

Although a vessel has been/may be inspected by RightShip, the owners/managers being inspected are not to directly or indirectly state, indicate or convey the impression that the vessel has been approved, endorsed or recommended by RightShip, without RightShip's prior written consent.

A Dry Cargo Vessel Inspection is carried out by RightShip or their accredited / nominated Inspector Companies world-wide.

RightShip Inspector Companies are based worldwide for easy access to main discharge ports.

At least 7 working days 'notice of request' for vessel inspection is necessary, for liaising and nominating the appropriate Inspector.

Permission must be given by the Owner of the vessel for the inspection to proceed.

The total cost of an inspection varies with vessel's location, time taken & includes besides professional fees, inspector's travel (with the exception of local transportation costs, port and immigration passes etc which shall be arranged by Owners/Managers with local agents) and other incidental costs. Itemised accounts are not issued. A nominated email address must be provided for the invoice which will be sent via email as a PDF attachment. Note: Rightship will not enter our invoice details in vendor systems or accommodate any alternative invoice delivery method. Printed invoices are not issued. The inspection fee is net of all applicable taxes and duties which may be imposed by the taxation authorities of the customer's country of residence. Please advise upfront if there are any withholding taxes applicable on the payment of our services for grossing up. Should the currency nominated in the Agreement Details cease to exist as legal tender, amounts payable under this Agreement will be converted into a currency and at an exchange rate which We determine and notify to You in writing.

Payments must be made by telegraphic transfer in the currency invoiced direct into Our nominated bank account. Our nominated bank account will be supplied on Our invoices. If any bank charges and commissions are levied on the payments to be made to Us under this Agreement, You shall ensure that We receive the full amount owed to Us, free of bank charges and commissions. Accounts are to be settled within 14 days of invoice issue date, irrespective of the Vessels' Inspection result. We may charge You interest at a rate not exceeding two per cent (2%) above the prevailing 180 day bank bill rate as quoted by Australia and New Zealand Banking Group Limited (ACN 005 357 522) on any amount due and not paid by You within the time required for payment. RightShip will settle all Inspectors' costs and in turn, invoice vessel Owners'/Managers' or their nominee.

A Vessels' inspection preferably conducted at the Vessels' discharge port only, exceptional & extraordinary circumstances will be reviewed on a case by case basis. Inspection at or immediately after repair periods is not undertaken unless pre-arranged due to exceptional circumstances.

A vessel inspection, especially on Cape and Panamax size vessels usually takes the better part of 2 days & during this time, every effort is made not to interfere with the commercial business &/or scheduled itinerary of the vessel at the port.

Except for liaising with Vessel Owners or their appointees for best timing for vessels' inspection, the nominated Inspector works under direct instructions of RightShip. All other queries pertaining to the vessel inspection are to be directed to RightShip & NOT the concerned Inspector.

In order for the inspection process to be finalised the following are required within 30 days of inspection;

1) Deficiencies

Details of;

- a) Root cause analysis
- b) Corrective actions to taken to rectify deficiencies and,
- c) Preventive actions taken to prevent reoccurrence on this and other vessels in your fleet.

2) Recommendations

We require that you advise your intentions to address recommendations made.

Please note that the inspection process cannot be completed and points awarded to the vessel until satisfactory response has been received. If satisfactory response is not received within 30 days the inspection will be invalid.

The vessels' Inspection, even if satisfactory, does not guarantee a blanket approval for the vessel for any length of time. A satisfactory inspection is usually valid for a period of 12 months, unless in the interim, extra ordinary circumstances, i.e. continuous negative occurrences on the vessel indicate that an additional inspection is necessary.

An electronic copy of the vessels' Inspection report and RightShip Invoice will be forwarded at the completion of the inspection. In the interests of the environment we do not print hard copies.

Inspection Requirements.

In order that the inspector can be able to conduct the inspection with minimal disruption to the vessel we would be grateful if you would arrange for the information in this email to be passed to the Master.

Our inspector will need to view a number of ballast tanks and the preferred combination is as follows:

- Fore Peak Tank
- A forward topside tank on the port side
- Mid-ship topside tanks
- An after side topside on the starboard side
- The Aft Peak Tank

We do not require to inspect a double bottom tank. If the vessel is double skinned it would be helpful to see in one such space. We will not necessarily view all of the above in detail and it is possible to reverse the port and starboard tanks, so long as the inspector sees representations of both sides. A decision will be made at the time of the inspection depending on findings.

Please ensure that these tanks are fully ventilated and open for the inspection. The inspector will inspect any enclosed space in accordance with proper testing and precautions and the vessel's performance in this respect will affect the outcome of the inspection. We would add that this is an area where too often, vessel's staff is found lacking. No space will be entered if Oxygen levels are below those of the outside atmosphere. We would also add that it is understood that occasionally tanks may not be available for inspection but we would expect sound operational reasons such as draught, trim or stress limitation to be the reason. We will endeavour not to

disrupt the vessel's port operations any more than is necessary to successfully complete the inspection, the inspector will work closely with the master and his staff at all times. For reasons of gaining best access to spaces we normally spread the inspection over two days since some of the spaces we need to see – holds and sometimes adjoining voids - will not usually be available until late in a discharge. Inspections of all tanks, holds and other enclosed spaces should be in daylight.

The inspector will need to see a selection of void spaces/duct keel, as appropriate to the design of the vessel and he will discuss his choice with the master on his arrival on board.

Other spaces that will be inspected will be store rooms, holds, pumprooms, accommodation, bridge, engine room and steering flat and any other specialized space that may be considered of relevance. If the vessel is equipped with cranes, the inspector will need to inspect one or two of these.

The other part of the inspection will be administrative. The vessel's performance records, maintenance records and ISM and ISPS conformance will be scrutinized as well as Port State or Flag State inspection records. Vessels deck and engine room logs. In particular, steelwork renewals and thickness testing will be looked at closely.

Please prepare the following documents for review by the Inspector:

- Statutory certificates;
- Class Status Listing;
- Port State Control Reports for the past 6 months;
- The last Flag State Inspection Reports;
- Crew List;
- Company ISM DOC and endorsements;
- Ship's ISM SMC and endorsements;
- Ship's ISSC and endorsements;
- Safety Committee Minutes for last two meetings and
- Hazardous Occurrence (Near Miss) Reports and statistics.