

News Waves



EDITION # 2013 - 01 JANUARY

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Congratulates M/T Ocean Dignity
Master Borisov

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M/T OCEAN QUEST
Excellence in Drills performance
Master Dobrovovskiy & Master Borisov

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M/T H. MAGIC
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Master Tereshchenko &
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 **Please recycle**



MESSAGE FROM TEK

"It is worthwhile highlighting that all Company employees, on board and ashore, have been standing by the Company throughout this storm, with concentration to the targets and with loyalty, which is highly appreciated."



Heading for the 1st half of 2013 the shipping industry is still in agony for survival. Sustainability of the Industry is the key topic in all marine conferences. The international economic recession, the weak charter rates, the extreme delays in hires and demurrage payments have brought shipping managers in despair. Our group is suffering as well, and despite the measures announced the 2nd half of 2012 we have not managed to improve our cash flow and settle the payments schedule as we have been doing in the past. Further actions to tackle this problem are taken by our principals and despite the 6months slippage, compared to the predictions of last year, we are confident that by the end of this year the cash flow will be restored and all delayed payments will be current again.

It is worthwhile highlighting that all Company employees, on board and ashore, have been standing by the Company throughout this storm with concentration to the targets, to the excellence in performance and with loyalty, which is highly appreciated.

Clear evidence of this commitment to excellence is:

- the recent letter of appreciation of our customers Petrobras to M/T Ocean Dignity, Master Borisov, officers and crew,
- the high level of response in emergencies demonstrated by M/T Ocean Spirit, Master Dobrovolski, officers and crew
- the Qualship award to Roxana Shipping by USCG

These and other interesting topics are included in the hot stuff section.

Career development is always top priority task for our Company. Prompt and effective training facilitates career development for our employees and ensures the smooth and effective implementation of changes in behavior and operations required due to the fast changing regulatory regime.

In line with this policy extended shore familiarization with occasional employment in Head Office was offered to Master Alexei Tereschenko from 25Nov12 to 20Feb13 and to Chief Officer Pavel Laputskiy.

Furthermore ECDIS FEA2107 type specific generic training and ECDIS type specific training on board have been launched, and a specific process has been introduced for the training on board of Officers for promotion.

On top of the above Roxana Kristen Training center section hosts all relevant training activities for the period.

The Who is Who section this time hosts three colleagues, whose job is not seen in the foreground, but who are strong links in the chain of Company performance. Ms Stella Fourouli, SQM coordinator, behind Ulysses Document manager and all training activities of the Company, Mr. Thanos Oikonomopoulos, operator for the tankers, with very good communication skills and committed to customer's satisfaction and finally Mr. Yannis Karapiperis, EDP and IT co-ordinator, supporting the recent enhancement of the software and hardware applications in our Company.

Update on the on-going newbuildings program is reported in New Ladies on the block section.

The Lessons Learnt section continues to remind us wrong practices that we should refrain from.

All of us should study carefully what we should by all means avoid to do.

Maritime Labor Convention MLC2006 was ratified 23August 2012 and will come into force 20 August 2013. A project was launched since September 2001 last year a project led by our DPA capt.K. Anissis, to ensure that all changes are promptly in place and implemented to facilitate the smooth incorporation of the MLC2006 convention in our Documented Management System, already complying with ISM and ISPS code and ISO 9001/2000 and 14001/2004 standards.

Ship Energy Efficiency Management plan (SEEMP) as CMSM Appendix2.1 has been introduced to Roxana Shipping and Kristen Marine fleet since 2010, will be mandatory on board as of next year 2013.

The revised Marpol AnnexV and the new Garbage Management Plan will be enforced 01 January 2013.

At the same time since the end of 2012, all vessels are equipped with the Bridge Navigational Watch Alarm System (BNWAS), a new SOLAS requirement.

The above and Marpol AnnexVI minimizing CO2 emissions and EEDI are included in the menu of the New Rules section.

Other interesting topics are addressed in the remaining sections of this edition.

Enjoy the reading!

Takis Koutris
Managing Director

WHO IS WHO

Thanos Oikonomopoulos



Thanos Oikonomopoulos graduated from University of Piraeus on 2009 and holds degree in Maritime Studies.

After fulfilling his military obligations on 2010 he started working in a shipping company operating tankers, as an account's assistant and trainee in operations. In November of 2010 Thanos joined Roxana Shipping SA as operator.

Thanos when he is not working he likes to playing soccer, riding bike and swimming.

Stella Fourouli

Stella Fourouli graduated from the University of Piraeus holding a BSc in Maritime Studies in 2006.

She continued her studies abroad, obtaining an MSc in International Business from Aston University in Birmingham, UK, in 2007.

Concluding with her studies, she decided to initially pursue a career in the UK, in an attempt to gain more experiences in a multicultural environment in the working field. She succeeded and in May 2008 she started working in a major liner shipping company as a trade co-ordinator in the Company's International Business Dept.

She left that role and the UK in general, in September 2011, when she immediately joined Kristen Marine S.A./Roxana Shipping S.A., as SQM co-ordinator and MD's personal assistant.



John Karapiperis



John Karapiperis in 1999 graduated from Department of Electrical Engineering of Technological Educational Institution of Piraeus.

He is certified Computer Engineer and Microsoft Certified Systems Administrator.

John joined IT/EDP Department of Kristen Marine/Roxana Shipping S.A on May 2008.

He is married and has two children.

RoKcs

Roxana - Kristen Crewing Services

Despite the world crisis situation RoKcs continues the successful recruiting of seamen for Roxana Shipping SA and Kristen Marine, providing a significant amount of seafarers onboard the vessels for the period from 01Jan2013 to 30Apr2013.

RoKcs has already renewed the National License for Crewing Services and now is in process of getting MLC 2006 certificate by Aug 2013.

Following achievements, related to Company crew management KPIs, have been reported in Management Review 13-01:

| KPI | Values in % 2012 | Values in % 01Jan-30Apr2013 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--|-------------|----------|--------|---|---|---------------|---|---|-------------|----|---|-------------|----|----|--------------------|----|----|----------------|---|---|--------------|---|---|--------------|----|---|--------------|----|----|---------------------|----|---|-------------|----|---|---|------|-----|-----|------|------|------|------|------|------|------|------|------|
| Breach of contract | 2,10 | 1,86 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rotation Index (%)repeaters 1st time / 2nd and more | Roxana 4,3/86,9 Top4, 10,2/70,1 –Crew Kristen 0,0/14,0- Top4, 10,14/72,46-Crew (Target 2012 90/80 and 90/80 respec- tively) | Roxana 16,6/75 - Top4, 5,0 / 51.4 - crew Kristen 0/0-Top4, 7.57/46,1 –crew (Target 2013 20/80 and 10/50 respec- tively) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Retention Index | 97,5 (target for 2012 – 100) | Roxana - 98,9 Kristen – 95,7 (Target – 100) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Lost time Injury Frequency | 3,105 (Target 2012 – 0,0) | Roxana 2,80 Kristern 0,0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Recordable Cases Freq. | 5,45 (Target 2012 – 10) | Roxana 47,60 Kristen 11,09 (Target 2013 – 10) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Age Profile | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Master (Target<50) | 54 | 49 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ch. Officer (target <40) | 33 | 33 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ch. Engineer (target <48) | 45 | 46 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2nd Engineer (target <40) | 40 | 42 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Refresh training of officers who on board | RX on board -91, passed tr – 82 KR 18, 25 | KPI 91.1% KPI 72% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Debriefing | Kristen 49 - Roxana 56 - TTL 53% | Kristen 59 - Roxana 69,00 - TTL 66,70% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Familiarization | KR 100,0 RX 82,5 TTL 87,6% | KR 97,6 RX 86,3 TTL 88,3 % | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Career development RoKcs Pool 2012 | <table><tr><th>Rank</th><th>TTL in pool</th><th>Promoted</th></tr><tr><td>Master</td><td>2</td><td>0</td></tr><tr><td>Chief Officer</td><td>3</td><td>0</td></tr><tr><td>Officer 2nd</td><td>20</td><td>8</td></tr><tr><td>Officer 3rd</td><td>30</td><td>10</td></tr><tr><td>Apprentice Officer</td><td>16</td><td>10</td></tr><tr><td>Chief Engineer</td><td>6</td><td>2</td></tr><tr><td>Engineer 2nd</td><td>8</td><td>4</td></tr><tr><td>Engineer 3rd</td><td>16</td><td>7</td></tr><tr><td>Engineer 4th</td><td>33</td><td>11</td></tr><tr><td>Apprentice Engineer</td><td>10</td><td>4</td></tr><tr><td>Electrician</td><td>12</td><td>2</td></tr></table> | Rank | TTL in pool | Promoted | Master | 2 | 0 | Chief Officer | 3 | 0 | Officer 2nd | 20 | 8 | Officer 3rd | 30 | 10 | Apprentice Officer | 16 | 10 | Chief Engineer | 6 | 2 | Engineer 2nd | 8 | 4 | Engineer 3rd | 16 | 7 | Engineer 4th | 33 | 11 | Apprentice Engineer | 10 | 4 | Electrician | 12 | 2 | <table><tr><th>KPIs</th></tr><tr><td>0,0</td></tr><tr><td>0,0</td></tr><tr><td>40,0</td></tr><tr><td>33,3</td></tr><tr><td>62,5</td></tr><tr><td>33,3</td></tr><tr><td>50,0</td></tr><tr><td>43,8</td></tr><tr><td>33,3</td></tr><tr><td>40,0</td></tr><tr><td>16,7</td></tr></table> | KPIs | 0,0 | 0,0 | 40,0 | 33,3 | 62,5 | 33,3 | 50,0 | 43,8 | 33,3 | 40,0 | 16,7 |
| Rank | TTL in pool | Promoted | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Master | 2 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Chief Officer | 3 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Officer 2nd | 20 | 8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Officer 3rd | 30 | 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Apprentice Officer | 16 | 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Chief Engineer | 6 | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Engineer 2nd | 8 | 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Engineer 3rd | 16 | 7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Engineer 4th | 33 | 11 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Apprentice Engineer | 10 | 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Electrician | 12 | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| KPIs | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 0,0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 0,0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 40,0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 33,3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 62,5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 33,3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 50,0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 43,8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 33,3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 40,0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 16,7 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

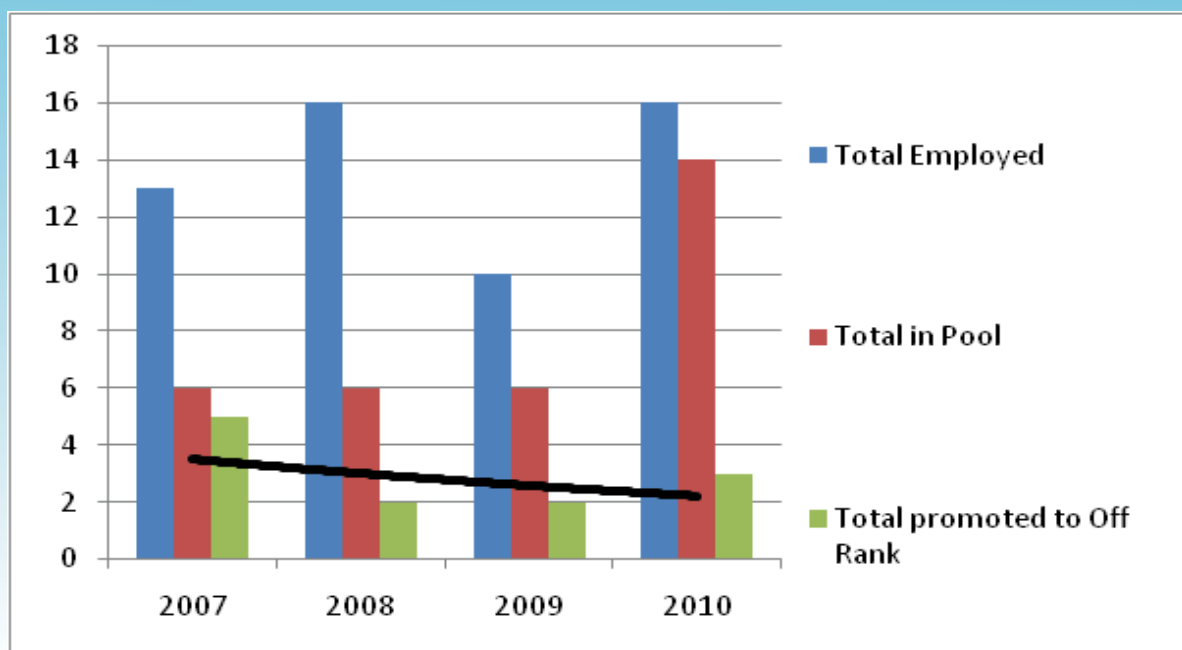
RoKcs

Roxana - Kristen Crewing Services

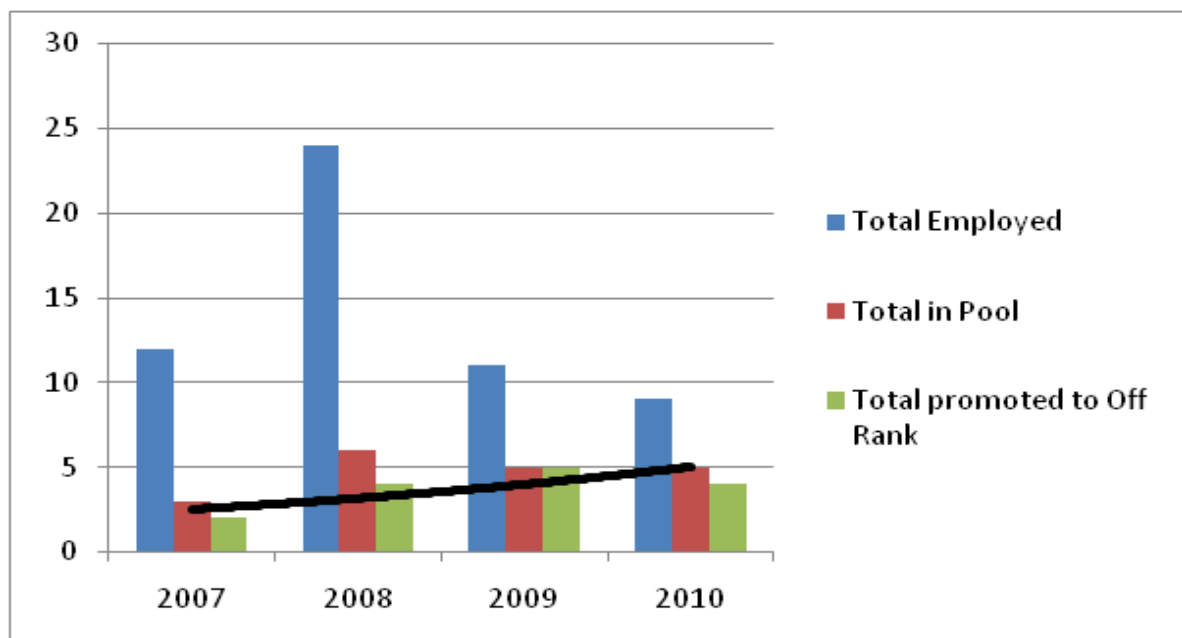
Cadet's Carrer Development

RoKcs continues strong relations with FEIC-VMC and situation has a good positive increasing trend and illustrated below:

DECK CADETS



ENGINE CADETS



RoKcs

Roxana - Kristen Training Center

One Day Courses on 30-31 January 2013

Company's DMS for junior officers of Tanker fleet courses were conducted by RoKcs training officer Captain Pavel Sidorkin.

ECDIS Training for officers of Tanker fleet were conducted under the supervision of VMC instructor Talgat Kenetbaev.

Company's Documented Management System (DMS) and Bridge Team Management (BTM) / Engine Room Team Management (ERTM) were conducted with the participation of 8 deck / IO engine shipboard personnel respectively:

TANKERS FLEET

DMS/ BTM (Bridge Team Management)

| | |
|-------------------------|---------------|
| Gulin Alexey | Chief Officer |
| Bykov Denis | Chief Officer |
| Belkin Roman | 2nd Officer |
| Shtyrba Dmitry | 2nd Officer |
| Tsayukov Ivan | 3rd Officer |
| Pushkar Sergei | 3rd Officer |
| Chernonoshkin Alexander | 3rd Officer |
| Ivanov Igor | Appr. Officer |

DMS/ ERTM (Engine Room Team Management)

| | |
|-------------------|--------------|
| Burdinskiy Alexey | 3rd Engineer |
| Kashaev Aleksei | 3rd Engineer |
| Vazhenin Maxim | 3rd Engineer |
| Baykov Alexander | 4th Engineer |
| Zimin Andrey | 4th Engineer |
| Pasyuta Maxim | 4th Engineer |
| Akhmerov Ruslan | 4th Engineer |
| Shalimov Nikolay | 4th Engineer |
| Frolov Evgeny | 4th Engineer |
| Fursov Sergey | 4th Engineer |

ECDIS TRAINING

DMS/ BTM (Bridge Team Management)

| | |
|-------------------------|---------------|
| Suponin Alexander | Master |
| Koshetov Igor | Master |
| Zenenko Nikolay | Master |
| Gulin Alexey | Chief Officer |
| Belkin Roman | 2nd Officer |
| Shtyrba Dmitry | 2nd Officer |
| Chernykh Dmitrii | 2nd Officer |
| Chernonoshkin Alexander | 3rd Officer |

"Excellence is an art won by training and habituation."

Aristotle



MANNING OFFICES

Primtanco

Primtanco continued the smooth cooperation with Roxana Shipping S.A. for the recruitment of qualified seafarers, successfully managing a substantial and loyal pool of seafarers.

| KPI | Values in 2012 | Values 2013 (01 Jan - 30Apr) |
|--|--|---|
| Breach of contract | 1.64 (target for 2013 – 2%) | 1.67 (target for 2013 – 2%) |
| Rotation Index (%)repeaters 1st time / 2nd and more | Off – 97.56 1st time (target 96) 92.68 2nd time (target 91) Sen Off - 93.33 1st time (target 92) 86.67 2nd time (target 85) Crews - 90.83 1st time (target 90) 79.82 2nd time (target 78) | Off – 94.74 1st time (target 96) 91.23 2nd time (target 91) Sen Off - 100 1st time (target 92) 90 2nd time (target 85) Crews - 90.36 1st time (target 90) 78.92 2nd time (target 78) |
| Retention Index | 98.1 (target for 2013 – 98) | 99,62 (Target 2013: Primtanco/RoKcs100%) |
| Lost time Injury Frequency (OCIMF) | 1.02 (target for 2013 – 1.5) | 1.02 (target for 2013 – 1.5) |
| Total Recordable Cases Freq. (OCIMF) | 6.11 (target for 2013 – 6) | 6.11 (target for 2013 – 6) |
| Age Profile | | |
| Master (Target<50) | 45 (target for 2013 – 46) | 47 (target for 2013 – 46) |
| Ch. Officer (target <40) | 36 (target for 2013 – 37) | 38 (target for 2013 – 37) |
| Ch. Engineer (target <48) | 48 (target for 2013 – 47) | 49 (target for 2013 – 47) |
| 2nd Engineer (target <40) | 38 (target for 2013 – 38) | 39 (target for 2013 – 38) |

Our Company and Gr1, with Mr Dzyuba particularly, are working hard to ensure that the outstanding performance in terms of rotation index and the injury index is maintained to meet the target for 2013.



MANNING OFFICES

Fescontract International S.A.

Fescontract International continued the smooth cooperation with Kristen Marine SA for the recruitment of qualified seafarers for Dry cargo fleet.

| KPI | Values in 2012 | Values 2013 (01 Jan - 30Apr) |
|--|---|---|
| Breach of contract | 4.7 (Target 2012: 3) | 3.3 (Target for 2013: 2) |
| Rotation Index (%)repeaters 1st time / 2nd and more | 98.86/95.45 Off 88.89/82.61 crew (Target 2012: 90/80 off, 80/70 crew) | 100/80 Off, 79.03/73.39 Crew (Target 2013: 98/95 off, 85/80 crew) |
| Retention Index | 94 (Target 2012: 100) | 99.46 (Target 2013: Fescontract/RoKcs 100) |
| Lost time Injury Frequency (OCIMF) | 0,95 (Target 2012: 1.5) | 99.46 (Target 2013: Fescontract/RoKcs 100) |
| Total Recordable Cases Freq. | 0.99 (Target 2012: 8) | 0 (Target 2013: 0) |
| Age Profile | | |
| Master (Target<50) | 48 | 46 |
| Ch. Officer (target <40) | 43 | 41 |
| Ch. Engineer (target <48) | 45 | 49 |
| 2nd Engineer (target <40) | 42 | 40 |

Our Company and Gr2, with Mr Tingaev and Mr Nokhrin particularly, are working hard to ensure that the outstanding performance in terms of rotation index is maintained and that the injury index will meet the target for 2013.



VMC

Vladivostok Maritime College

Marine Cadet Club at VMC

The first meeting of the Maritime cadet club took place at VMC college on January 24, 2013 at the initiative of VMC Director Vladimir Man'ko.

Mr. Man'ko listed the main objectives of the club to be:

- ▶ motivate students to maritime employment
- ▶ optimize the learning process and
- ▶ improve learning outcomes

In a specially prepared room with a real navigational equipment and multimedia equipment the students discussed the general organizational matters: club name, logo selection, development and approval of the club, the main activities of the Cadets within the club: historical, professional, educational, and cultural.

It is expected and hoped that this great undertaking will definitely bring the desired results, will also give the cadets the opportunity to express themselves creatively and assist them become real marine specialists.



VMC

Vladivostok Maritime College

VMC approval by Transport Ministry of Russian Federation



As per the requirements of the Order of the Ministry of Transport of Russia No 157 from 08.06.2011, in respect of the recognition of organizations which provide crewmember training under the International Convention of training and certification of Seafarers and watchkeeping from 1978, as amended, and in accordance to the Order number MS-8-p of Ministry of Transport of Russia, a Commission has attended the Vladivostok Maritime College from February 11 till February 13th 2013 to assess the competence of the educational institution.

Based on the findings made by the Commission, the Ministry of Transport of Russia and Vladivostok Maritime College signed an agreement on the recognition the educational institution in training of crewmembers.

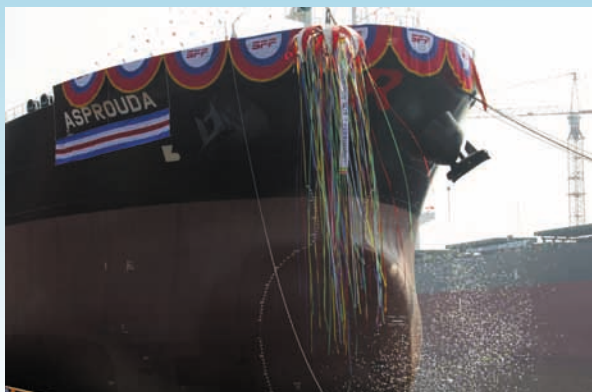
In accordance with the Agreement, the College is authorized as a recognized Organization on the training of crewmembers, with the right to issue the relevant certificates on behalf of the Russian Federation.



NEW LADIES ON THE BLOCK

SPP, Busan Korea

M/T Asproda SPP H-1038, the last of the series of five LRI 73K newbuildings, following SPP construction plan, has already been delivered to her owner on 15 March 2013. Roxana was represented by Mr D. Krontiras, chairman of the board, Mrs L. Krontira, Pancoast director, who was the sponsor and Mr. T. Koutris, Roxana managing director.



The previous day, 14 March 13, Roxana Shipping hosted a nice pre-delivery dinner in Lotte hotel. About 40 people, including shipyard SPP and ABS officials, headed by Mr Kwak, president of SPP, were accommodated in a very well equipped and decorated ball room and they enjoyed a combination of European and Korean cuisine in a relaxing atmosphere with nice live lounge music.

SPP shipyard organised a spectacular delivery ceremony and a tour on board for the Roxana delegation and finally hosted the delivery ceremony lunch, in a nice traditional Korean restaurant, where SPP and Roxana exchanged presents.



HOT STUFF

USCG QUALSHIP 21 Award for Roxana

We are pleased to announce that ROXANA SHIPPING S.A. and MT ARAMON have been awarded by USCG with QUALSHIP 21 Certificate of Eligibility as per following USCG letter from M.B.ZAMPERINI Commander, U.S. Coast Guard, Chief, Foreign & Offshore Vessels Division By direction.

QUOTE

My Office has received a request for the review of several vessels owned, operated or managed by your organization in order to assess their eligibility for the Qualship 21 Program. We have completed our review and would like to congratulate ROXANA SHIPPING S.A., on the partial approval of your request for entry into our eligibility shipping program.

Further information on our Qualship 21 Program, including the eligibility criteria, can be found on our website at: <https://homeport.uscg.mil/Qualship21>. If you continue to feel that your vessels meet these eligibility requirements, please resubmit your utilizing the tools on the website.

You should know that less than ten percent of all foreign-flagged ships that operate in the United States meet the eligibility requirements of this program, putting your qualship vessels in an elite class. This is remarkable accomplishment and I applaud the efforts of your organization and the Master and Crew of the qualified vessels for setting such a high standard of excellence.

In recognition of the superior achievement, the U.S. Coast Guard has provided one Qualship 21 certificate for your organization and one for each of your qualified vessels.

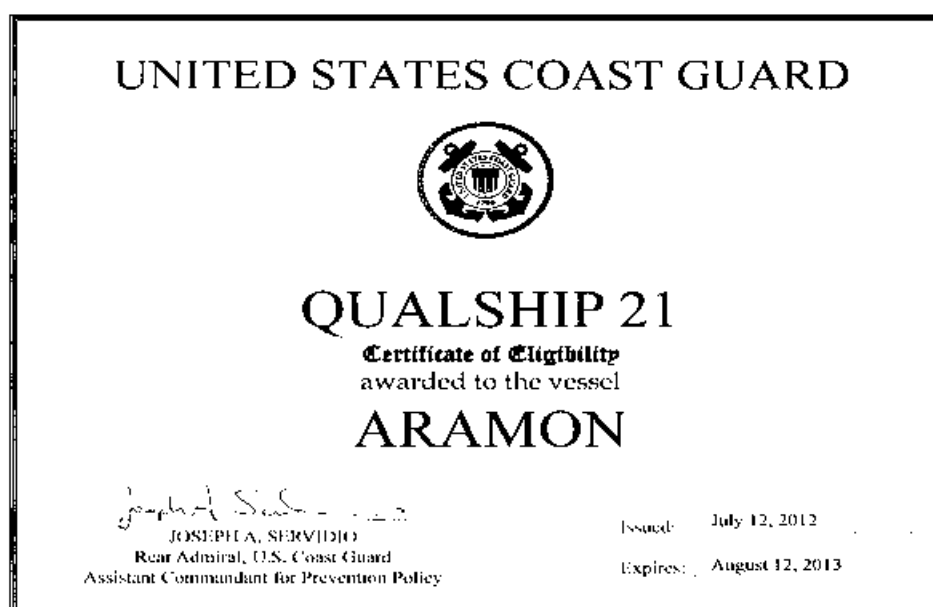
Once again, congratulations for your exceptional commitment to quality.

UNQUOTE

Congratulations to M/T Aramon, her Masters capt. Alexander Suponin/Oleg Sukhodoev/Andrei Verkhovskiy, Chief engineers Igor Dolgoplov/Yevgeny Bortnikov/Oleg Zaytsev, her officers and crew for the period 27Sep10 till 31Dec11, for a job well done.

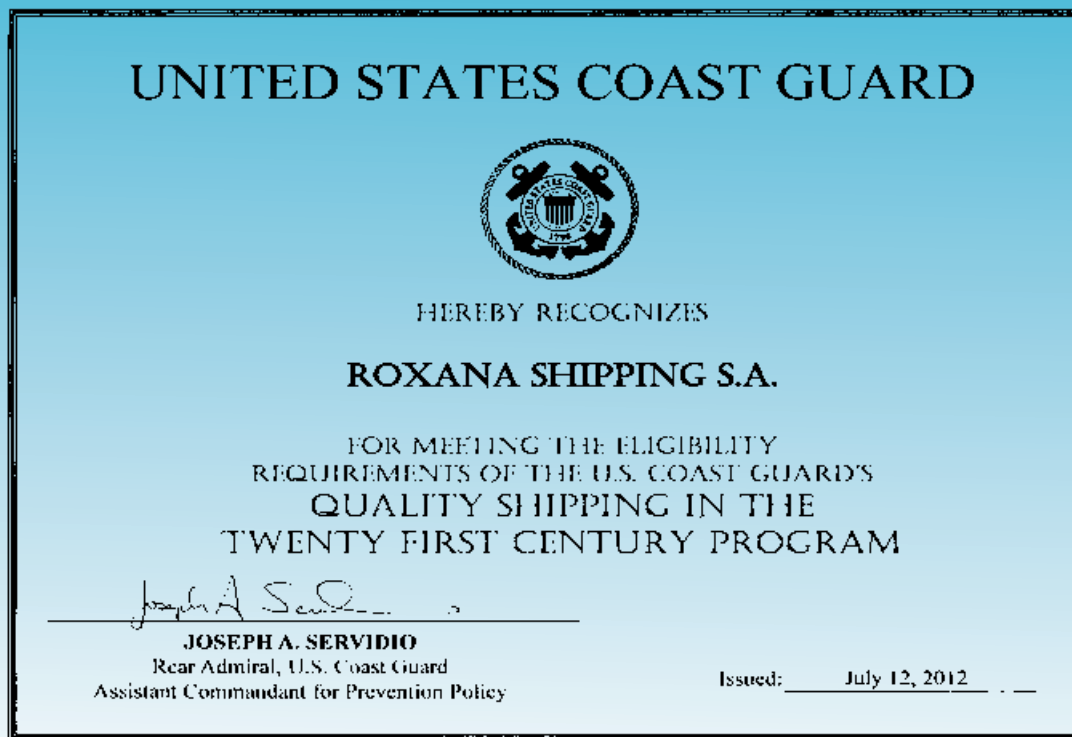
We hope and wish even the other vessels of ROXANA SHIPPING S.A. to be awarded by QUALSHIP 21 certificate of Eligibility by USCG soonest possible.

Meantime we have applied for M/T Marvel, which has done repeated recent calls in USA and is eligible for certification.



HOT STUFF

USCG QUALSHIP 21 Award for Roxana (Continued)



USCG QUALSHIP 21 Introduction

Back in September 25, 2000 Admiral James M. Loy of National Cargo Bureau Washington, DC, introduced the Qualship as follows:



QUALSHIP 21

QUOTE

There once was a couple who had a child—a boy who seemed perfectly normal except in one regard. He didn't speak. The parents took the boy to specialist after specialist and ran him through every imaginable diagnostic procedure and test battery. But no one could find anything wrong. The boy reached his teen years without ever uttering a single word.

One evening, soon after the family sat down to one of its customary quiet dinners, the boy unexpectedly blurted out his first words. Even more surprisingly, the words came forth in a complete sentence, forcefully and perfectly pronounced: "This pot roast tastes like last week's road kill!"

The mother, too astounded by the miracle of speech to notice the insult to her cooking, exclaimed, "Junior! You can speak! How come you never said anything before?"

Junior answered, "You never ruined the pot roast before."

Too often, the relationship between the regulatory agencies and regulated industries manifests the same communication pattern. The government comes knocking on your door real soon after something goes wrong, but it doesn't seem to have the wherewithal to acknowledge the day-in and day-out prudence and responsibility that you exhibit on your way to compiling creditable safety and pollution prevention records.

HOT STUFF

USCG QUALSHIP 21 Introduction (Continued)

My purpose in addressing the National Cargo Bureau today is to announce a new Coast Guard program that acknowledges the vessels whose careful safety management enables them to serve tender and flavorful pot roast day after day.

The program is called QUALSHIP 21, and it is our latest initiative in our quest to improve what we call transparency throughout the marine transportation system.

Whereas most of our previous Port State Control work has necessarily been directed at eliminating substandard shipping, QUALSHIP 21 aims at the other end of the spectrum. It is a designation we will start using next spring to bestow public recognition on high-quality vessels and to confer direct benefits on them

How will a vessel qualify for a QUALSHIP 21 designation?

There is no application or nomination process. We will publish criteria for the program, notify owners of eligible vessels, post the designated vessels on our web site, and give other vessel owners an opportunity to speak up if they think their vessel slipped through our screening process.

What are the criteria?

First, we consider performance of a vessel at complying with standards. The vessel may not have been detained and determined to be substandard in U.S. waters within the previous 36 months. Furthermore, the vessel may not be owned or operated by any company that has been associated with a substandard vessel detention in U.S. waters within the previous 24 months. In addition, the vessel may not be classed or have its statutory convention certificates issued by a targeted class society.



Next we consider the vessel's violation history. The vessel may not have had any marine violations, any reportable marine casualties that meet the definition of a serious marine incident, or any major marine casualties in U.S. waters within the previous 36 months. Also, the vessel may not have had more than one paid notice of violation case (ticket) during the same period.

We also look at the vessel's recent inspection history. The vessel must have completed a successful U.S. Coast Guard Port State Control examination within the previous twelve months of eligibility determination. A Port State Control examination is defined as a boarding of a non-U.S. flagged vessel for the purpose of assessing a vessel's compliance with relevant provisions of international conventions, domestic laws, and regulations with whatever scope is necessary to verify that no unsafe conditions exist. The term successful means that the vessel did not leave port with any serious outstanding deficiencies.

Finally, we look at the vessel's flag state. Although QUALSHIP 21 is a vessel-focused initiative, the flag state is a relevant factor in identifying quality ships. To qualify for a QUALSHIP 21 designation, a vessel may not be registered with a flag state that has a detention ratio that is greater than one third of the overall U.S. detention ratio, as determined on a three-year moving average.

In addition, the vessel's flag state must have submitted its self assessment of flag state performance to the IMO and have provided a copy of the self assessment to the United States. This provision is intended to encourage transparency by rewarding those flag states that complete self assessments openly. We are sending letters explaining the program to all eligible flag states to encourage them to allow the ships they register to qualify. To further publicize this initiative among flag states, we are submitting an informational paper to the flag state implementation subcommittee

HOT STUFF

USCG QUALSHIP 21 Introduction (Continued)

of the marine safety committee and the marine environmental protection committee of the IMO.

The QUALSHIP 21 standards are tough. And they are meant to be. We expect that only about ten percent of the non-U.S. flagged ships will qualify for the QUALSHIP 21 designation.

Why so few? The program is intended to be a bookend for our efforts to identify substandard ships. ISM, STCW and other international standards define our expectations. Most ships are in a fair-to-good degree of compliance, and if there were a compliance curve, most would be in the big middle. Our Port State Control foreign vessel targeting matrix identifies ships on the far left side of the curve, and QUALSHIP 21 identifies ships at the far right side of the curve.

What are the incentives for meeting all these criteria?

The principal direct benefit is significantly less Coast Guard activity on the vessel when it is in a U.S. port. QUALSHIP 21 freight ships would receive biennial freight exams. For QUALSHIP 21 tank ships, the U.S. certificate of compliance will be valid for two years and a less detailed mid period exam will replace the annual tank ship exam.

In addition, QUALSHIP 21 vessels will receive a 90-day grace period after the expiration of their biennial exam certificates, which will allow them to begin cargo operations prior to the commencement of their port state control exam. Further, tank ships may begin cargo operations before their Port State Control mid-period exam begins.

QUALSHIP 21 Indirect Benefits:

In addition to the direct benefits, we want the QUALSHIP 21 designation to be sufficiently distinctive to generate other indirect benefits. If cargo owners, port authorities, and others who deal with ships know that ships bearing a QUALSHIP 21 designation are both more likely to be well managed and less likely to be impeded by compliance-related delays, the designation will accrue a definable value.

QUALSHIP 21 is a step toward that future. It begins to give us the wherewithal to identify the ships that don't need even the maritime equivalent of that 12 second truck inspection. And it frees us to focus on the ships that need closer attention.

Conclusion:

If the Coast Guard didn't already have a motto, I would be tempted to steal the one currently employed by Scotland's Maritime and Coastguard Agency. They use a simple phrase that pretty well sums up what we are all about in the marine safety and environmental protection business: "Raise the Standard."

I told a towing industry group a couple weeks ago that I cannot imagine the day when the Coast Guard will say, "The marine transportation system is safe enough. We don't need to get any better." That's not going to happen. We will always seek to raise the standard.

However, I did promise them—and I promise you—that we will be sensible about how we go about raising the standard. Because we acknowledge that the marine industry shares our safety and pollution prevention goals, we will look first for non-regulatory ways of raising the standard. And because we acknowledge the legitimacy of your perspectives and business necessities, we will raise the standard only after taking the time to understand industry viewpoints.

QUALSHIP 21 is an example of this approach. It is non-regulatory, and it was developed in cooperation with the shipping industry. QUALSHIP 21 does not relax any regulation or alter the enforcement of any law. It simply modifies internal Coast Guard policies to use our resources more efficiently and concentrate on the ships that need more official attention, applying criteria and incentives that arose from consultations with various industry leaders like Intertanko and Intercargo.

Unquotet

HOT STUFF

M/T Ocean Spirit Abandon Ship Drill

On 17Feb13 Fleet sup/nt Capt. John Vlamis was on board M/T Ocean Spirit under the command of Capt. Dobrovolskiy Dmitry. The vessel was lying at Sao Sebastiao anchorage in Brazil. The Master decided to conduct an abandon ship drill, basis on the Drill Schedule, form CPO6-11.

The FFLB was launched in the water. Then the rescue boat was launched and a man over board drill took place. The crewmembers were embarked in FFLB and they made maneuvered the FFLB in the water.

The drill was conducted as per follow SOF:

At 09:00 hrs, the General Alarm Bells were sounded.

At 09:05 hrs, all crew members were summoned to Master Station, properly equipped with the PPE carrying their immersion suit as well as the bridge transponder and the 3 GMDSS walkietalkies. The Ch.Off. checked the crew's participation basis on a checklist, then he checked the participants for their duties and responsibilities during this drill. The crew was well aware and properly responded in English language.

At 09:50 hrs the Master sounded the signal "Man over board" and at the same time he announced in Russian and in English Language MAN OVER BOARD on the port side. The crew immediately proceeded to Rescue Boat Station and started lowering preparation.

At 10:00 hrs the Rescue boat team was embarked in the boat and commenced lowering.

At 10:03 hrs the Rescue boat was in the water, the hook was released and crew started proceeding to the man over board position offering survival. The communication between Rescue Team and Master was continuous.



At 10:20 hrs, the Man Over board was survived and the Rescue Boat Drill was completed.

At 10:30 hrs the Master announced verbally in Russian and in English language the commencement of the "ABANDON SHIP" Drill. The crew started immediately preparations for lowering Free Fall life boat.

At 10:35 hrs the lowering operation was started.

At 10:50 hrs the FFLB softly touched the sea level and the Rescue Team was embarked in the FFLB. They released the hook started the engine and the FFLB was maneuvered in the water.

At 11:00 hrs the Master informed the crew of the FFLB "You are surrounded by fire". Water springs were immediately activated by FFLB crew successfully.

At 11:30 hrs the Master ordered end of drill and FFLB started proceeding at the ship's stern for hooking and recovery.

At 11:45 hrs the crew started carefully the recovery.

At 11:05 hrs the FFLB was safely secured at its position.

At 11:10 hrs the crew started recovering the Rescue Boat on its position.

Congratulations to M/T Ocean Spirit, Capt. Dmitry Dobrovolskiy and his crew for a job well done.

HOT STUFF

M/T Ocean Dignity Fire Drill

On 02Feb13 Fleet Superintendent was on board of M/T Ocean Dignity, under the command of Capt. Borisov Igor. The vessel was en route from Cabedelo to Santos in Brazil.

The Master decided to conduct fire drill during the trip. The fire drill was conducted with scenario "fire in garbage room" with the participation of all crew, as per below SOF:

At 13:00 hrs, the Master activated the fire alarm signal and at the same time he announced in Russian and English language "This is a drill, This is a drill, This is a drill "Fire in Garbage Room".

At 13:05 hrs, all crew was immediately summoned to Muster station. The Ch. Off verified the correct number of the participating crew.

At 13:07 hrs, the Emergency squad under C/O's leadership proceeded to Garbage room. At the same time, the Ch. Eng. as a leader of Emergency Squad in the Engine room and the 2nd Eng. as a Leader of supporting emergency squad ensured that they are ready to start the Emergency Fire pump as well as the CO₂ and FOAM fixed systems if it is required. They put the emergency fire pump in operation and crew commenced fighting the fire. They started cooling the outside area having continuously communication with the Master who was controlling the situation from the Bridge.

The 2nd Officer who was in charge of the emergency squad was instructed by the Ch.Off. to equip two ABs with the Fire man's outfit in order to enter into the Garbage Room and fight the fire with the fire hoses.

At 13:00 hrs the Ch.Off informed the Master that the two ABs equipped with fireman's out fit are ready to enter in the room for extinguishing the fire and asked his permission for doing it

At 13:05 hrs the Ch.Off ordered the two ABs to enter in the garbage room for extinguishing the fire. The two men proceeded and with professional way opened the door and started fighting the fire.

At 13:30 hrs the Ch.Off. reported to Master that the fire was extinguished, and the drill was over.

Congratulations to M/T Ocean Dignity, Capt. Igor Borisov and his crew for a job well done



HOT STUFF

PETROBRAS congratulations to M/T Dignity, Capt. Igor Borisov, his officers and crew

We are pleased to announce that following a recent SIRE inspection, in the presence of our fleet superintendent Capt. John Vlamis, Petrobras has congratulated M/T Ocean Dignity and her crew as per following message:

Quote

Dear Sir,

Charterers would like to congratulate Owners for the good conditions found on M/T Ocean Dignity during the last Sire inspection.

The great commitment of all team involved in keeping her good performance is highly appreciated.

Best Regards,

Unquote

Congratulations to Capt. Borisov, Ch. Eng. Okril officers and crew for the nice presentation of the vessel to the charterers.

A symbolic bonus of \$5000 has been distributed to the officers and crew of M/T Dignity for a job well done.

Congratulations to all once again.



▲ Captain Igor Borisov

Best RA March 2013



Further to our circulars ID/CIR-ISM-119, CIR-ISM-186 and CIR-ISM-6 announcing the minimum number of two (2) CPARs' and one RA to be submitted on monthly basis, we are pleased to confirm that implementation of this new requirement has been successful throughout the fleet.

Out of all 501 of RAs submitted by the fleet for the period of 01Jan13 – 31Mar13, we have selected as best in terms of scope and assessment the two RAs attached by Capt. Mikul'skiy Georgy, the Master of MT H. Magic, to SCMM form CPO6-10 of Mar13.

Congratulations to capt. Georgy Mikul'skiy, Chief Engineer Konstantin Goncharov, Chief Officer Pavel Panchenko, the officers and crew of M/T Magic for a job well done.

The RAs in reference have been already distributed to the Fleet by separate mail.

We expect this trend, which is a clear evidence of a sound safety culture, will continue and next time we will present a better RA and/or CPAR (and NO accidents, NO pollution, NO detentions

HOT STUFF

Energy Saving

Further to our previous instructions on subject and as per our circulars ID/CIR-TEC-99 dated 24Nar2013 and ID/CIR-ISM-73 dated 28Dec2012, you are aware that the Company runs for the last 24 months a project to apply the appropriate measures and innovations in operations for energy saving on board, in an effort to manage and reduce the GreenHouse Gas emissions footprint of our fleet.

This project is in line with the 5-year plan for excellence in Environmental Performance, as set out in Management Review 2013-01. A project team was launched to collect and evaluate all data relevant to this project and its sub-projects, with the valuable assistance of the fleet.

As an outcome following Energy Saving measures were identified, for which there is a substantial fuel saving, resulting to a considerable reduction of emission of ozone depleting substances (CO₂, SO_x, NO_x, Greenhouse Gas(GHG) emissions):

- ▶ Ballast by gravity
- ▶ Engine room ventilation
- ▶ Emergency lighting
- ▶ FO tanks steam heating
- ▶ Air Condition optimization

A separate message has been already sent analyzing the steps to be taken and records to be kept for each individual energy saving measure and the procedure related to it.

All of us on board and ashore have to work hard to the direction of reducing air emissions for the sake of the environment. Therefore, further to our previous instructions, you are reminded to implement these Energy Saving procedures and also report back:

- ▶ Any occupational or other hazards that may be arising during this period
- ▶ Any change for a more efficient and effective procedure, as proposed below
- ▶ Any negative effects that may be observed
- ▶ Any revision of the Record of Risk Management Processes, form CP24-01 for these Energy Saving Procedures.



Occasional employment Capt. Alexey Tereshchenko & Ch. Officer Pavel Laputskiy

The prompt and effective career development is a primary task for each individual Officer as an individual and for the Company as a whole.

The Company has established through the appraisal procedure and the selection criteria, the mechanism to facilitate career development within the pool of company seafarers.

Ranking of top4 and Electrician is carried out periodically, as per par 4.4.3 of CP05, for prioritizing promotions.

Occasional employment ashore is provided to Masters in Head Office or in RoKcs Office and Roxana/Kristen training center in Vladivostok.

In line with the above, Capt. Alexey Tereshchenko and Chief Officer Laputskiy were in Company's Head Office in Athens from 20Nov12 till 20Feb13 and 05Apr13 respectively to conduct their occasional employment ashore.

Capt. Tereshchenko is already sailing on board M/T Magic and all of us wish him calm seas.



▲ Cpt Alexey Tereshchenko



▲ Ch.Off Pavel Laputskiy

LESSONS LEARNT

Citadel saves Torm ship

Pirates have narrowly failed to hijack a Torm tanker off the coast of Somalia.



A gang using two skiffs targeted and boarded the 57,000-dwt Torm Kristina (built 1999) as it headed for Muscat on Saturday night.

Crew members mustered in the citadel and awaited the arrival of an EU warship.

According to NATO pirates are thought to have left the vessel after seeing the approach of the HDMS Iver Huitfeldt.

Successful boardings and hijackings are now rare off Somalia, where the use of armed guards, navy patrols and anti-piracy protection on ships has made life difficult for pirates.

It is not yet clear if the Torm Kristina was carrying a security team and attempts to reach both the owner and NATO for clarification were not immediately successful.

Vice Admiral Christian Canova, Deputy Commander at Allied Maritime Command said: "Despite the winter monsoon which generates bad sea states, this incident demonstrates the pirates are still active and able to operate far away from Somalia but we are watching them and when best management practices such as citadels are in effect on merchant vessels, we are able to react quickly and deter pirate actions."

The Torm Kristina was en route to Muscat when the attack took place.

Source: Tradewinds

The Drunk Master

The Russian master of a reefer spotted navigating erratically has been jailed for a month for drinking.

The demon drink

The 60-year-old captain of the 65,324-cbf Sunny Maria (built 1978) was said to have been so drunk he could not give a breath test when police boarded the vessel.

The court in Helsingor ruled that the man will be deported after his sentence and he has been banned from acting

as captain, mate or engineer on a ship in Danish waters for one year.

Authorities had tried to contact the vessel by radio several times due to its erratic course.

Contact was finally made and the captain altered his heading to avoid a grounding.



Police officers boarded but eventually gave up trying to make the master blow into an alcohol testing device because he was too intoxicated to draw enough breath.

A blood sample was taken onshore.

The vessel, managed by Shipdeal Corp of Kaliningrad, has continued its voyage to Kaliningrad without him.

Liner

Source: Tradewinds/Gary Dixon in London

Crane Accident - Fatality

What happened?

A ship was loading a cargo of steel products using the ships cranes. While lifting some coils of steel, the topping lift wire on one of the ships crane failed, the cranes jib then fell and struck the cargo hook block. The bolts securing the cranes turret to its pedestal then failed and the crane toppled trapping and fatally injuring the crane operator who was in the cabin.

Why did it happen?

The topping lift wire was in a poor condition and had not been replaced or adequately maintained since the vessel started service.

Many of the bolts securing the cranes turret to the pedestal were found to be broken, missing or incorrectly tensioned.

The vessel did not have the equipment recommended by the manufacturer to correctly tension the cranes pedestal bolts.

What can we learn?

Crane wires should be carefully maintained in accordance with the manufacturers recommendations. Topping lift wires should be subject to the same maintenance as the crane's cargo runner wires. Manufacturer's recommendations should be followed with respect to the maintenance of crane pedestal bolts and each ship should have the equipment necessary to perform this maintenance.

Source: Sub-Comitee on flag-state implementation

LESSONS LEARNT

Shipping Co. to Pay \$2.2 Million for Covering up Oil Pollution..Falsified ORB

Pacific International Lines, a Singapore-based container ship company, was sentenced today in D.C. federal court under the terms of a plea agreement that requires the company to pay \$2.2 million in criminal penalties, the Department of Justice announced today. Pacific International Lines previously pleaded guilty to three felony charges that it made false statements to the U.S. Coast Guard and violated the Act to Prevent Pollution from Ships by concealing illegal waste water operations and discharges in a falsified oil record book – a required log in which all overboard discharges must be recorded – and operating a vessel in waters of the United States without a functioning oil water separator (a required) pollution control device). The charges are a result of Pacific International Lines illegal operation of the vessel M/V Southern Lily 2 in June 2012.

“Today’s sentencing is a noteworthy success for the few federal law enforcement agencies charged with enforcing U.S. and international maritime laws protecting the oceans and natural marine resources both around the remote U.S. Pacific Islands and throughout the vast area of the South Pacific,” said Joshua J.

Masterson, Special Agent-in-Charge of Coast Guard Investigative Service-Pacific Region. “This case, being the third of its kind since 2011, should send a clear message to those shipping companies and mariners who willfully cut corners and violate the laws enacted to protect the oceans as well as place a much needed spotlight on this region of the South Pacific.”

According to the plea agreement, including a joint factual statement, the company operated the vessel Southern Lily 2 in American Samoa. On June 22, 2012, the vessel was boarded by the U.S. Coast Guard for a routine inspection. During the inspection the Coast Guard discovered that the ship’s oil water separator was not functioning. The Coast Guard learned that the device had not been functioning for several months and, at the direction of the chief and second engineer, the oily waste water had been being discharged overboard in violation of international law. The illegal discharges and the fact that the oil water separator did not function was not entered in the ship’s oil record book as required by federal law.

Additionally, under the terms of the plea agreement, Pacific International Lines was placed on probation for three years, during which time it must operate under the terms of a government-approved Environmental Compliance Plan. The plan includes review by an independent auditor of any of Pacific International Lines ships—including the Southern Lily 2—that trade in the United States.

In addition to the \$2 million criminal fine, the judge also ordered Pacific International Lines to pay \$200,000 to support community service projects. The projects will be administered by the National Fish & Wildlife Foundation and the National Marine Sanctuary Foundation.

Engine room operations on-board large ocean-going vessels such as the Southern Lily 2 generate large amounts of waste oil and oil contaminated bilge waste. International and U.S. law prohibit the discharge of waste containing more than 15 parts per million oil and without treatment by an oil water separator and oil sensing equipment—a required pollution prevention device. The Act to Prevent Pollution from Ships also requires that all overboard discharges be recorded in an oil record book, which is subject to inspection by the Coast Guard. The waste oil may be incinerated on board the ship or offloaded in port for proper disposal.

In related prosecutions, the second engineer of the Southern Lily 2, Qing Cao, pleaded guilty to a felony information charging him with operating the Southern Lily 2 in Waters of the United States without a functioning oil water separator in violation of the Act to prevent Pollution from Ships. The court sentenced Cao to 36 months of probation and ordered Cao to depart the United States immediately. As a condition of probation, the court ordered Cao not to work on any vessels that call at U.S. ports during the term of his probation.

This investigation was conducted by the Pacific Regional Office of the U.S. Coast Guard Investigative Service Honolulu, Hawaii, and Senior Litigation Counsel Howard P. Stewart of the Justice Department’s Environmental Crimes Section. 13-227 Environment and Natural Resources Division

Source: <http://www.justice.gov/opa/pr/2013/February/13-enrd-227.html>

LESSONS LEARNT

Crew injuries from oil heater explosion

Over a period of two days at anchor, one of the two vertical thermal oil heaters of a product tanker was observed to be not firing reliably. The crew opened and cleaned the burner unit and also adjusted the igniter electrodes twice, but after the second attempt, the heater refused to fire. On the third day, the C/E discussed the remedial action plan with the crew. They opened up the burner unit and cleaned the burner lance and igniter electrodes again. This time, the heater operated for about 90 minutes (eight firing cycles), after which it again failed to ignite. Resuming work after lunch, the electrician re-inspected electrical systems while the 3/E and cadet dismantled and cleaned the burner lance and nozzle unit, reassembled it under the C/E's supervision and refitted it to the heater one more time.

When the test firing commenced, the 3/E, cadet and electrician positioned themselves on the top of the heater to monitor the automatic starting and firing sequence. The forced-draught fan went through a four-minute purge programme, but when the igniter sparked, there was a violent explosion.

The explosion lifted the thermal oil heater casing top, snapping most of the securing bolts. The burner arrangement was pushed out of alignment and the inspection cover was torn from its securing bolts. The ducting from the externally mounted forced-draught fan was torn apart at the flexible insert. Fuel lines running across the top of the thermal heater were deformed, and at least one began to leak from a weakened joint. The explosion triggered the engine room fire detection system, initiating a fire alarm on the panel at the fire control station, and also activated the local automatic water mist system. The three persons on top of the heater suffered burns over large portions of their bodies as the flame front engulfed them momentarily, but they were able to walk from the area to the accommodation. They were assisted by the mustered crew, who removed the remnants of the burnt coveralls and ill-advisedly pierced and drained (lanced) the blisters before placing dressings on the burns. The injured persons were also given painkillers and water to drink but remained seated in a cabin despite being in severe pain and trauma.

About half an hour after the explosion, the Master reported the incident to the port control and his local agents and requested medical assistance. Unfortunately, his request for helicopter evacuation (medevac) was initially denied due to the mistaken assumption ashore that helicopter operations over a tanker that had just suffered an explosion would be hazardous. Subsequent miscommunication between the response teams on shore added to this delay.

Paramedics boarded by launch about an hour after the accident and after rendering further medical treatment, they insisted on immediate evacuation of the casualties by helicopter. Eventually, after another hour, the men were winched off and conveyed to a shore hospital.

Result of investigation

- 1 The burner nozzle had been incorrectly assembled, probably during the several investigation and repair attempts. As a result, the needle valve stem became bent and due to an improper seal, the circulating fuel continued to spray into the furnace during the pre-ignition start sequence;
- 2 The crew, except the C/E, had very limited experience in servicing this equipment;
- 3 The manufacturer's manual was poorly written, and lacked a clear drawing of the burner, details of spare parts, instructions for troubleshooting, servicing, inspection or testing;
- 4 In order to reduce maintenance costs, at some time prior to the incident, the company had approved a change of fuel from heavy fuel oil (HFO) to marine gas oil (MGO) for the heater, but the crew failed to make the necessary changes to the fuel pre-heating circuit and the auto-start programme;
- 5 Excessive diesel fuel entered the furnace which was probably at about the operating temperature (about 160 °C), and instantly vaporised (flash point ≈ 68 °C) and formed an explosive mixture with the charge air;
- 6 The crew failed to refer to the proper sources for advice on the treatment of burn injuries, resulting in the casualties being given inappropriate first aid (especially the deliberate puncturing of blisters);
- 7 The port's contingency plan for responding to a vessel casualty and medical emergency in the anchorage lacked detailed documentation that would have ensured reliable information exchange among the concerned parties.

Corrective/preventative actions

- 1 The ship's operator renewed the burner units for both oil-fired heaters and altered the control system to better suit the fuel being used and the load demands placed on the heaters;

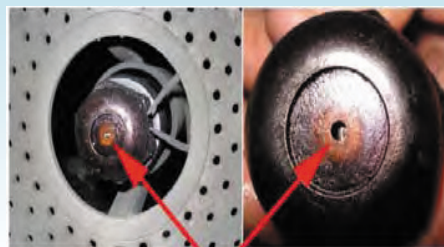
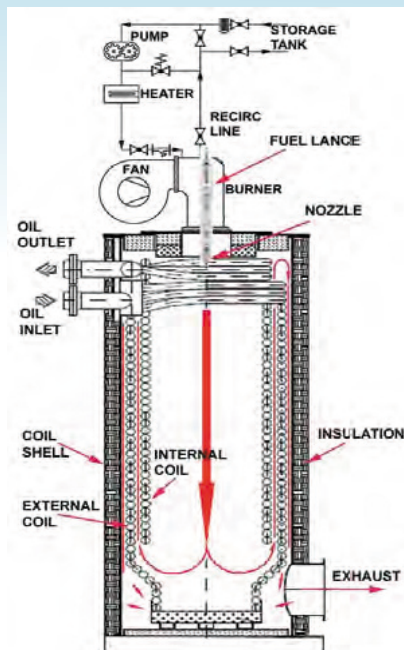
LESSONS LEARNT

Crew injuries from oil heater explosion (Continued)

- 2 The heater's makers reviewed and amended relevant sections of the equipment's service manual and relayed the incident details to ancillary equipment suppliers, including the burner equipment manufacturer;
- 3 The port reviewed the emergency contingency plan and implemented revised procedures, including training, drills and exercises for its staff.

Lessons learnt

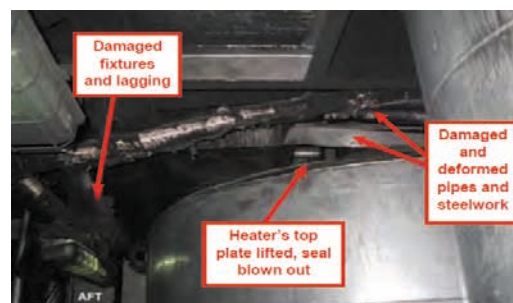
- 1 Ship's crew must remain vigilant to safety even when conducting repeated or seemingly simple tasks;
- 2 Manufacturers must provide comprehensive and accurate documentation for onboard service and maintenance and the crew must follow these along with the more generic procedures given in a ship's SMS;
- 3 Manufacturers should conduct research and implement engineering solutions to resolve potential design weaknesses that may lead to failure or hazardous conditions in service;
- 4 It is desirable that critical items of equipment are serviced by specialist shore-based technicians, but if this is impracticable, ships' crews must be given appropriate training arranged by the makers or suppliers of such equipment;
- 5 In case of illness or injury on board, ships' crews must first refer to the approved publications carried onboard, if required, supplemented by correct radio medical advice obtained from shore. They must be capable of providing immediate and appropriate first aid. Burn injuries should always be immediately cooled, under clean, cold running water, for at least 10 minutes.



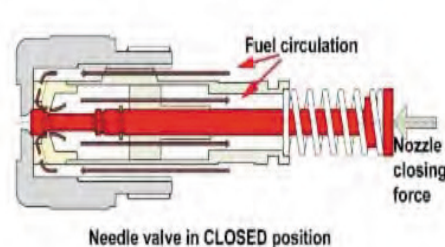
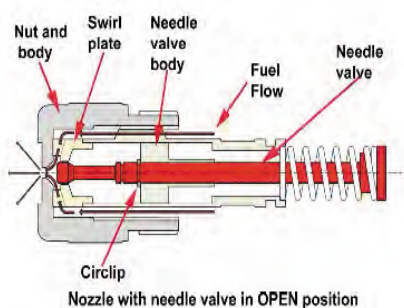
▲ Misaligned needle valve failed to close fuel nozzle during pre-ignition air purging of furnace



▲ Needle valve spindle damaged due to improper re-assembly



▲ View of damage between top of heater and overlying grating



LESSONS LEARNT

Legs severed by towline

A tug and tow arrived at the outer roads of a port and was preparing to embark a pilot. Due to restricted sea room, the tow wire had to be shortened in order to enter the port. As the tug began to heave in the tow wire, the towing winch suffered a burst hydraulic oil line which could not be immediately repaired. In order not to abort the port entry, the crew quickly stoppered off the wire, and after turning the slack around the capstan on the port quarter, resumed the shortening operation. As the capstan heaved in the wire, the crew manually flaked about 75 metres of it on the deck to achieve the desired length of tow. Intending to belay the wire around a pair of bitts, the crew re-applied the chain stopper. However, due to the relative movement of the vessels, the towline came under sudden tension. The chain stopper was unable to hold the wire, which began running uncontrollably off the deck and over the stern roller. Unfortunately, the C/O was standing to seaward of the rapidly escaping wire and his right leg was caught in a bight and severed. The casualty was quickly air lifted to a hospital along with the severed limb packed in ice. Although his leg could not be saved, he was extremely lucky that he was not killed.

Lesson learnt

A hasty change to a planned task or operation in progress is very likely to lead to an accident, especially if a new risk assessment is not conducted.

Source: MARS

Collision with jack-up barge in TSS

A VLCC in ballast was anchored off a major oil exporting port. As per instructions from the loading terminal, she weighed her anchor at about 2330 hrs and proceeded from the waiting area to meet the berthing pilot at the boarding area at 0130 hrs, which was about 20 miles to the south. Pre-departure procedures and checklists were duly completed and, as per the passage plan, the tanker initially steered due south in order to join the SW-bound traffic lane from the side. Positions were being plotted on the approach (paper) chart at intervals of about six minutes.

At 2345 hrs, while proceeding on a course of 180 degrees at about 12 knots, the OOW acquired a target located in the NE-bound lane, bearing a few degrees on the starboard bow at about 5.5 nm distance. A single white light was seen along the bearing of the target, and the bridge team presumed it to be a small local craft. The plot indicated that the target was proceeding slowly in a NW'ly direction, and it was assumed that it was intending to cross the traffic lanes.

At 0005 hrs, the tanker entered the SW-bound lane from

the west side and altered her course to 226°, aligning herself with the general direction for that lane. By this time, the other vessel was located within the separation zone, bearing about two points on the tanker's port bow and about 2 miles off. Based on the target's low speed vector, it was again assumed that the small craft would keep clear of the VLCC navigating along the traffic lane.

At this time, the OOW suddenly saw that the target was actually a self-propelled jack-up barge and was showing the starboard (green) sidelight and was intending to cross ahead of the tanker. In the absence of signals to indicate restricted manoeuvrability, the bridge team of the VLCC treated the barge as a normal power-driven vessel underway and expected it to manoeuvre as the give way vessel in a crossing situation (Rule 15). With the distance rapidly closing, the tanker's Master began an alteration to starboard, away from the barge, but the two vessels collided at about 0015 hrs.

Port control was informed of the incident. Acting on their instructions, the tanker continued the passage to the pilot station, embarked the pilot and proceeded to the holding anchorage, where she anchored at 0405 hrs, pending an investigation into the incident.

Consequences of collision

- 1 The large crude oil consignment that was assigned to the tanker had to be shipped on another vessel;
- 2 The shipowner and manager suffered severe financial loss (loss of charter income, costs for directing the vessel to the nearest repair facility, cost of repairs and other associated costs);
- 3 Huge liability claims were filed against the tanker's owners from the company owning the jack-up barge for damage, repairs, loss of hire and other charges;
- 4 The coastal state imposed a punitive fine for unsafe navigation;
- 5 Loss of reputation;
- 6 Loss of manhours (both on board and in the office).

Root cause/contributory factors

- 1 Ineffective bridge team management;
- 2 Failure to obtain traffic information from the port before commencing the passage and entering the approach TSS;
- 3 Illogical assumption that the other vessel was a small, local craft, when the target's identity was clearly being shown on the AIS;
- 4 The ship's speed of about 12 knots was considered to be excessive and was not reduced promptly when a close quarter situation was developing and there was doubt as to the intentions of the crossing vessel (Rules 6, 7 & 8);
- 5 Failure to communicate doubt by means of prescribed sound/light signals (Rule 34 d);

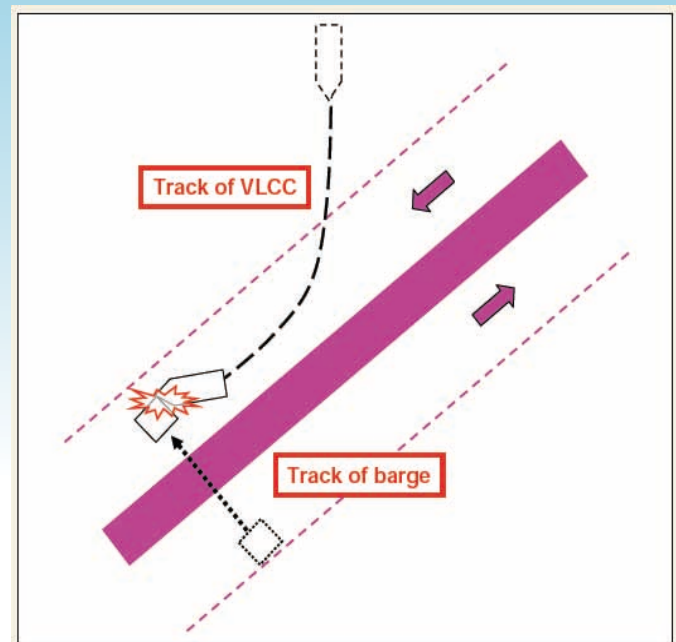
LESSONS LEARNT

Collision with jack-up barge in TSS (Continued)

- 6 Actions to avoid collision were not implemented in sufficient time and were not substantial enough (Rule 8);
- 7 The navigation lights of the jack-up barge were not seen earlier by the tanker's bridge team due to the many obstructions on its deck;
- 8 There was a loss of situational awareness – the bridge team wrongly assumed that there was a charted shoal close to the west of the vessel, when, in fact, it was about 1.5 miles SW.

Lessons learnt

- 1 Every member of the bridge team must pro-actively contribute to safe navigation – in this case, after initially informing the Master about the presence of a 'small coastal vessel' ahead, none of the bridge team members took an active part in the conduct of the vessel or challenged the Master's actions;
- 2 Information on existing and expected vessel movements and other operations in the port and approaches must be obtained from the VTS / port control / pilot station (as appropriate) prior to transiting these areas;
- 3 Assumptions should never be made on basis of scanty information;
- 4 Despite its limitations, the AIS can potentially provide reliable data on a target's identity and movement, if both vessels are equipped and the system is correctly configured;
- 5 Although not advisable, prudent bridge-to-bridge VHF communications at an early stage can assist safe passing between vessels, provided both are sure of each other's identity and location;
- 6 Crew tend to become complacent when they call frequently at a port or region and are more likely to overlook basic precautions;
- 7 All passages should be properly planned and discussed among the bridge team members ensuring that vital parameters are defined and adhered to for each leg during execution and monitoring;
- 8 Risk assessments for all critical movements (eg arrival/departure port, narrow channels, restricted waterways, TSS etc.) must include the possibility of encountering 'rogue' give way vessels that may not comply with Colregs, and appropriate contingencies and escape routes should be included in the passage plan;
- 9 The bridge team must assess the relative movement of traffic in the area before making an alteration of course (eg trial manoeuvre function on the ARPA), and they must not hesitate to slow down or stop the vessel to avoid a collision.



▲ Hypothetical Illustration of Collision

Corrective/preventative actions

- 1 An urgent alert was sent to the fleet, highlighting the incident with the instruction to hold a special meeting at the earliest to discuss the report and review all aspects of bridge procedures on board;
- 2 A campaign on safety of navigation with special emphasis on bridge team management, maintaining situational awareness and collision regulations will be initiated by the company, comprising of:
 - a) A video on safe navigation and bridge team work;
 - b) Onboard navigational audits to be carried out by Masters and visiting superintendents;
 - c) Training sessions conducted on board addressing human element factors including procedures, communications, stress, operational environment, fatigue and culture issues;
- 3 The company's Bridge Procedures Manual has been amended requiring vessels to obtain all relevant information from port control/VTS/local authorities before transiting within port limits;
- 4 Officers will be trained in bridge team management at reputed training institutes and the course will be monitored/reviewed to ensure its effectiveness.

LESSONS LEARNT

Oil-soaked waste caused fire on deck

Official report edited from MAIB Safety Digest 01-2012 – Case 2

Arriving at a river port after a short coastal passage, a container feeder vessel was transiting upriver under day-time pilotage, when the bridge team suddenly observed thick black smoke rising from forward. The fire alarm was activated and speed was reduced while the emergency team proceeded to the location, with two crewmembers wearing breathing apparatus. The fire was seen to be on a pile of rags and cotton waste and it was quickly extinguished with fire hoses.

Result of investigation

Earlier during the voyage, linseed oil had leaked from a container that had been discharged at the previous port, after which the deck crew had mopped up the oil from the deck. It was intended to land the oilsoaked material at the next port, so the crew had collected and stowed it on deck overnight on a rubber mat abaft the forward wavebreaker. The rags spontaneously heated to above the self-ignition temperature of the vegetable oil. The resulting fire caused substantial burn damage to adjacent electrical fittings and paintwork on the deck, vertical surfaces of the bulkhead and a ventilator cowl.



▲ Fire damage to paint and fittings on wavebreaker and deck

Source: MARS

Fuel leakage from main engine fuel pump

A product tanker was proceeding on a long voyage after the completion of drydocking and associated surveys. During the ocean passage, the fire alarm suddenly activated in the engine room. Instead of a fire, the cause of the alarm turned out to be a large leakage of fuel oil from a flange on the inlet pipe of the main engine no. 4 fuel injection pump.

Result of investigation

- 1 The fuel system had been overhauled, but no senior ship's engineer supervised its refitting in drydock. As they did not have a new spare, the yard workers had reused the gasket of the flange connection on the suction side of the fuel injection pump even though it was damaged;
- 2 The insulation and leakage containment cover over the fuel line had not been renewed/refitted.

Lessons learnt

- 1 Proper planning is necessary in drydock and during major repairs to ensure that responsible officers are delegated to supervise the refitting of critical components;
- 2 The condition, integrity and tightness of piping should be regularly checked, especially on critical equipment and fuel oil systems;
- 3 The vessel must ensure that adequate quantities of original spare parts are available at all times, and that all gaskets are renewed whenever pipelines are opened up and reconnected;
- 4 Wherever appropriate, lagging and containment covering must always be refitted, or renewed, if damaged;
- 5 All defective parts discovered after an incident must be carefully preserved to allow detailed investigations and to establish the underlying cause(s) so that effective corrective and preventative actions can be taken.



▲ Fuel oil leakage at camshaft side



▲ Fuel oil leakage on fuel pump side



▲ Reused torn gasket that caused the leak at the flange connection



▲ Corrective action implemented – fuel inlet pipe re-connected with new gasket and covered with insulation and containment covering

LESSONS LEARNT

Hull breached at unsafe berth

On completing discharge, a tanker was ordered by the port to vacate the berth and tie up at a waiting berth, about 8 miles upriver. The assigned berth was identified with some difficulty on the chart and was seen to be on a sharp bend in the river. A passage plan was made with the limited information available onboard, and, during the transit, the pilot provided more details of the berth. He mentioned that the jetty was partly damaged and had two pontoon barges secured to it and that the vessel was to moor starboard side to them. The Master was advised that the final line configuration would be 3+2+2 forward and aft and that about a mile before the berth, two 'powerful' tugs would assist the mooring operation with ship's lines from the port bow and quarter. The plan was explained to the C/O and 2/O before they proceeded to their respective mooring stations. Meanwhile, the deck crew rigged portable fenders just above the water level as the pilot warned that the steel pontoons had none and also prepared ship's lines for the tugs on the port side. Just before the tugs approached on the Master's instructions, the C/O prepared the port anchor for letting go in an emergency.

Contrary to what the pilot had stated earlier, both tugs appeared to be too small and underpowered for the tanker's size, and they refused to make fast the ship's lines. To the shock and disbelief of the vessel's bridge team, the pilot denied that he had ever implied that the tugs were to be made fast. With no possibility of aborting the manoeuvre, the vessel was forced to attempt berthing without the benefit of controlling towlines.

The tanker passed two bulk carriers double-banked at the wharf close downstream and then prepared to approach the two pontoon barges secured in line at her assigned berth. Considering the length of his ship, the Master estimated a final overhang of about 25 metres at each end. He also noticed that the middle section of the pier, inshore of the two barges, was missing.

A strong current was setting the ship sideways on to the pontoons and wharf. With no meaningful tug assistance, a very tense and stressed Master heeded the pilot's rapid engine and rudder orders. To add to his worries, the C/O reported from the fore-castle deck that the collapsed portion of the jetty appeared to be extending into the river. The vessel was drifting astern with the ebb current and the 2/O reported that the distance to the bulkers was only 20 metres and closing rapidly. An urgent ahead movement on the engine took the tanker ahead by an estimated 50 metres when the engine was stopped and the Master ordered the port anchor to be let go. Holding on to 2 shackles of chain, the vessel was being brought sideways towards the pontoons, when a loud grating noise was heard along the starboard shell plating accompanied by intense shuddering.



After securing to the shore with unusually long lines, it was discovered that the empty fore peak tank was holed below the waterline. Fortunately, the ballast pump was able to cope with the inflow and a zero tank sounding was easily maintained. The company's emergency procedures were followed and appropriate reports were sent to the office. The next day, when the tank was carefully opened for the class surveyor, a mooring bollard was found tightly wedged in the hole at the bottom of the tank, partly stemming the inflow. It was decided not to disturb the bollard, which fortuitously acted like a plug. It is presumed that the impact dislodged the bollard from the submerged collapsed section of the pier. The surveyor issued a temporary permit to sail to the nearest drydock for permanent repairs and the vessel departed from the port.

During the Master-pilot information exchange before departure, the swinging area about 0.5 mile downstream from the berth was shown on the chart and it was also revealed that a harbour tug had recently sunk in mid-channel. The Master was horrified that the pilot who conducted the vessel inward had omitted to relay this crucial information. After casting off the berth just after slack water, the vessel's stern-first exit was assisted by two large tugs. In order to avoid the new unmarked wreck, the pilot executed the swing closer to the shoal ground on the west bank, which gave the Master more anxiety, as the tugs appeared to be turning the vessel with minimum power.

During the short passage to drydock, all tanks were monitored and the ballast pump was continuously discharging the ingress into the fore peak tank. Regular situation reports were sent to the management team ashore. In the drydock, it was observed that apart from the large hole punched in the shell plating in way of the fore peak tank, there was no other damage.

LESSONS LEARNT

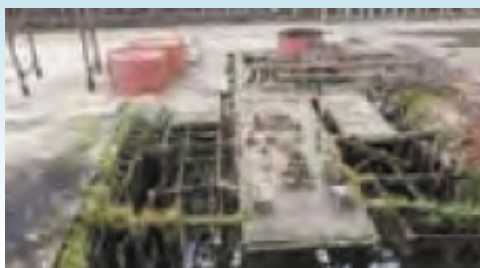
Hull breached at unsafe berth (Continued)

Lesson learnt

It may be advantageous to appoint an independent owner's agent or a port captain in 'difficult' ports, where reliable navigational and commercial information may not be readily provided by charterers /local authorities.



▲ Looking aft from forecastle at collapsed section of wharf and intervening pontoon barges



▲ The collapsed structure is thought to have slid further into the river



▲ Hole in way of fore peak tank after bollard was removed



▲ Bollard extracted from fore peak tank

Source MARS

Hull projections can damage fenders

A cargo ship of a novel design called at our terminal recently on her maiden voyage. She had all her deck cranes fitted along the ship's port side and the pedestals extended beyond the shell plating like vertical sponson or blister tanks. As such hull protuberances can potentially damage the fenders on the berth, it is important that vessels provide this information well before the ship's arrival. Indeed, the Master of the vessel did admit that a port had filed a claim for fender damage against another sister ship. Accordingly, it may be prudent for shipowners, naval architects and shipbuilders to avoid designs that involve projections beyond the side shell of vessels.



▲ View from stern showing two vertical projections on port side shell



▲ Closer views of hull projection showing risk of fouling and damaging fenders at wharf

Source: MARS

LESSONS LEARNT

Hydraulic oil leak starts fire in engine room

On a tanker on passage, the fire alarm suddenly sounded. At the same time, the engine room crew saw small flames and smoke rising from the after exhaust manifold and cylinder heads of the running main engine. After extinguishing the localised fire, it was discovered that hydraulic oil from the cargo pump system had leaked from a flange connection in the vent/overflow line situated directly above the main engine cylinder head platform.

Result of investigation

- 1 At the previous discharge port, a submerged cargo pump hydraulic motor had malfunctioned. In preparation for carrying out repairs, an engineer had closed the vent-cum-overflow line valve located before the service/header tank without draining the line;
- 2 Due to the residual pressure in the line, the flange connection (later found to have loose fasteners) leaked and a fine spray of hydraulic oil began falling on the hot surfaces on the top of the exhaust manifold and ignited after attaining self-ignition temperature.

Root cause/contributory factors

- 1 Inadequate work planning – line was not depressurized/drained before closing of valve before header tank;
- 2 Inadequate management of change – the hydraulic piping had been modified some years ago to tap off a new branch line before the header tank leading to an offline oil filtering system. A stop valve was fitted before the branch without properly assessing risks;
- 3 Inadequate communication – the engineer who closed the valve failed to inform other members of this fact.

Corrective/preventative actions

- 1 Ship's staff removed the stop valve from the vent line, and the piping was re-modified to ensure that the offline filtration circuit was independent of the vent/overflow line;
- 2 All joints in the hydraulic system lines were inspected for proper condition and tightness;
- 3 Sister vessels fitted with the same filtration plant were advised to check the lines to ensure that the overflow line could not be inadvertently shut. All vessels were instructed to thoroughly inspect all nuts and bolts on flange joints and tighten them.



NEW RULES

MLC2006 Ratification

The Maritime Labour Convention, 2006 (MLC, 2006), adopted by the International Labour Organization (ILO) in 2006, is the fourth pillar of the international maritime regulatory regime. It both fills a gap in the 1982 United Nations Convention on the Law of the Sea and complements the International Maritime Organization's (IMO) core conventions on ship safety, & security, training and pollution prevention.

Aimed at achieving both "decent work" for seafarers and fair competition for Shipowners, the MLC, 2006 covers most aspects of maritime labour. It establishes an effective enforcement and more compliance system with, for the first time, certification of seafarers' working and living conditions on ships. With its interwoven labour and social rights and economic goals, the MLC, 2006 is an international legal instrument that will have a significant impact on approaches to labour standards in other globalized sectors.



Co-authored by international law practitioners and scholars with combined expertise in the public international law of the sea, maritime law, international labour law, and, more specifically, direct involvement with the development of the MLC, 2006 over nearly a decade.

As of 20 August 2012, 30 member States representing a total share in the world gross tonnage of ships of at least 33% have ratified the Maritime Labour Convention, 2006 (MLC, 2006). This begins a one (1) year period of implementation, at the end of which certification of compliance with all provisions of the MLC, 2006 shall become mandatory. The Convention will enter into force on 20 August 2013.

The MLC, 2006 establishes minimum requirements for almost all aspects of working conditions for seafarers including conditions of employment, hours of work and rest, accommodation, recreational facilities, food and catering, health protection, medical care, welfare and social security protection. Each State is tasked not only with ensuring that ships flying its flag meet the 'decent work' requirements set out in the Convention, but also with certifying that those ships comply with the requirements relating to labour conditions. This certification will also facilitate inspections of ships. The Convention places great reliance on the system allowing for inspections to be carried out by other countries, known as port State control. There is also a mechanism which records seafarers' complaints, as well as a reporting mechanism which spots failures no matter where a ship travels.

Company's actions: A project was launched on 08Mar12 basis on which a Gap analysis was carried out by LRS. Basis on this Gap analysis the CPO5 and relevant forms are to be revised till 30Dec12 and be distributed to ships and to RoKcs. Thereafter the ships are to be surveyed by the Classification Society for the certification. Basis on this project plan, the ship's certification is to be completed till Jun13.

NEW RULES

Ship Energy Efficiency Management Plan (SEEMP) and International Energy Efficiency Certificate (IEEC)

RESOLUTION MEPC.203(62), Adopted by IMO on 15 July 2011 refers to amendments to MARPOL Annex VI on regulations for the prevention of air pollution from ships by inclusion of new regulations on Energy efficiency for ships. Between the other amendments following new rules were introduced:

► Chapter 2 regulation 6

International Energy Efficiency Certificate (IEEC) was introduced along with the IAPP certificate.

The International Energy Efficiency Certificate shall be drawn up in a form corresponding to the model given in appendix VIII to the resolution.

► Chapter 4 Regulation 22

Ship Energy Efficiency Management Plan (SEEMP) is introduced.

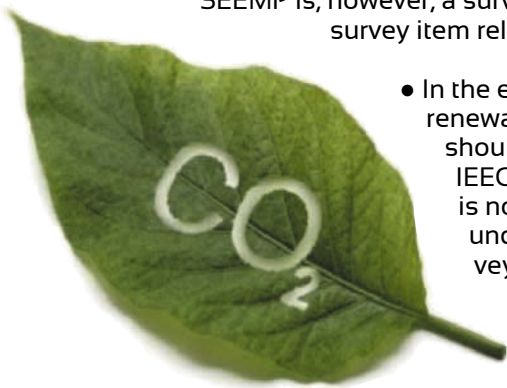
Each ship shall keep on board a ship specific Ship Energy Efficiency Management Plan (SEEMP). This may form part of the ship's Safety Management System (SMS).

The SEEMP shall be developed taking into account guidelines as per Resolution MEPC.213(63) adopted by IMO on 02Mar12.



The working group agreed on the following interpretation:

- The International Energy Efficiency Certificate shall be issued for both new and existing ships to which chapter 4 of MARPOL Annex VI applies.
- The SEEMP required by regulation 22.1 of MARPOL Annex VI is not required to be placed on board an existing ship to which this regulation applies until such time as the verification survey specified in regulation 5.4.4 of MARPOL Annex VI is carried out.
- For existing ships, a SEEMP required in accordance with regulation 22 shall be verified on board according to regulation 5.4.4, and an IEEC shall be issued, not later than the first intermediate or renewal MARPOL Annex VI chapter 2 survey, whichever is the sooner, on or after 1 January 2013, i.e. a survey connected to an intermediate/renewal survey of the IAPP Certificate.
- The intermediate or renewal survey referenced in 2 relates solely to the timing for the verification of the SEEMP on board, i.e. these IAPPC survey windows will also become the IEEC initial survey date for existing ships. The SEEMP is, however, a survey item solely under the new MARPOL Annex VI, chapter 4, and is not a survey item relating to IAPPC surveys.
- In the event that the SEEMP is not found on board during the first intermediate/renewal survey of the IAPP Certificate on or after 1 January 2013, then the RO should seek the advice of the Administration concerning the issuance of an IEEC and be guided accordingly. However, the validity of the IAPP Certificate is not impacted by the lack of a SEEMP as the SEEMP is a survey item solely under the new MARPOL Annex VI, chapter 4, and not under the IAPPC surveys.



NEW RULES

Bridge Watch Alarm System (BWAS)

The Bridge Navigational Watch Alarm System (BNWAS) was added to SOLAS Chapter V/19 at MSC86 in June 2009. It is a new SOLAS requirement enforceable as of 1st ship's survey after 01Jul12 for all vessels over 3000GRT.

The purpose of a bridge navigational watch alarm system is to monitor bridge activity and detect operator disability which could lead to marine accidents. The system monitors awareness of the Officer of the Watch (OOW) and automatically alerts the Master or another qualified person if for any reason OOW becomes incapable of performing OOW's duties. This purpose is achieved by series of indications and alarm to alert first the OOW and, if he is not responding, then to alert Master or another qualified person. Additionally, the BNWAS provide the OOW with means of calling for immediate assistance if required.

This device is installed on Bridge and it is supplied by 24V DC. It may be manually switched on by Master or automatically by external systems via potential free contact relay.

There are two principles of design, one of periodical (dormant period) of manual reset of system or automatic reset of system through motion sensors. For our Company the motion sensors design principle was selected.



Dormant period is the max period allowed without any motion monitored on Bridge or without manual reset of the system.

The device sounds whenever there is no movement on Bridge, when at seas, according to preset adjustable dormant period (3 min, 9 min, 12 min).

The Dormant period is counting down from the moment that system has been switched on. If dormant period is over without OOW's movement or reset, system activates all units by 2 Hz flash light. All units are dimmable via central dimmer on control panel (WAP 220.11.1.0) Minimum illumination should be fixed.

The BNWAS must be ON whenever the Auto pilot is switched ON.

Company actions

ROXANA: The equipment is to be installed as follows:

- QST: Till 10Dec12
- SPR: Till 28Feb13
- DGN: Till 24Dec12
- MBC: Till 15Apr13
- MCL: Till 28Feb13
- MVL: Till 24Oct12 SHORT TERM
- MGC: Till 10Jul13
- MLD: Till 14Apr13

KRISTEN: The equipment is already installed on SPIRIT OF BRAZIL, whilst arrangements are ready for the Installation on MARINER II to be installed till 10Jan13.



NEW RULES

Asbestos Materials - SOLAS/II-1 regulation 3-5 IACS Unified Interpretation (UI) SC 249

In accordance with SOLAS/II-1 regulation 3-5, from 01Jan11, for all ships, new installation of materials which contain asbestos is prohibited. This includes any material purchased and used (i.e. repaired, replaced, maintained or added) for the structure, machinery, electrical installations and equipment covered by the SOLAS Convention.

As per IACS Unified Interpretation (UI) SC 249, Class Surveyors will check/audit the implementation of the above-mentioned requirement during the annual safety construction and safety equipment surveys by reviewing the relevant asbestos-free documentation available onboard for the material installed on or after 01Jul12.

Company's actions:

- A relevant reminding message has been to ROXANA and KRISTEN vessels.
- FOMIO (par4.12) has been revised to address non-asbestos material management, whereby:
- Purchasing dept, in all purchases, adds following:

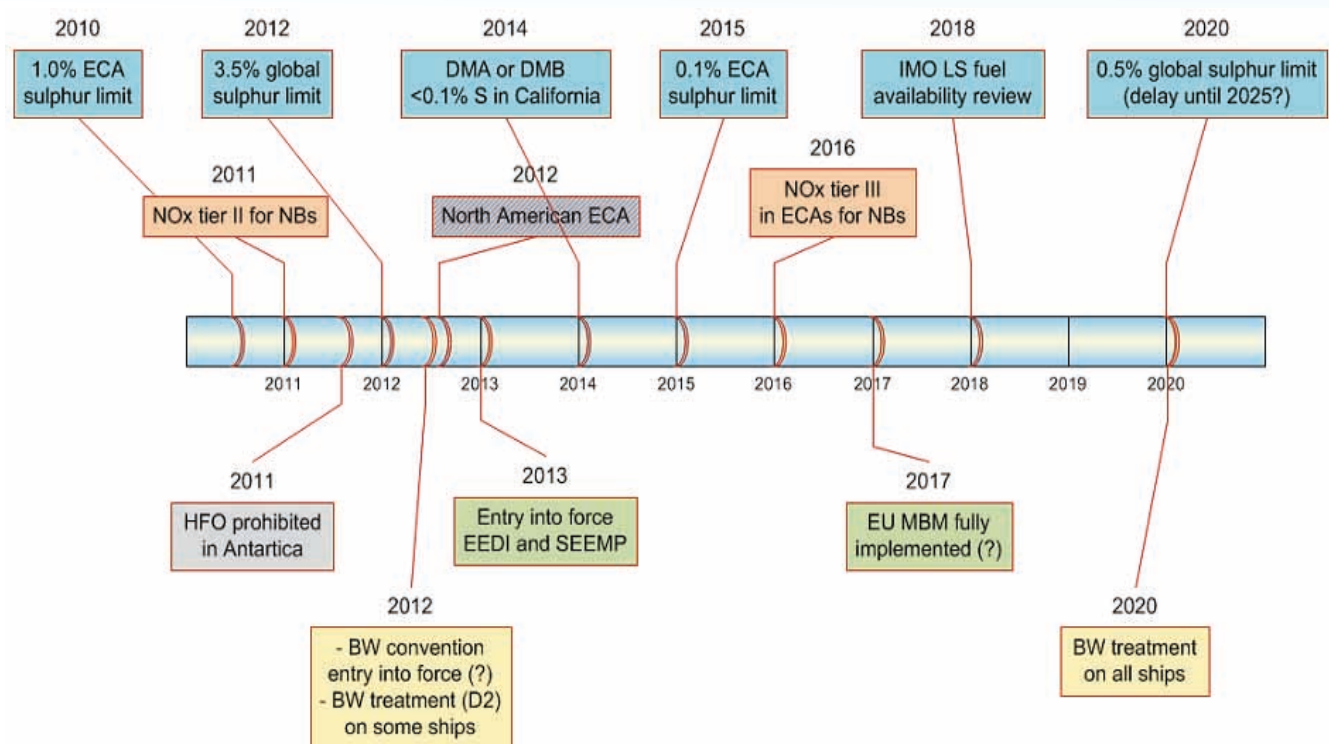
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By accepting this purchase order you also confirm that goods to be supplied are asbestos-free, within the context of SOLAS/II-1 reg 3-5

UNQT

- Purchasing dept, for supply of insulation material, brake linings, gaskets for steam piping requests from the provider a declaration that goods provided are asbestos-free. These declarations should be filed on board together with relevant requisition and delivery note.
- For all new-buildings, a shipyard declaration of conformity with asbestos-free construction, in accordance with SOLAS reg III-1/3.5 is obtained.
- Master will ensure that declarations as per 4.12.3 and 4.12.4, as applicable and always available on delivery and properly filed.

Updates on Emission Control regulatory regime



NEW RULES

VGP by EPA enforceable form 19Dec13

On 28 March, the US Environmental Protection Agency (EPA) issued the 2013 Vessel General Permit (VGP) regulating discharges from commercial vessels, including ballast water, into US waters. The VGP covers commercial vessels greater than 79 feet in length, excluding military and recreational vessels, and will replace the 2008 Vessel General Permit on 19 December 2013.

This permit regulates 26 specific discharge categories, and will also provide improvements to the efficiency of the permit process and clarify discharge requirements by the following:

- Reduce the risks of introduction of invasive species. The permit includes a more stringent numeric discharge standard limiting the release of non-indigenous invasive species in ballast water. The permit also contains additional environmental protection for the Great Lakes, which have suffered disproportionate impacts from invasive species, aligning federal standards with many Great Lakes states by requiring certain vessels to take additional precautions to reduce the risk of introducing new invasive species to U.S. waters.
- Reduce administrative burden for vessel owners and operators. The permit will eliminate duplicative reporting requirements, expand electronic recordkeeping opportunities, and reduce self-inspection frequency for vessels that are out of service for extended periods.



The final VGP also contains more stringent effluent limits for oil to sea interfaces and exhaust gas scrubber washwater, which will improve environmental protection of U.S. waters. EPA has also improved the efficiency of several of the VGP's administrative requirements, including allowing electronic recordkeeping, requiring an annual report in lieu of the one - time report and annual noncompliance report, allowing combined annual reports for some vessel operators, allowing a reduced inspection frequency for vessels in a prolonged idle status, and requiring small vessel owners and/or operators to obtain coverage under the VGP by completing and agreeing to the terms of a Permit Authorization and Record of Inspection form.

This action applies to vessels operating in a capacity as a means of transportation that have discharges incidental to their normal operation into waters subject to these permits, except recreational vessels as defined in Clean Water Act section 502(25) and vessels of the Armed Forces as defined in Clean Water Act section 312(a)(14).



NEW RULES

North America ECA Implementation by Canada

North American ECA came into force on 01Aug12. Canada implemented the North American ECA on 08May13.

Ships bound to Canada must switch over to LSFO of not higher than 1% on entering the below mentioned zone. The Canadian Government realizes that vessels which are en route to Canada may not have time to take on the necessary fuels, so it is believed that there will be a soft enforcement for the first 30 days.

The Canadian government describes the implementation of the NA-ECA as follows:

Implementation of the North American Emission Control Area.

The Regulations implement the North American ECA which comprises waters along the Pacific Coast, the Atlantic Coast, the Gulf of Mexico and the eight Hawaiian Islands. It also includes the waters under Canadian jurisdiction on the East and West coasts south of latitude 60°N and almost 200 nautical miles offshore. This measure joins other ECAs in the waters of the Baltic Sea, the North Sea, and the United States Caribbean territory.

The Regulations require vessels subject to MARPOL Annex VI to comply with the emissions standards for ECAs. These levels are more stringent than the aforementioned global standards, with maximum allowable sulphur content in fuel as follows:

North American ECA maximum allowable fuel sulphur content, by date:

Maximum allowable fuel sulphur content from 1st August 2012 is 1%

Maximum allowable fuel sulphur content from 1st January 2015 and thereafter will be 0.1%

In addition to controls on sulphur oxides, vessels operating in any ECA that are built on or after January 1, 2016, will be required to adhere to the most stringent standards for nitrogen oxide emissions.

Details of these standards are set out below:





Tier III standards for emissions of nitrogen oxides

- 3.4 g/kWh when n is less than 130 rpm;
- $9 \cdot n - 0.2$ g/kWh when n is 130 or more but less than 2 000 rpm; and
- 2.0 g/kWh when n is 2 000 rpm or more



HUMAN RESOURCES MANAGEMENT









Familiarization for Top 4, RoxanaShipping 01Jan - 30Apr 13

| NAME | RANK | VESSEL | JOIN DATE | PHOTO |
|---------------------|------------|--------|-----------|---|
| ALEX TERESCHENKO | MASTER | MLD | 09/01/13 |  |
| TIMOFEY KHRISTOVICH | CH.OFFICER | ATH | 30/01/13 |  |
| GEORGY MIKULSKIY | MASTER | MGC | 17/02/13 |  |
| PAVEL LAPUTKSIY | CH.OFFICER | MVL | 05/04/13 |  |





HUMAN RESOURCES MANAGEMENT

Promotions, RoxanaShipping 01Jan - 30Apr13





| NAME | RANK | VESSEL | JOIN DATE | PHOTO |
|----------------------|--------------|--------|-----------|---|
| KHRISTOVICH TIMOFEY | CH.OFFICER | ATH | 01/02/13 |  |
| TSAYUKOV IVAN | 2ND OFFICER | QST | 27/04/13 |  |
| IGNATENKO LEONID | 2ND OFFICER | MCL | 09/03/13 |  |
| BELKIN ROMAN | 2ND OFFICER | QST | 29/04/13 |  |
| VOLKOV SERGEY | 3RD OFFICER | MCL | 22/01/13 |  |
| GORICHEV KONSTANTIN | 3RD OFFICER | MBC | 03/01/13 |  |
| GONCHAROV KONSTANTIN | 3RD OFFICER | MGC | 19/01/13 | PHOTO N/A |
| BELIKOV VASILII | 2ND ENGINEER | SPR | 19/02/13 |  |
| ARSENT'YEV ALEXANDER | 2ND ENGINEER | AGT | 03/01/13 |  |

HUMAN RESOURCES MANAGEMENT

Promotions, RoxanaShipping 01Jan - 30Apr 13

| NAME | RANK | VESSEL | JOIN DATE | PHOTO |
|-------------------|--------------|--------|-----------|---|
| FURSOV SERGEY | 4TH ENGINEER | QST | 09/03/13 |  |
| POLESHCHUK KONSTA | ELECTRICIAN | SPR | 18/03/13 |  |

Promotions, KristenMarine 01Jan - 31Apr13

| NAME | RANK | VESSEL | JOIN DATE | PHOTO |
|----------------------|--------------|--------|-----------|---|
| YARYGIN STEPAN | 2nd OFFICER | VGR | 23/04/13 |  |
| MANDRIK VLADISLAV | 3rd OFFICER | VGR | 23/04/13 |  |
| KHODAKOVSKII EVGENII | 3rd OFFICER | MAR | 23/04/13 |  |
| VOLOSHIN FEDOR | 4th ENGINEER | SRB | 14/02/13 |  |



State of the Art in Shipmanagement is our Tradition