. LOADING AND UNLOADING RATES

Owner warrants that the Vessel shall be capable of loading and discharging the cargo as follows:

- (i) a full cargo may be loaded within [**Insert the number of hours**] if the Vessel's cargo tanks are at or below the tank design temperature for commencement of loading, excluding the time for connecting; disconnecting; cooling down; topping up and custody transfer measurement, and provided that the loading terminal is capable of pumping at least [**Insert the number of cubic meters**] cubic meters of LNG per hour to the Vessel at not less than [**3.0 bar**] (gauge) pressure at the flange connection between ship and terminal utilizing a minimum of two liquid loading arms, and provided that the terminal is capable of receiving all return vapour from the Vessel that may be generated when loading the Vessel at the above specified flow rate of LNG;
- (ii) a full cargo may be discharged within [**Insert the number of hours**], excluding the time for connecting; disconnecting; cooling down; starting up pumps; ramping up;

ramping down for stripping at end of discharge and custody transfer measurement, and provided that the discharge terminal is capable of receiving LNG at a rate of at least [**Insert the number of cubic meters**] cubic meters of LNG per hour with a back pressure at the flange connection between ship and terminal not exceeding [**100 meters**] of liquid LNG of specific gravity of 0.5 utilizing a minimum of two liquid unloading arms. The terminal must also be capable of providing sufficient return vapour to the Vessel to compensate for the displacement of the LNG being discharged from the Vessel.

PART II

1. DESCRIPTION AND CONDITION OF VESSEL

1.1 Owner warrants that at the time that Owner is obliged to proceed to the Loading Port:

- (i) the Vessel shall be classed by a Classification Society, which is a member of the International Association of Classification Societies;
- (ii) she shall be insured with reputable insurance underwriters to a level and extent which is not less than would generally be taken out on vessels of her type, including hull and machinery, protection and indemnity, pollution and such other coverage as is customary in the LNG industry. The Vessel shall be entered in the P&I Club, being a member of the International Group of P&I Clubs.
- (iii) if she is twenty years old or over she shall have and maintain a LNG Condition Assessment Program (“**CAP**”) of not less than 2 (two);
- (iv) she shall be in every way fit to load, carry, discharge and measure LNG in international trade;
- (v) she shall be tight, staunch, strong, in good order and condition, and in every way fit for the service, with her machinery, boilers, hull and other equipment (including but not limited to hull stress calculator, radar, computers and computer systems) in a good and efficient state;
- (vi) all her tanks, valves and pipelines shall be liquid and gas tight;
- (vii) she shall have all her cargo measuring equipment and instrumentation calibrated and certified in accordance with the requirements of the Vessel’s Classification Society;
- (viii) she shall have her insulation spaces prepared as per her containment system design conditions;
- (ix) she shall comply with the regulations in force so as to enable her, if her

size permits, to pass through the Suez Canal and Panama Canal;

- (x) she shall have on board all certificates, documents and equipment required from time to time by any applicable law to enable her to perform the charter service without delay. For the avoidance of doubt this will include, but will not be limited to, the Vessel's Certificate of Financial Responsibility;
 - (xi) she shall comply with the description appended hereto as Appendix A;
 - (xii) her ownership structure, flag, registry, classification society and management company shall not be changed during the execution of this charter-party;
- 1.2 Owner warrants that it shall exercise due diligence to ensure that the requirements of Clause 1.1 remain satisfied for the duration of the Charter period.
- 1.3 Owner guarantees that it will operate:
- (i) a safety management system certified to comply with the International Safety Management Code (“**ISM Code**”) for the Safe Operation of Ships and for Pollution Prevention;
 - (ii) a documented safe working procedures system (including procedures for the identification and mitigation of risks);
 - (iii) a documented environmental management system;
 - (iv) a documented accident/incident reporting system compliant with flag state requirements;
- 1.4 Owner shall maintain Health Safety Environmental (“**HSE**”) records sufficient to demonstrate compliance with the requirements of their HSE system and of this charter.
- 1.5 Owner warrants that at the time that Owner is obliged to proceed to the Loading Port:
- (i) the Vessel shall have a full and efficient complement of master, officers and crew for a vessel of her tonnage, who shall in any event be not less

than the number required by the laws of the flag state and who shall be trained to operate the Vessel and her equipment competently and safely and in accordance with generally accepted international standards for LNG vessels;

- (ii) all shipboard personnel shall hold valid certificates of competence in accordance with the requirements of the law of the flag state and IMO's SOLAS consolidated editions 2004 including later amendments;
- (iii) all shipboard personnel shall be trained in accordance with the relevant provisions of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1995 or any additions, modifications or subsequent versions thereof;
- (iv) there shall be on board sufficient personnel with a good working knowledge of the English language to enable cargo operations at loading and discharging places to be carried out efficiently and safely and to enable communications between the Vessel and those loading the Vessel or accepting discharge therefrom to be carried out quickly and efficiently. Owner shall ensure that the Vessel's master and chief officer have attended a ship handling course acceptable to Charterer and a bridge resource management course in accordance with the guidelines set by IMO.;
- (v) the terms of employment of the Vessel's staff and crew will always remain acceptable to the International Transport Worker's Federation and the Vessel will at all times carry a blue card;
- (vi) the manning level and nationality of the Vessel's officers given in the Appendix A referred to in Clause 1.5 (iv) will not change without Charterer's prior agreement which shall not be unreasonably withheld.

1.6 Owner warrants that it shall exercise due diligence to ensure that the requirements of Clause 1.5 remain satisfied for the duration of the Charter period.

1.7 Owner shall keep a strict account of all cargo loaded, boil-off, and cargo

discharged.

- 1.8 Owner warrants that the Vessel has had a SIRE inspection and approval within the last [six (6) or **Insert other number**] months.
- 1.9 Owner warrants that any information provided on any questionnaire(s) requested by Charterer or any other Vessel information/details provided by Owner to Charterer is always complete and correct as at the date hereof, and from the time when the obligation to proceed to the Loading Port attaches and throughout the charter period. This information is an integral part of this Charter but if there is any conflict between the contents of the questionnaire(s), or information provided by Owner, and any other provisions of this Charter then the provisions of this Charter shall govern.

2. WARRANTY - VOYAGE – CARGO

The Vessel shall with all convenient dispatch, proceed as ordered to Loading Port(s) named in accordance with Sections C and D in Part I hereof, or so near thereunto as she may safely get (always afloat), and being sea worthy, and having all pipes and pumps in good working order, and being in every respect fitted for the voyage and for calling and handling cargoes at both loading and unloading ports, shall load (always afloat) from the instructions of Charterer a full and complete cargo of LNG, not exceeding what she can reasonably stow and carry over and above her bunker fuel, consumable stores, boiler feed, culinary and drinking water, and complement and their effects, and being so loaded shall forthwith proceed, as ordered on signing bills of lading, direct to the Discharging Port(s), or so near thereunto as she may safely get (always afloat), and deliver said cargo. If a specific cargo pressure or temperature is requested by Charterer, Owner shall, within the safe constraints of vessel design and certification, exercise due diligence to maintain the parameters requested.

3. **NOTICE OF READINESS AND LAYTIME**

Upon arrival at the pilot boarding station or customary anchorage at each port of loading or discharge, the master or his agent shall give the terminal and Charterer or his agent notice by email and/or fax that the Vessel has arrived (“**Notice of Readiness**” or “**NOR**”). By giving NOR, Owner warrants that the Vessel is ready to load or discharge her cargo and that the Vessel's tanks are in the condition specified in Part 1 Clause F hereof. Such Notice of Readiness shall not be given, without Charterer’s sanction, before the Commencement Date in connection to the loading.

Notice of Readiness may not be served at the Discharge Port before commencement of the unloading window. Any Notice of Readiness served before that date will not take effect until re-served on or after that date.

Laytime, as provided in Section J Part I (“**Laytime**”), shall commence upon the expiration of six (6) hours after proper issuance of such Notice of Readiness.

Laytime shall end at the Loading Port after completion of loading on dropping outward pilot and at Discharging Port after completion of discharge on disconnection of cargo hoses.

Any delay due to the Vessel's condition or breakdown or inability of the Vessel's facilities to cool down, load or discharge cargo shall not count as used Laytime.

4. **DEMURRAGE**

Charterer shall pay demurrage per running day and pro rata for a part thereof at the rate specified in Part I for all time that loading and discharging and used Laytime as elsewhere herein provided exceeds the allowed Laytime elsewhere herein specified. Charterer shall not be liable for any demurrage for delay caused by reason of fire, explosion, storm, strike, lockout, stoppage or restraint of labor or by breakdown of machinery or equipment in or about the plant of Charterer, supplier, shipper or consignee of the cargo not resulting from negligence on their part or on the part of their servants or agents, or caused by strike, lockout, stoppage or restraint of labor

for master, officers and crew of the Vessel or tugboat or pilots or any other cause whatsoever beyond the control of Charterer. Any demurrage payable by Charterer shall be paid at the same time and in the same manner as the final Freight payment hereunder.

5. SAFE BERTHING – SHIFTING

The Vessel shall load and discharge at any safe place or wharf, or alongside vessels, reachable on her arrival, which shall be designated and procured by Charterer, provided the Vessel can proceed thereto, lie at, and depart always safely afloat. Charterer shall have the right of shifting the Vessel at Loading and/or Discharging Ports from one safe berth to another on payment of all towage and pilotage shifting to next berth, charges for running lines on arrival at and leaving that berth, additional agency charges and expense, customs overtime and fees, and any other extra port charges or port expenses incurred by reason of using more than one berth. Time consumed on account of shifting shall count as used Laytime.

6. LOADING AND DISCHARGING

The cargo shall be pumped into and out of the Vessel at the expense, risk and peril of Charterer as far as the loading and/or discharging terminal's permanent ship/shore connections are concerned, and shall be pumped into and out of the Vessel at the expense, risk and peril of Owner as far as the Vessel's permanent ship/shore connections are concerned. The Vessel shall supply her pumps and the necessary power for discharging in all ports, as well as necessary hands. All overtime of officers and crew incurred in loading and/or discharging shall be for account of Owner.

Charterer shall furnish, or cause to be furnished, the necessary loading arms or hoses for loading and discharging and such arms or hoses shall be connected and disconnected under the control of Owner at Charterer's expense.

7. MARINE SURVEYOR

Charterer has the right to appoint a Marine Surveyor(s) in order, notably, to make a vetting inspection of the Vessel at any time prior to commencement of Loading including at any previous port according to, notably, the recommendations and guidelines of the Oil Companies International Marine Forum (OCIMF). All relevant documentation required by the Marine Surveyor(s) shall be communicated promptly to the Marine Surveyor. Charterer shall pay all expenses relating to the work undertaken by the Marine Surveyor(s). Provided that Charterer has provided to Owner prior to the fixture of the Vessel the criteria that shall be used for vetting purposes, should the survey of the Marine Surveyor(s) lead to a negative vetting recommendation on the Vessel by the vetting department of Charterer or any other competent authority, Charterer shall have the option to cancel this Charter and all Freight paid or advanced by Charterer to Owner, if any, shall be promptly refunded.

8. DUES AND OTHER CHARGES

Dues and other charges levied upon the Vessel, howsoever assessed, shall be paid by Owner. Dues and other charges upon the cargo shall be paid by Charterer.

9. CARGOES EXCLUDED

Only Liquefied Natural Gas (LNG) cargoes shall be loaded on the Vessel. Such cargo shall not exceed a specific gravity of 0.50, nor have a temperature lower than -163 °C.

10. GENERAL EXCEPTIONS CLAUSE

The Vessel, her master and Owner shall not, unless otherwise in this Charter expressly provided, be responsible for any loss or damage, or delay or failure in performing hereunder arising or resulting from: - any act, neglect, default or barratry of the master, pilots, mariners or other servants of Owner in the navigation of the Vessel; fire, unless caused by the fault of Owner; collision, stranding or peril, danger or accident of the sea or other navigable waters; saving or attempting to save

life or property; or any loss or damage arising from inherent defect, quality or vice of the cargo; any act or omission of Charterer or Owner, shipper or consignee of the cargo, their agents or representatives; explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, equipment or machinery, unless caused by the fault of Owner; unseaworthiness of the Vessel unless caused by want of due diligence on the part of Owner to make the Vessel seaworthy or to have her properly manned, equipped and supplied; or from any other cause of whatsoever kind arising without the actual fault of Owner.

And neither the Vessel nor master or Owner, nor Charterer, shall, unless otherwise in this Charter expressly provided, be responsible for any loss or damage or delay or failure in performing hereunder, arising or resulting from: Act of God; act of war; perils of the sea; act of public enemies, pirates or assailing thieves; arrest or restraint of princes, rulers or people; or seizure under legal process provided bond is promptly furnished to release the Vessel or cargo; strike or lockout or stoppage or restraint of labor from whatever cause, either partial or general; or riot or civil commotion.

11. BILLS OF LADING

The master, although appointed by Owner, shall be under the orders and directions of Charterer as regards the bills of lading, without prejudice to this Charter. Charterer hereby indemnifies Owner against all consequences or liabilities that may arise from signing bills of lading in accordance with the directions of Charterer or their agents, to the extent that the terms of such bills of lading fail to conform to the requirements of this Charter.

12. CLAUSE PARAMOUNT

The following Clause shall be included in all bills of lading issued pursuant to this Charter:

- (1) Subject to sub-clause (2) or (3) hereof, this bill of lading shall be governed by, and have effect subject to, the rules contained in the International Convention

for the Unification of Certain Rules relating to bills of lading signed at Brussels on 25th August 1924 (hereafter the "**Hague Rules**") as amended by the Protocol signed at Brussels on 23rd February 1968 and by the Protocol signed at Brussels on 21st December 1979 (hereafter the "**Hague-Visby Rules**").

- (2) If proceedings are brought before a court or tribunal which adjudges the Hague Rules or national legislation giving effect to such Rules compulsorily applicable to this bill of lading, then this bill of lading shall have effect subject to such Rules or legislation. Nothing herein contained shall be deemed to be either a surrender by the carrier of any of his rights or immunities or an increase of any of his responsibilities or liabilities under the Hague Rules or such legislation.
- (3) If proceedings are brought before a court or tribunal which adjudges the United Nations Convention on the Carriage of Goods by Sea signed at Hamburg on 31st March 1978 (hereafter the "**Hamburg Rules**") or national legislation giving effect to such Rules compulsorily applicable to this bill of lading, then this bill of lading shall have effect subject to such Rules or legislation. Nothing herein contained shall be deemed to be either a surrender by the carrier of any of his rights or immunities or an increase of any of his responsibilities or liabilities under the Hamburg Rules or such legislation.
- (4) If any term of this bill of lading is repugnant to the Hague-Visby Rules, or Hague Rules or Hamburg Rules, or legislation giving effect to such Rules, if applicable, such term shall be void to that extent but no further.
- (5) Nothing in this bill of lading shall be construed as in any way restricting, excluding or waiving the right of any relevant party or person to limit his liability under any available legislation and/or law.

13. NEW JASON CLAUSE

In the event of accident, danger, damage or disaster before or after the commencement of the voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequence of which, the carrier is not

responsible by statute, contract or otherwise, the cargo, shippers, consignees or owners of the cargo shall contribute with the carrier in general average to the payment of any sacrifices, losses or expenses of a general average nature that may be made or incurred and shall pay salvage and special charges incurred in respect of the cargo.

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

14. GENERAL AVERAGE

General Average shall be adjusted, stated and settled according to York/Antwerp Rules 1974, as amended 1994, and, as to matters not provided for by those rules, according to the laws and usages of the jurisdiction specified in Part 2, Clause 23 of this Charter. If a General Average statement is required, it shall be prepared in the jurisdiction specified in Part 2, Clause 23 of this Charter, unless otherwise mutually agreed, by an Adjuster appointed by Owner and approved by Charterer. Such Adjuster shall attend to the settlement and the collection of the General Average, subject to customary charges. General Average Agreements and/or security shall be furnished by Owner and/or Charterer, and/or Owner and/or consignee of cargo, if requested. Any cash deposit being made as security to pay General Average and/or salvage shall be remitted to the Average Adjuster and shall be held by him at his risk in a special account in a duly authorized and licensed bank at the place where the General Average statement is prepared.

15. BOTH TO BLAME

If the liability for any collision in which the Vessel is involved while performing this Charter fails to be determined in accordance with the laws of the United States of America, the following provision shall apply:

“If the ship comes into collision with another ship as a result of the negligence of the other ship and any act, neglect or default of the master, mariner, pilot or the servants of the carrier in the navigation or in the management of the ship, the 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 the said cargo, paid or payable by the other or non carrying ship or her owners to the owners of the 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 ship 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.”

16. LIMITATION OF LIABILITY

Any provision of this Charter to the contrary notwithstanding, Owner shall have the benefit of all limitation of, and exemptions from, liability accorded to Owner or Chartered Owner of vessels by any statute or rule of law for the time being in force.

17. WAR RISKS

(a) If, after entering into the charter any port of loading or of discharge named in this Charter or to which the Vessel may properly be ordered pursuant to the terms of the bills of lading be blockaded, or (b) If owing to any war, hostilities, warlike operations, civil war, civil commotions, revolutions or the operation of international law (i) entry to any such port of loading or of discharge or the loading or discharge of cargo at any such port be considered by the master or Owner in his or their discretion, acting reasonably, dangerous or prohibited or (ii) it be considered by the master or Owner in his or their discretion, acting reasonably, dangerous or impossible for the Vessel to reach any such port of loading or discharge - Charterer shall have the right to order the cargo or such part of it as may be affected to be loaded or discharged at any other safe port of loading or of

discharge within the range of loading or discharging ports respectively established under the provision of the Charter (provided such other port is not blockaded or that entry thereto or loading or discharge of cargo thereat is not in the master's or Owner's discretion dangerous or prohibited). If in respect of a port of discharge no orders be received from Charterer within [**Insert number of days**] days after he or its agents have received from Owner a request for the nomination of a substitute port, Owner shall then be at liberty to discharge the cargo at any safe port which they or the master may in their or his discretion decide on (whether within the range of discharging ports established under the provisions of the Charter or not) and such discharge shall be deemed to be due fulfillment of the contract or contracts of chartering so far as cargo so discharged is concerned. In the event of the cargo being loaded or discharged at any such other port within the respective range of loading or discharging ports established under the provisions of the Charter, the Charter shall be read in respect of Freight and all other conditions whatsoever as if the voyage performed were that originally designated. In the event, however, that the Vessel discharges the cargo at a port outside the range of discharging ports established under the provisions of the Charter, Freight shall be paid as for the voyage originally designated and all extra expenses involved in reaching the actual port of discharge and or discharging the cargo there at shall be paid by Charterer or cargo owners. In the latter event Owner shall have a lien on the cargo for all such extra expenses. The Vessel shall have liberty to comply with any directions or recommendations as to departure, arrival, routes, ports of call, stoppages, destinations, zones, waters, delivery or in any otherwise whatsoever given by the government of the nations under whose flag the Vessel sails (provided the flag is not changed after entering into the charter) or any other government or local authority including any de facto government or local authority of any such government or authority or by any committee or person having under the terms of the war risks insurance on the Vessel the right to give any such directions or recommendations. If by reason of or in compliance with any such directions or recommendations, anything is done or is not done such shall not be deemed a deviation.

If by reason of or in compliance with any such direction or recommendation the Vessel does not proceed to the port or ports of discharge originally designated or to which she may have been ordered pursuant to the terms of the bills of lading, the Vessel may proceed to any safe port of discharge which the master or Owner in his or their discretion may decide on and there discharge the cargo. Such discharge shall be deemed to be due fulfillment of the contract or contracts of chartering and Owner shall be entitled to Freight as if discharge has been effected at the port or ports originally designated or to which the Vessel may have been ordered pursuant to the terms of the bills of lading. All extra expenses involved in reaching and discharging the cargo at any such other port of discharge shall be paid by Charterer and/or cargo owners and Owner shall have a lien on the cargo for Freight and all such expenses.

18. PIRACY

- (a) If, after entering into this Charter, in the reasonable judgment of the master and/or Owner, any port, place, area or zone, or any waterway or canal (hereinafter “**Area**”) on any part of the route which is normally and customarily used on a voyage of the nature contracted for becomes dangerous, or the level of danger increases, 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**”), Owner, acting reasonably, shall be entitled to take a reasonable alternative route to the Discharging Port and immediately request consent from Charterer for the alternative route; such consent shall not be unreasonably withheld. Should the Vessel be within any such place as aforesaid which only becomes dangerous, or is likely to be or to become dangerous, after her entry into it, she shall be at liberty to leave it.
- (b) In any event, if the Vessel proceeds to or through an Area exposed to the risk of Piracy Owner shall have the liberty:
 - (i) to take reasonable preventative measures to protect the Vessel, her 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 or equipment on or about the Vessel;

- (ii) to comply with the orders, directions or recommendations of any underwriters who have the authority to give the same under the terms of the insurance;
 - (iii) to comply with all orders, directions, recommendations or advice given by the Government of the Nation under whose flag the Vessel sails (provided flag is not changed after entering into the charter), or other Government to whose laws 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
 - (iv) 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 Owner is subject, and to obey the orders and directions of those who are charged with their enforcement.
- (c) This Clause shall be incorporated into any bill of lading issued pursuant to this Charter. Charterer shall indemnify Owner against all consequences or liabilities that may arise from the master signing bills of lading as presented to the extent that the terms of such bills of lading impose or result in the imposition of more onerous liabilities upon Owner than those assumed by Owner under this Clause.
- (d) If in compliance with this Clause anything is done or not done, such shall not be deemed a deviation, but shall be considered as due fulfillment of this Charter. In the event of a conflict between the provisions of this Clause and any implied or express provision of the Charter, this Clause shall prevail to the extent of such conflict, but no further.

19. DEVIATION CLAUSE

The Vessel shall have liberty to call at any ports in any order, to sail with or without pilots, to tow or to be towed, to go to the assistance of vessels in distress, to deviate for the purpose of saving life or property or of landing any ill or injured person on board, and to call for fuel at any port of ports in or out of the regular course of the voyage.

Charterer shall be kept fully updated at all times when the Vessel deviates from the original route and will be provided details of alternate routing and updated ETA for NOR for any deviations caused by Clauses 17, 18 and 19.

20. LIEN

Owner shall have an absolute lien on the cargo and all subfreights for all amounts due under this Charter and the cost of recovery thereof including any expenses whatsoever arising from the exercise of such lien.

21. AGENTS

Owner shall appoint Vessel's agents at all ports.

22. BREACH

Damages for breach of this Charter shall include all provable damages, and all costs of suit and attorney fees incurred in any action hereunder.

23. LAW AND ARBITRATION

This Charter is subject to the following clauses, which shall also be included in all bills of lading issued hereunder:

- (i) This contract and any non-contractual liabilities arising out of or in connection with the Charter or any bills of lading issued hereunder shall be construed and the relations between the parties determined in accordance with the laws of England and Wales.

- (ii) All claims, disputes and other matters arising out of or in connection with this contract which, in the opinion of one of the Parties, the Parties have been unable to resolve by mutual agreement shall exclusively and finally be settled by arbitration in [**Insert place of arbitration:** London], in accordance with the [**Insert rules of arbitration:** rules of the LMAA /or/ rules of the Arbitration Act 1996] as from time to time in effect.
- (iii) Such arbitration shall be conducted in the English language by three (3) arbitrators appointed in accordance with the said Rules.
- (iv) The award shall be final and binding on the Parties, and judgment upon the award may be entered in any court or other authority having jurisdiction or application may be made to said court or other authority for a judicial acceptance of the award and an order of enforcement, as the case may be. To the extent any Party is wholly or partly or directly or indirectly government owned or controlled, such Party agrees not to seek immunity from claim or suit or enforcement of the award on the ground of sovereign immunity.

24. SUBLETTING / ASSIGNING

Subject to Owner's approval, which shall not be unreasonably withheld, Charterer shall have the right to sublet the Vessel or assign this Charter to any individual or Company. However, Charterer shall always remain responsible for the fulfillment of this Charter in all its terms and conditions.

25. OIL POLLUTION

The Vessel shall be entered in a P&I club that is a member of the International Group of Protection and Indemnity Clubs, and the Vessel shall comply with any port, state or local rules regarding pollution or proof of financial responsibility therefore which may be applicable to the ports specified in Part I.

APPENDIX A – GAS FORM C

Insert Gas Form C

IN WITNESS WHEREOF, the Parties have caused this Charter, consisting of a Preamble, Parts I, II and Appendix A to be executed in duplicate as of the day and year first above written.

Witness the signature of:

(for Charterer)

By: _____

Witness the signature of:

(for Owner)

By: _____