

Section I

Invitation for EOI (IFEOI)

Expression of Interest (EOI) for Partnering With CSC in Sea Transportation of Coal for the Lakvijaya Power Station at Puttalam, Sri Lanka – 2023/24 and 2024/25 onwards

Tender No:
CSC/2023/T/Coal/COA/1 Date of
Issue: 13th June, 2023

1. Introduction

- 1.1. Ceylon Shipping Corporation Ltd. (CSC), coming under the purview of the Ministry of Ports, Shipping and Aviation, is the 100% Government Owned National Sea Carrier of Sri Lanka, and the contractor of Lanka Coal Company (Pvt) Ltd. (LCC) for sea transport of coal, since the year 2010.
 - 1.2. LCC, which is a Joint Venture of Ceylon Electricity Board (CEB), was incorporated in January 2008 as the authorized agency for the procurement, import and supply of coal to meet full requirements of all coal for the coal fired power stations of CEB. Other shareholders of LCC are General Treasury of the Government of Sri Lanka, Ceylon Shipping Corporation Ltd. and Sri Lanka Ports Authority.
 - 1.3. Coal is procured and supplied by LCC for the 900 MW Lakvijaya Power Station (LVPS), owned and operated by CEB, situated at Puttalam, Sri Lanka, about 130 km North of Colombo on the West Coast of Sri Lanka. LCC procures Coal through Term Tenders as well as through Spot Tenders.
 - 1.4. Since the South-West Monsoon affects the port of Puttalam, discharging of coal can be done only during a limited window of approximately between mid-September and end-April in each Contract Year (hereinafter referred as a "Season"), always subject to mutual agreement among all the stakeholders.
 - 1.5. LCC has called its 'Term/spot Tender' in June 2023, for procurement of about 2.25 million of MT +/- 10% of the annual Coal requirements for supply in two Seasons. The Tender will be closed on 17th July, 2023. In this Tender Bidders should offer FOB Prices of Coal and Base Freight Charges from one Main Port and Optional Ports to the Discharging Anchorage at Puttalam port, separately.
 - 1.6. By virtue of a decision of the Cabinet of Ministers of the Government of Sri Lanka, CSC will be given the "Right of First Refusal" by LCC to match the Base Freight Rate/s quoted by the Bidder to be selected in the aforesaid Term Tender of LCC.
 - 1.7. This EOI is called by CSC for selection of a suitable Partner, who is willing to match the said Base Freight Rate/s to be offered by LCC to CSC.
 - 1.8. The Selected Partner shall enter into a Contract of Affreightment (COA) with CSC to transport the quantity offered to the Selected Partner by CSC.
 - 1.9. This EOI is the First Stage for prequalifying and shortlisting of Bidders to be followed by competitive bidding at the Second Stage. The selection at the Second Stage will be based on the
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minimum Net Freight Rates offered by the pre-qualified and shortlisted Bidders after deduction of the Address Commission of CSC as the charterer.

1.10. When CSC (together with the Selected Partner) confirms matching the declared Base Freight Rate/s from the respective load ports to the anchorage of the port of Puttalam in due course, LCC shall enter into a back-to-back COA with CSC for the entire quantity of Coal requirement of CSC, subject to the approval of the Cabinet of Ministers of the Government of Sri Lanka.

1.11. The Coal quantity offered under this EOI / COA will be about 2,250,000 MT +/- 10% within two (02) Seasons at CSC's option. Parcel size shall be 60,000 MT +/- 10%. The selected Partner should use their owned ships, and if necessary chartered ships for deployment under this COA.

1.12. Deelivery scheduled as follows;

Expected Vessel Arrival schedule for Supply of Coal for Season 2023-2024

Month	Estimated No of Shipments to be reached at Puttalam Anchorage
October – 2023	01
November – 2023	06
December – 2023	06
January – 2024	06
February – 2024	05
March – 2024	05
Total	29

Expected Vessels Arrival schedule for the Coal Requirement of season 2024-2025 as give below

Expected shipping schedule for Supply of Coal for Season 2024-2025

Month	Tentative Number of Shipments to be reached at Puttalam Anchorage
September – 2024	03
October – 2024	06
Total	09

Note: 1. A shipment shall be 60,000 MT +/- 10% at buyer's option

1.13. The agreed Base Freight Rate/s under the COA may be applicable for coal shipments to be purchased by LCC through the Spot Tenders as well.

1.14. At this First Stage of the selection (EOI), Standing Cabinet Appointed Procurement Committee (SCAPC) will prequalify dry-bulk ship owning companies, which operate ships and are interested in partnering with CSC under a COA for 02 (two) Seasons as above.

- 1.15. For being shortlisted for the Second Stage of Bidding such dry-bulk ship owning companies should have a good track record, financial, operational and chartering capacities.
- 1.16. The shortlisted ship owners will be called upon by the SCAPC to match the Base Freight Rates to be intimated by LCC to CSC in due course at the Second Stage, subsequent to the Bids for the Term Tender of LCC is evaluated after the closing date of 25th July, 2023.
- 1.17. The selection of the best Partner for the COA of CSC will be at the Second Stage through the Competitive Bidding Process.

2. Invitation

In this First Stage, Chairman, Standing Cabinet Appointed Procurement Committee (SCAPC) of the Ministry of Ports, Shipping and Aviation, on behalf of CSC, invites suitable dry-bulk ship owning companies, which operates ships, to submit their Expressions of Interest (EOI) for Partnering with CSC by deployment of their owned as well as chartered ships in Sea Transportation of Coal for the LVPS under a COA, as follows;

- (a) To submit EOI for prequalification for being shortlisted;
- (b) If shortlisted for the Second Stage;

Agreeing to match the Base Freight Rates to be intimated by CSC, which could be from one or more load ports, when called upon by CSC at short notice (01 – 03 days);

Offer an Address Commission for CSC on per MT basis irrespective of bunker fuel price/s as per the Draft Contract of Affreightment, which is part of this Bidding Document;

To offer sea training for Sri Lankan Merchant Marine Cadets, on board their ships.

The Competitive Parameters and the Selection Criteria for choosing the best Partner for CSC for the COA at the Second Stage through the competitive bidding process is elaborated in the Section II under Instructions to the Bidders (ITB).

This invitation is extended by the SCAPC on behalf of the Procuring Entity, Ceylon Shipping Corporation Ltd.

3. EOI Documents

In addition to this Invitation for EOI (Section I), please find enclosed EOI Documents: Instructions to Bidders (ITB) and its Forms and Annexures in the Section II and the Draft COA and its Annexures in the Section III.

4. Submission of EOIs

The Form to express interest for prequalification purposes together with the supporting documents addressed as follows shall be submitted by hand or sent by courier to;

Chairman
Standing Cabinet Appointed Procurement Committee (SCAPC)
On behalf of

Ministry of Ports, Shipping and Aviation,
No. 19, Chaithya Road,
Colombo 00100
Sri Lanka

EOIs will be received up to the date and time mentioned in the **EOI Data Sheet (EOIDS)** in the ITB.

5. **Late EOIS**

EOIs received after the deadline for submission as stipulated in EOIDS will be rejected.

6. **Opening of EOIs**

EOIs will be opened by an Opening Committee in the presence of the ship owners or their authorized representatives at the time and date and at the address named in the EOIDS in ITB.

7. **Bidding Procedure**

A Single Stage Bidding Procedure will be adopted at the Second Stage, which is explained in the ITB.

Invitation for the Expression of Interest (EOI for Partnering with CSC in Sea Transportation of Coal for the Lakvijaya Power Station at Puttalam, Sri Lanka – 2023/24 and 2024/25 onwards

Section II

Instructions to Bidders (ITB)

EOI Data Sheet (EOIDS)

Date of Issue: June, 2023

This EOI Data Sheet (EOIDS) provides information in a tabular form to assist interested parties for submission of their Applications.

- (a) Name of the Contract : Contract of Affreightment with Ceylon Shipping Corporation Ltd. for Transportation of Coal to port of Puttalam, Sri Lanka
- (b) Procurement No: CSC/2023/T/Coal/COA/1
- (c) General period for transportation of Coal at the port of Puttalam: Between around mid-September to around end-April in each Contract Year (hereinafter referred as a “Season”), subject to adjustment on mutual agreement.
- (d) Required quantity of Coal to be transported: about 2,2500,000 Metric Tons +/- 10%_per Season under spot and term tenders

EOI Data Sheet (EOIDS)

Item No.	Data Sheet for Expression of Interest	
1.	Name of the Procurement Entity Address of the Procurement Entity Telephone No. Telefax. No. Email Address.	Ceylon Shipping Corporation Ltd. Chairman, Ceylon Shipping Corporation Ltd. No. 27, MICH Building Sir Razik Fareed Mawatha (formerly Bristol Street) Colombo 00100 Sri Lanka +94 11 2328772/3 +94 11 2447546 chairman@csl.lk
2.	Place at which information / clarifications can be obtained	Chartering & Agency Department, of CSC (Tel. +94 11 2497800 Mobile + 94 71 0215702, Fax +94 11 2447547, email: dantha@csl.lk).
3.	Last date for applying Clarifications	...../2023 until 1600 hrs

Item No.	Data Sheet for Expression of Interest	
4.	Quantity	Term Tender – 2,250,000 MT +/-10% Spot Tender – 300,000 MT +/-10% each Quantity can be changed subject to LCC's requirement
5.	Place at which Forms for EOI will be received	Development Division Ministry of Ports, Shipping and Aviation, No. 19, Chaithya Road, Colombo 00100 Sri Lanka
6.	Closing Date & Time for EOI	1500 hrs (Sri Lanka Standard Time) on 17 th July, 2023
7.	Location of Opening of Applications for EOI	Conference Room Ministry of Ports, Shipping and Aviation, No. 19, Chaithya Road, Colombo 00100 Sri Lanka
8.	Bid Security for the Bidding (applicable for shortlisted Applicants at the Second Stage)	USD 5,000/= (United States Dollars Five Thousand only)
9.	Performance Security for the Bidding (applicable for selected Applicants at the Second Stage)	USD (United States Dollars)
10.	Source Bank for Exchange Rates	Central Bank of Sri Lanka

1. Introduction

- 1.1. Coal is imported by Lanka Coal Company (Pvt) Ltd. (LCC), which is a subsidiary of CEB, for the Lakvijaya Power Station (LVPS) situated at Puttalam, Sri Lanka, owned and operated by M/s Ceylon Electricity Board (CEB).
- 1.2. LCC was incorporated in January 2008 as the authorized agency for the procurement, import and supply of coal to meet full requirements of all coal for the coal fired power stations of CEB. Shares of the LCC are held by the Ceylon Electricity Board, General Treasury, Ceylon Shipping Corporation Ltd. and Sri Lanka Ports Authority. LCC procures Coal through Public Tenders; both on Spot Tender Basis and on Term Tender Basis.
- 1.3. Ceylon Shipping Corporation Ltd. (CSC) is the 100% Government Owned National Sea Carrier of Sri Lanka, and the contractor of LCC for sea transport of coal, since the year 2010.
- 1.4. LCC is expected to call its next Term Tender in June 2023, for procurement of Coal requirements for two years for discharging from around end-September 2023 to around end-April 2024 and from around end-September 2024 to around end-October, 2024.
- 1.5. The total quantity of coal to be purchased by LCC will be about 2,2500,000 MT +/- 10% per Season, which is expected to be shipped in parcels of 60,000 MT +/- 10%. Out of this total quantity,
- 1.6. Mother vessels carrying coal discharge at the anchorage about 5.0 km offshore. The anchorage area is within a radius of about 1.0 km from the anchoring location of approximately 08° 00' N, 079° 40' E. Three ships can be safely anchored at any time under normal weather conditions.
- 1.7. Applicants / Bidders are advised to study the available depths at the anchorage area from the Chart/s available at the National Hydrographic Office (NHO), National Aquatic Resources Research & Development Agency (NARA), Crow Island, Mattakkuliya, Colombo 15, Sri Lanka.
- 1.8. There is no ship pilotage service available at the port of Puttalam. Masters of the ships shall safely navigate their ships to / from the anchorage location on their own using the British Admiralty Charts and the Charts for the anchorage area available for sale at the NHO. Until the last Season, 368 ships have discharged Coal at this anchorage safely.
- 1.9. Coal is discharged at the anchorage into self-Propelled Barges (SPBs), which are unloaded at the Jetty using the Grabbed Gantry Cranes.

2. Process of Matching Freight Rates

By virtue of a decision of the Cabinet of Ministers of the Government of Sri Lanka, CSC will be given the "Right of First Refusal" by LCC to match the freight rate/s quoted by the selected Bidder in the aforesaid Term Tender for purchase of coal, called on CIF terms by LCC.

If CSC can match the declared freight rates from the respective load ports to the anchorage of the port of Puttalam, LCC shall award the Tender to the prospective Coal Supplier on FOB terms, subject to the approval of the Cabinet of Ministers of Sri Lanka. Those freight rates will be applicable for coal shipments to be purchased through the Spot Tenders as well.

In the event of inability to match those freight rates by CSC, LCC shall award the Tender for purchase of coal on CFR terms.

3. Since LCC has to finalize their Tender and award the contract to the selected Coal Supplier, CSC will be granted a limited time to confirm matching of freight rates. Therefore, Applicants shortlisted by CSC in respect of the COA will be given even shorter time (about 48 to 72 hours) to submit their Bids
- Expression of Interest and the Competitive Bidding**

This is a Two Staged Procurement Process.

3.1. First Stage – Pre-qualification of Bidders:

At the First stage, which is the Expression of Interest, SCAPC will prequalify and shortlist dry-bulk ship owning cum operating companies, who are interested in partnering with CSC under a COA for 02 (two) Seasons with the option of extending for another 02 (two) Seasons at the sole discretion of Board of Directors of CSC subject to approvals of the Cabinet of Ministers .

The EOI Documents including the Draft Contract of Affreightment for the First Stage will be made available to the interested Bidders for reference at the Chartering & Agency Department in the 1st Floor of CSC Office mentioned in the EOIDS and in the website of CSC www.cscl.lk,

3.2. Second Stage - Bidding:

The selection of the best Partner for the COA of CSC will be at the Second Stage through a competitive bidding process for term tender and subsequently for spot tenders.

The prequalified and shortlisted dry-bulk ship owning cum operating companies from the First Stage will be informed in writing by CSC before the Second Stage.

The Bidding Documents for the Second Stage will be made available to the shortlisted Bidders for reference free of charge at the office of CSC.

Those shortlisted Bidders, who were qualified at the first EOI stage, will be called upon by CSC to match the Base Freight rates to be intimated by LCC to CSC in due course, within a short span of time.

The Bids with the supporting documents addressed as follows shall be submitted by email to password protected email chartcom@cscl.lk between 10.00 am to 3.00 pm Sri Lanka time on July, 2023

Chairman

Standing Cabinet Appointed Procurement Committee (SCAPC)

Ministry of Ports, Shipping and Aviation

No. 19, Chaithya Road, Colombo 00100, Sri Lanka

The competitive parameters and the selection criteria are elaborated under the Paragraph in the ITB.

4. Sea Training for Sri Lankan Merchant Shipping Cadets

The Government of Sri Lanka promotes Vocational Training of Sri Lankan youths as an important segment in the macroeconomic policies of the country. In keeping with this policy and being the National Sea Carrier, CSC provides Sea Training for Merchant Shipping Cadets in its own ships as well as on third-party ships. CSC expects the selected Partner through this process to provide Sea Training on ships owned or managed or bareboat chartered by the Partner free of cost to CSC, which will be an added advantage to the Bidder.

5. Steps of Evaluation of Applications at the First Stage (EOI)

The evaluation of Applications for shortlisting will be carried in 02 steps.

Step 1: Preliminary Examination

At this Step it will be examined whether following documents have been duly filled, signed and submitted;

- a) Check whether the Certificate of Registrar of Public Contracts has been submitted (in case the Applicant is a local Agent);
- b) Documents to prove the experience of minimum of 05 years in owning and operating of geared dry-bulk carriers of specified capacity in transportation Coal and the quantity carried (Form ...);
- c) References provided (as per Form..);
- d) Financial Information (Form..);
- e) Litigation if any (Form ...) and
- f) Submission of Power of Attorney / Board Resolution.
- g) Form 8 for additional information.

The Applications, which have satisfied the above Preliminary Examination for Responsiveness, will be evaluated in detail for the Technical suitability of the ships offered.

Step 2: Technical Evaluation of the ships owned and operated by the Applicants

At this Step, it will be checked whether the Form 7 have been duly filled, signed and submitted and whether the copies of the Trading Certificates of ships mentioned therein have been duly submitted.

The Applicants, whose corporate, financial and chartering capacity, experience and ships meet with all the requirements, will be considered for detailed evaluation.

6. Eligibility, Capacity and Qualifications of the Applicants for Consideration of being Shortlisted

6.1. Operational and Chartering Capacity of the Applicants

The Partner to be selected under this Procurement shall be solely responsible for the performance of transportation of the quantity of Coal that CSC will offer. Therefore, the prospective Partner should have the capacity in all respect to arrange for single deck geared bulk carriers (owned and chartered) suitable to enter and leave the nominated loading anchorages or loading berths at the ports of loading and the port of discharging, as per the 10 days overlapping laycan schedules.

Therefore, the applicants should own and operate at least 10 single deck geared dry-bulk ships suitable for the carriage of thermal coal and shall be available free of any charters or encumbrances for deployment under the intended COA with CSC.

The selected Partner should be able to deploy mix of own ships as well as chartered ships from the spot market, if required, enabling to place ships at the load port/s with the required gap of about 05 days between ships, during the Season as per the laycan Schedule to be provided by CSC. Therefore, the Applicants should have the knowhow and capacity (financial and chartering) to charter suitable ships from the charter market for ensuring uninterrupted delivery of Coal within the given period of time.

Freight will be always payable before breaking bulk only at the destination. Bill of Ladings shall be released promptly on the basis of payment as per the charterparty.

6.2. The following factors will be considered to judge the eligibility of the Applicants who responds to the EOI, for being shortlisted;

- (a) Owning and operating of at least 10 single deck geared dry-bulk ships in the range of 58,000 - 63,300 MT DWT suitable for the carriage of thermal coal and available free of any charters or encumbrances for deployment under the intended COA with CSC.
- (b) Minimum experience of 05 years in owning and operating of geared dry-bulk carriers in the range of 58,000 - 63,300 MT DWT; including loading and discharging at anchorage ports using ships' cranes and floating cranes.
- (c) Having experience in transportation of an aggregate of 3 (Three) million MT of coal and other bulk cargoes in last 36 months up to 31st March 2023 (from 1st April 2020).
- (d) Minimum turnover of USD 60 million or equivalent per annum, over the last 03 (three) financial years (from 1st April 2020 to 31st March 2023) from the business of owning and operating of dry-bulk carriers including transportation of Coal.
- (e) Technical suitability of following and any further relevant parameters of the ships owned by the Applicants, which are intended to be put into operation;
 - Deadweight (DWT) capacity of the ships offered (should be 58,000 - 63,300 MT DWT)
 - Validity of Class Certificates (should be a Class acceptable to the Sri Lanka Flag Administration)
 - Validity of Protection & Indemnity Insurance Covers
 - Validity of other Statutory and relevant Trading Certificates mentioned in the Form 7.
 - Age less than 15 years
 - Length-overall, beam, maximum draft, air-draft, dimensions of holds
 - Capacity of Cranes and Grabs etc.

6.3. Documents for Evaluation for Shortlisting of Applicants:

The Applicants shall provide evidence of the capacity (financial and chartering) and adequacy of resources to perform the Contract effectively to the satisfaction of the Project Committee / SCAPC. Applicants shall be evaluated based on the following information:

- (a) Information and Experience of the Applicants (Form 1);
- (b) Particular experience over the last five (5) years (Form 2). The Applicants must provide breakdown / information / details of the quantities carried and declare in the Form 2, in separate papers / sheets showing the contracts, customers, load and discharge ports etc. in the Form 2A;
- (c) References of past customers, together with the contact address, etc. of each customer, in order to show past performance (Form 3);
- (d) Evidence of financial standing. Full set of Annual Reports and audited financial statements for the last three (3) consecutive years (Form 4);
- (e) Authority to seek references from the Applicants / Bidder's Bankers (Form 5);
- (f) Information regarding any commercial litigations in Courts of Law or Arbitration, in which the Applicants is or was involved as a Respondent in the past three (3) years, the parties concerned, and disputed amounts (Form 6)
- (g) Details of the ships owned by the Applicants offered to be deployed in to the operation (Form 7).
- (h) Additional information (Form 8)
- (i) Copies of the Trading Certificates of the ships owned and operated by the Applicants / Bidders intended be deployed in to the operation mentioned in the Form 7 ;

- (j) Acceptance of the Terms and Conditions of the draft Contract of Affreightment (COA) of CSC by the Applicants.
- (k) Willingness to offer sea training berths for Sri Lankan merchant marine Cadets will be an added advantage. The offered number of training billets should be provided at any given time right throughout the contract period and until the successful completion of the respective Seaman Employment Agreements, which may be still in force even at the time of expiry of COA.

6.4. Specifications of the Ships (Owned and Chartered) to be Deployed by the Applicants and to be Used under the COA

The specifications of the ships to be deployed shall be as follows;

- Age: less than 15 years
- DWT Capacity: 58,000 - 63,300 MT
- DWCC: 60,000 MT +/- 10 % MOLOO
- Cranes MT: 04 Electro-hydraulic cranes with minimum SWL of 30 MT
- Grab capacity: minimum 12 CBM

7. Competitive Parameters for the Selection at the Second Stage (Bidding)

Competitive parameters for the selection of the best Partner from among the shortlisted Applicants shall be as follows;

- 7.1.1. Acceptance of the terms and conditions of the draft Contract of Affreightment of CSC;
- 7.1.2. Agreeability to match the Base Freight Rates from the respective load ports as declared by the prospective selected Coal Supplier in compliance with the terms and conditions laid down in the draft Contract of Affreightment;
- 7.1.3. Offer an Address Commission of 5.0% (minimum) on Positive Bunker Adjustment payments and demurrage & detention charges;
- 7.1.4. Agreeability to appoint CSC as the Charterer's Agent at the discharge port (owners may appoint their own Protective Agent, if required);
- 7.1.5. The maximum Address Commission offered to CSC on Base Freight Rate/s.

8. Award of the Contract

The qualified Bidder who offers the Highest Address Commission on Base Freight rates whilst fulfilling the conditions no. 7.1.1. to 7.1.4. above shall be selected for consideration of the Award of the Contract, subject to approval of the Cabinet of Ministers of Sri Lanka.

The Secretary, Ministry of Ports, Shipping and Aviation will inform the unsuccessful Bidders in writing, within one week of being informed of the recommendations of SCAPC, to make their representations (if any) against the recommendations of the SCAPC / intention to award the contract to the successful Bidder, to the Procurement Appeal Board.

The final award of the Contract shall be subject to the approval of the Cabinet of Ministers of the Government of Sri Lanka.

SCAPC reserves the right to accept or reject any Bid, and to cancel the Bidding process and reject all Bids at any time prior to the issuance of the Letter of Acceptance, without thereby incurring any liability towards the Bidders or any obligation to inform the Bidders of the grounds for SCAPC's decision.

9. Notification of Acceptance and Signing of the COA

After determining of the successful Bidder in the Second Stage and thereafter upon obtaining the final approval of the Cabinet of Ministers prior to the expiration of the period of Bid validity, CSC will notify the successful Bidder in writing by registered letter or electronically by email or telefax that his Bid has been accepted.

Within 05 working days of receipt of the Letter of Acceptance, the successful Bidder shall enter into a COA with CSC. The date and venue for signing the Agreement shall be agreed between the Parties.

10. DURATION OF THE CONTRACT

The period of the intended COA shall be for two (02) "Seasons" commencing from mid-September 2023 until mid-Nov 2024. Thereafter, the COA may be extendable for another two (02) Contract Seasons at the sole discretion of the Board of Directors of CSC, to be declared by CSC before 30th Sep 2024.

Commencement date of loading of shipments and the laycans shall be mutually agreed by all stakeholders, including CEB and LCC, depending on the weather conditions at the port of Puttalam in the respective Season and the requirement of coal by CEB.

11. Cost for Pre-qualification & Bidding

The Applicants / Bidders shall bear all costs associated with the preparation and submission of its applications for EOI and Bidding and CSC will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the Bidding process. By participating in the bidding, each Applicant / Bidder agrees and acknowledges that in no event shall it be entitled to make a claim of any kind against CSC or CSC's officers, employees, or consultants arising out of, relating to, or in any way connected with the Applicant's / Bidder's EOI / Bid or CSC's consideration thereof.

12. THE EOI DOCUMENTS

In addition to the ITB, the EOI Documents include following documents;

- (a) **EOI DATA SHEET**
- (b) Form 1: Statement of Applicants
- (c) Form 2: General Experience
- (d) Form 3: References
- (e) Form 4: Financial Status of Applicants
- (f) Form 5: Primary Banker's Information
- (g) Form 6: Litigation as the Respondent
- (h) Form 7: Details of the Ships Firmly Offered to be Deployed into the Operation
- (i) Form 8: Additional Information by Applicants
- (j) Annex 1: Addenda Receipt
- (k) Annex 2: Power of Attorney / Board Resolution, as applicable

The Applicants are expected to examine all instructions, forms, terms, specifications and other information in the EOI / Bidding Documents. Failure to furnish all information required by the EOI Documents or submission of Application for EOI may result in rejection of its Application.

13. DOCUMENTS TO BE SUBMITTED BY APPLICANTS

Applicants should courier / hand-deliver the originals of documents mentioned below on or before the closing times / dates as per the EOIDS.

- (a) FORMS 1 TO 8 DULY FILLED AND SIGNED
- (b) ANNEX 1: ADDENDA RECEIPT, IF ANY DULY FILLED AND SIGNED BY THE APPLICANTS
- (c) ANNEX 2: FORM OF POWER OF ATTORNEY / BOARD RESOLUTION
- (d) EOI DATA SHEET
- (e) IF THE APPLICANT IS A JOINT VENTURE ENTITY, THE PARTNERSHIP / SHAREHOLDING AGREEMENT.
- (f) IN THE CASE OF A COMPANY, CERTIFICATE OF INCORPORATION AND RELATED DOCUMENTS.
- (g) PCA 3 FORM, IF APPLICABLE.

Please note that PCA-3 Form is a prescribed Form under the Public Contracts Act No.3 of 1987, which specifies the persons required to register with the Registrar of Public Contracts. This act is available for your reference at website;

http://www.lawnet.lk/section.php?file=http://www.lawnet.lk/docs/statutes_1956_2006/indexsVol2/1987YOVOC3A.html

14. Clarification of EOI Documents

Applicants, who have taken EOI Documents and requiring any clarification of the EOI Documents, may notify CSC in writing or electronically by email or telefax at the CSC's address indicated in the EOIDS. CSC will respond in writing to appropriate clarifications sought not later than the time and date mentioned in EOIDS. Written copies of the CSC's response (including an explanation of the query but without identifying its source) will be sent to all Applicants, who have taken the EOI Documents up to the time of given of each clarification by CSC. When taking of EOI Documents all Clarifications issued up to that time, also will be published in given website.

15. Amendment of EOI Documents

At any time prior to the deadline for submission of EOIs, CSC may, for any reason, whether at its own initiative or in response to a clarification requested by Applicants who have purchased EOI Documents, amend the Bid Documents by issuing an Addendum. Notice of any amendments will be made available in writing and electronically by email or telefax to all Applicants who have purchased the EOI Documents and will be binding on them.

Applicants are required to immediately acknowledge the receipt in writing or electronically by email and using the Addenda Receipt provided in Annex 1 for any such amendment with the Bid. It will be assumed that the information contained therein will have been taken into account by the Applicants in its EOI.

16. Language of EOI

The EOI prepared by the Applicants / Bidders and all correspondence and documents related to the EOI exchanged by the Applicants / Bidders and CSC, shall be written in the English language, provided that any printed literature furnished by the Applicants / Bidders may be written in another language so long as accompanied by an English translation. For purposes of interpretation of the EOI, the English translation shall govern. Any document submitted in another language without accompanying English translation shall not be considered for the evaluation of the EOI.

17. Format and Signing of EOI

The Applicants shall prepare one original and two certified copies of the EOI, clearly marking each one as 'Original', 'Copy No. 1' and 'Copy No. 2', as appropriate. The Original and the copies of the EOI, each consisting of the documents listed in Clause 13 above, shall be typewritten or otherwise reproduced in indelible ink and shall be signed by the Applicants or a person or persons duly authorized to bind the Applicants to the EOI. The said authorization shall be indicated by written Power-of-Authority / Board

Resolution accompanying the EOI and submitted as Annex 2 to the EOI. All pages of the EOI shall be initialled by the person or persons signing the EOI.

The EOI shall not contain any interlineations, erasures or overwriting except as necessary to correct errors made by the Applicants, in which case such corrections shall be initialled by the person or persons signing the EOI.

18. Submission of EOIs

The Applicants shall submit the EOI;

- (a). Addressed to Chairman, SCAPC;
- (b). Bear the Contract Name and the Number.

19. Deadline for Submission of EOIs

SCAPC may at its discretion extend this deadline for submission of EOIs by amending the EOI Documents in accordance with Clause 15, in which case all rights and obligations of CSC and Applicants previously subject to deadline will thereafter be subject to the deadline as extended.

20. Late EOIs

Any EOI received after the deadline for submission of EOIs will be rejected.

21. Opening of EOIs

The Applicants' names, submission of the duly filled Power of Attorney / Board Resolution will be announced and recorded at the EOI Opening Meeting, by the Opening Committee.

The representatives of Applicants, who are present, shall be requested to sign the schedule prepared by the EOI Opening Committee to confirm their attendance.

22. Clarification of EOIs by SCAPC / PC

To assist in the examination, evaluation and comparison of EOIs CSC on behalf of the PC, may, at its discretion and at any time, ask the Applicants for a clarification of its EOI.

The request for clarification and the response shall be in writing and no change in the substance of the EOI shall be sought, offered or permitted.

23. Bid Security Applicable at the Second Stage (Bidding Stage)

At Second Stage, all the Bids shall be accompanied by a Bid Security in the amount and currency and validity as specified in the EOIDS. The Bid Security, in the Form provided in Annex 3, shall be a Bank Guarantee issued by a Bank operating in Sri Lanka, approved by the Central Bank of Sri Lanka or a Cash Deposit in United States Dollars or in an equivalent amount converted at the Selling Exchange Rate of the Central Bank of Sri Lanka on the date of depositing, in following Bank Account of CSC;

USD Account:

Beneficiary	Ceylon Shipping Corporation Ltd
Account Number	004 - 4021 - 6 -0210916 (USD Feea A/c No)
SWIFT Code	PSBKLKLX
Nme & Address Of Bank	People's Bank International Banking Diviion No. 91

ACHC Building
Sir Chittampalam A Gardiner Mawatha
Colombo 02
Sri Lanka

LKR Account:

Beneficiary: Ceylon Shipping Corporation Ltd.

Account Number: 1400209102

SWIFT Code: CCEYLKX

Name & Address of Bank: Commercial Bank of Ceylon Plc

Foreign Branch

21, Sir Razik Fareed Mawatha

P.O.BOX 853

Colombo 01

Sri Lanka

Fax +94 11 2449889

Email: email@combank.net

Any Bid not secured as aforesaid shall be rejected as non-responsive.

Unsuccessful Bidders' Bid Security will be discharged / returned as promptly as possible following provision of Performance Security by the successful Bidder, but not later than 30 days after the expiration of the period of Bid Validity to be advised in due course pursuant to Clause 24.

The successful Bidder's Bid Security will be discharged upon the Bidder's signing the COA with CSC, pursuant to Clause 9 of the ITB, and fulfilment of the Conditions Precedent, which is issuance of the Performance Security as stated in the Clause 33 of the Implementation Agreement (Draft Contract of Affreightment).

24. Validity Of Bids

Bids shall remain valid for a period to be advised at the Second Stage. A Bid valid for a shorter period shall be rejected by SCAPC as non-responsive.

In exceptional circumstances, SCAPC may solicit Bidder's consent to an extension of the period of validity of their Bids. The request and responses thereto shall be made in writing or by email or telefax. If a Bidder accepts to prolong the period of validity, the Bid Security shall also be extended accordingly. A Bidder may refuse the request without forfeiting its Bid Security. Any Bidder granting the request will not be permitted to modify its Bid.

The Bid Security may be forfeited:

(a) If a Bidder;

- i) Withdraws its Bid during the period of Bid Validity to be advised at the Second Stage; or
- ii) Refuses to accept any arithmetical correction necessary in the Bids; or

(b) In case of a successful Bidder, if the Bidder fails;

- (i) To sign the Contract in accordance with after being awarded of the Contract; or
- (ii) To furnish Performance Security in accordance with Clause 25.

25. Competitive Parameters for the Selection at the Second Stage (Bidding)

Competitive parameters for the selection of the best Partner from among the shortlisted Bidders shall be as follows;

- 25.1. Offer lower Base Freight Rates from the respective load ports as declared by the prospective selected Coal Supplier in compliance with the terms and conditions laid down in the draft Contract of Affreightment;
- 25.2. Offer an Address Commission of 5.0% (minimum) on Positive Bunker Adjustment payments and demurrage & detention charges;
- 25.3. Agreeability to appoint CSC as the ships' Agent at the discharge port of Puttalam;
- 25.4. The substantially responsive Bids, which are qualified under 25.1. to 25.4. above will be evaluated to check the Lowest Substantially Responsive Base Freight rate/s from the main port/s of loading of LCC.
- 25.5. The Bid, which offers the Lowest Evaluated Base Freight rate/s will be recommended for the award of the Tender for the COA. The number of sea training berths offered for Sri Lankan merchant marine Cadets will be an added advantage.

26. Performance Security Applicable at the Second Stage (Bidding Stage)

Within 03 days of receipt of the Letter of Acceptance at the Second Stage, the successful Bidder shall furnish the Performance Security for the amount given in the EOIDS in the format attached as Annex 4.

The Performance Security in the Form of a Bank Guarantee shall be issued by a bank operating in Sri Lanka, approved by the Central Bank of Sri Lanka. If the Contract is extended, the Performance Security shall be extended by the Bidder accordingly.

Failure of the successful Bidder to submit a Performance Security or to sign the Contract of Affreightment with CSC after being awarded of the Contract shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security.

27. Contacts with CSC

Subject to Clause 14 and 22, no Applicants shall contact CSC or any other person or organization involved on any matter relating to this EOI, from the time of the opening of EOIs to the time the Contract is awarded.

Any effort by Applicants to influence CSC in EOI evaluation, EOI comparison or Contract Award decisions may result in rejection of the EOI / registration.

Form 1 – Statement of Applicants / Bidders

Items		Applicants / Bidders Response of the Applicant								
1.	- Name of Firm - Acronym (if any): - Former Name of Firm (if any): - Year established under former name (if applicable):								
2.	Address of Head Office - Street : - P.O. Box (if any): - Postal Code, City, Country: - Telephone No.: - Telefax No.: - Web address:								
3.	Contact Person - Name: - Position / Title: - Telephone No.: - Telefax No.: - E-Mail address								
4.	Type of Organisation (check one of the spaces): - Individual Owner - Partnership - Private Company - Public Corporation - Joint-Venture - State Enterprise - Other	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> </table>								
5.	Date of incorporation: Place of Incorporation: Note: attach the Certificate of Incorporation								
6.	Is this a group firm formed by its member firms?	(yes) (no)								
7.	Is this a parent firm with subsidiaries?	(yes) (no)								
8.	Branch of Specialisation: (Please attach brochures to demonstrate the specialisations mentioned here)								
9.	In case the Applicants / Bidders is a joint- venture, list here names and									

	<p>address of all members and proportion of their participation:</p> <p>(a) Leading Member (Lead Partner)</p> <p>.....</p> <p>Other Members:</p> <p>b)</p> <p>.....</p> <p>c)</p> <p>.....</p> <p>d)</p> <p>.....</p> <p>e)</p> <p>.....</p>	
<p>Total annual turnover as per the audited accounts in the last three (3) consecutive financial years in equivalent USD. The figures for each of the partners of a Joint Venture shall be added together to determine the Joint Venture's compliance with the minimum qualifying criteria set out in the Clause 6.2.d. of the ITB.</p>	<p>2020/21..... million USD</p> <p>2021/22..... million USD</p> <p>2022/23..... million USD</p>	

Applicants / Bidder's Signature.....

Form 2 – General Experience

Item		Applicants / Bidder’s Response	
1	How many years has your organization been in business under your present business name:	..... .....
2	How many years of experience in work related to sea transportation of coal	..... .....
3	Indicate years of organization’s overseas experience in sea transportation of coal, if any	..... ..... .....
4	Indicate the quantity of bulk cargoes transported during last 03 years up to 31st March 2023 (refer Clause 6.2.c. of the ITB)	Year	Total Quantity MT
		2020/21	
		2021/22	
		2022/23	

We hereby declare that we have provided breakdown / information / details of the contracts, customers, and load and discharge ports of the above quantities in the Form 2A.

Applicants / Bidder’s Signature.....

Form 2A – Details of the Experience (Using own Ships and Chartered Ships)

Cargo Carried under COAs

Customer	Commodity	Period of COA (from / to)	Contracted Quantity MT	POL/POD	Base Freight Rate USD	Quantity Carried MT
Total MT						

Spot Market Operations (Trip Charters / Voyage Charters)

Customer	Ship's Name	Owner	Commodity	Type (Trip Charter / Voyage Charter)	POL/POD	Freight Rate USD	Quantity MT
Total MT							

Grand Total : MT

Applicants / Bidder's Signature.....

Form 3 – References

Please list, as references, the names and addresses to which your firm has performed sea freight services in the last three (3) years. These References shall be supported by separate letters issued by the Referees addressed to Chairman, SCAPC.

a. Firm Name: _____
Address: _____
Business Relationship: _____

Contact Name: _____
Phone/Email: _____
Quantity transported

b. Firm Name: _____
Address: _____
Business Relationship: _____

Contact Name: _____
Phone/Email: _____

c. Firm Name: _____
Address: _____
Business Relationship: _____

Contact Name: _____
Phone/Email: _____
Quantity transported

Applicants / Bidder’s Signature.....

Form 4 – Financial Status of Applicants

Applicants shall summarize assets and liabilities in U.S. Dollar equivalent (at the rates of exchange that prevailed at the end of each year) for the last three (3) consecutive years.

Financial information in USD equivalent		2020/21	2021/22	2022/23
1.	Total assets			
2.	Current assets			
3.	Total liabilities			
4.	Current liabilities			
5.	Sales			
6.	Gross Profits			
7.	Profits before taxes			
8.	Profits after taxes			

Applicants shall attach full sets of Annual Reports and certified copies of audited financial statements for the last three (3) consecutive years as above.

Applicants Signature.....

Form 5 –Primary Banker’s Information

Name, address, and telephone and fax numbers of the company’s bankers who may provide references if contacted by CSC.

Items		Applicants Response
1.	Name of Bank: Address: Contacts: - Telephone Number: - Telefax Number:	..... ..... ..... ..... ..... .....
2.	Name of Bank: Address: Contacts: - Telephone Number: - Telefax Number:	..... ..... ..... ..... ..... .....

Applicants / Bidder’s Signature.....

Form 6 – Litigation as the Respondent

The Applicants shall provide below information on Litigation in Court of Law or Arbitration in which the Applicant are or were involved as the Respondent in the past three (3) consecutive years.

Nature of Litigation / Arbitration	Plaintiff	Cause of Dispute	Suit Value (USD)	Current Status as of the date of EOI

Applicants / Bidder’s Signature.....

Form 7 - Details of the Owned Ships Firmly Offered to be deployed into the Operation.

Applicants shall submit details in tabulated form.

1. Name of the Ship
2. IMO No.
3. Name of the Owner
4. Flag
5. Year & month Built
6. Class
7. Expiry Date of Class
8. P&I Club
9. Expiry Date of P&I Cover
10. DWT (MT)
11. LOA (M)
12. Beam (M)
13. Fully Loaded Draft (M)
14. Beam (M)
15. Max Draft (M)
16. Air-draft (M)
17. No. of Holds / Hatches
18. Type of Hatch Covers
19. Capacity and Types of Cranes
20. Types of Grabs
21. Capacity of Grabs
22. Number of Mooring Bollards
23. Following Trading Documents shall be submitted for each and every ship intended to be put to this operation, and owned by the Applicant;
 - (a) Certificate of Class
 - (b) Certificate of Registration
 - (c) Certificate of Hull & Machinery Insurance
 - (d) Certificate of P&I Insurance
 - (e) SMC
 - (f) DOC for DG
 - (g) ITC
 - (h) ILLC
 - (i) ISPP
 - (j) IOPP
 - (k) IAPP

FORM 8 – ADDITIONAL INFORMATION BY APPLICANTS / BIDDERS

The Applicants / Bidders is requested to list below any additional information submitted with the bid such as company brochures, company annual reports and any other relevant information.

Applicants / Bidder's Signature.....

Annex 1: Addenda Receipt

Reference: Clause 15 - Instructions to Applicants / Bidders

CEYLON SHIPPING CORPORATION LIMITED

INVITATION FOR BIDS NO: CSC/2023/T/Coal/F/1

APPLICANTS / BIDDERS:

We, the undersigned hereby acknowledge that the revision, and / or supplemental information and explanation set forth in this Annex have been incorporated into the preparation of our Application and shall be deemed to form a part of the EOI Documents.

Addendum No.	.....	dated	.....
Addendum No.	.....	dated	.....
Addendum No.	.....	dated	.....
.....

FOR AND ON BEHALF OF
(APPLICANTS / BIDDER'S NAME)

(Authorized Signature)

Name :

Position :

Place and Date :

Annex 2 : Form of Power of Attorney or Board Resolution

Reference: Clause 24 in the Instructions to the Bidders

Note:

The Applicants / Bidders shall attach a **Power of Attorney**, duly authorised by a Notary Public or a Board Resolution, indicating that the person(s) signing the this Application / Bid have the authority to sign the Bid and that the Application / Bid is binding upon the Applicants / Bidders during the full period of its validity in accordance with ITB Clause 24.

Annex 3 : Specimen Format of Bid Security

Reference: Clause 23 in the Instructions to Bidders

[On the letterhead of the issuing bank]

[Date]

Your ref.: Procurement No.: CSC/2023/T/Coal/F/1

To:

Ceylon Shipping Corporation Ltd.

No. 27, MICH Building

Sir Razik Fareed Mawatha (formerly Bristol Street)

Colombo 00100

Sri Lanka

Dear Sirs,

We have been informed that _____ (hereinafter called the "Bidder") is submitting a Bid for a contract for lightering of coal in response to your invitation under Procurement No. CSC/2023/T/Coal/F/1, and that the conditions of your invitation, which are set out in a document entitled Instructions to Bidders require its Bid to be supported by a Bid security.

At the request of the Bidder, we (name of bank) _____ hereby irrevocably undertake to pay you, the Beneficiary, any sum or sums not exceeding in total the amount of United Sates Dollars/= (say: United Sates Dollars) upon receipt by us of your demand in writing and your written statement (in the demand) stating that:

- (a) The Bidder has, without your agreement, withdrawn its Bid after the latest time specified for its submission and before the expiry of its period of validity, or
- (b) The Bidder has refused to accept the correction of errors in its Bid in accordance with such conditions of invitation, or
- (c) Having been notified of acceptance of its Bid during the validity period of bid validity;
 - (i) The Bidder fails or refuses to execute the Lightering Agreement or
 - (ii) The Bidder fails or refuses to furnish the Performance Security, in accordance with Instructions to Bidders.

Your demand and statement must be received by us at this office on or before 2023 when this guarantee shall expire and be returned to us.

This guarantee is personal to you and is not assignable. This Bid Security shall be governed by the Laws of Sri Lanka.

Date _____ Signature(s) _____

Annex 4: Specimen Format for Performance Security

Reference: Clause 24 in the Instructions to Bidders

[On the letterhead of the issuing bank]

[Date]

Your ref.: Procurement No.: CSC/2023/T/Coal/F/1

To:

Ceylon Shipping Corporation Ltd.

No. 27, MICH Building

Sir Razik Fareed Mawatha (formerly Bristol Street)

Colombo 00100

Sri Lanka

Dear Sirs,

Account: [Name of the Bidder]

We, the undersigned Issuing Bank, understand that:

(a) You, Ceylon Shipping Corporation Ltd., of No. 27, MICH Building, Sir Razik Fareed Mawatha (formerly Bristol Street), Colombo 00100, Sri Lanka wishes to enter into a Contract of Affreightment in pursuance to the Clause 9 of the Instructions to the Bidders in your Invitation for Bids No. CSC/2023/T/Coal/F/1 dated 2023, with the [Name of the Bidder] and;

(b) Under the said CSC/2023/T/Coal/F/1 the [Name of the Bidder] must provide to you a Performance Security.

At the request of the [Name of the Bidder], we [Name of the Bank] hereby unconditionally and irrevocably undertake as primary obligator and not as surety merely to pay you, the Beneficiary/Buyer, any sum or sums not exceeding in total the amount of United States Dollars (say: United States Dollars), the "guaranteed amount," upon receipt by us of your first demand in writing without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the [Name of the Bidder] before presenting us with the demand.

We further agree that no change or addition to other modification of the terms of the Agreement to be performed thereunder or of any of the document which may be made between you and the [Name of the Bidder] shall in any way release us from any liability under this guarantee, and we hereby waive notice or any such change, addition or modification.

Your demand and statement must be received by us at this office on or before (*the date 70 days after the expected expiry of the Term of the Agreement*) 2023 (the 'expiry date'), when this guarantee shall expire and shall be returned to us.

This guarantee is personal to you and your legal successors, and is not assignable. This guarantee shall be governed by the laws of Sri Lanka.

Date _____ Signature(s) _____

Section III

Contract of Affreightment between CSC and XXX

This Agreement is made and entered into on this2023 by and between Ceylon Shipping Corporation Limited., duly registered under the Companies Act No. 7 of 2007 of Sri Lanka bearing registration number PB/227 and having its registered office at MICH Building No.27, Sir Razik Fareed Mawatha (formerly Bristol Street), Colombo 00100, Sri Lanka (hereinafter referred to as 'CSC') of the one part;

and

XXX, duly registered under the laws of (hereinafter referred to as 'XXX') and having registered office at the other part;

together the "Parties."

And whereas, CSC intends to enter into a back to back Agreement in pursuance to the decision of the Cabinet of Ministers of Sri Lanka, for the Ocean Transportation of coal ('said cargo') on FOBT terms to the anchorage of the port of Puttalam, Sri Lanka and Lightering of the said cargo to the Jetty of the Puttalam Power Plant (namely Lakvijaya) with Lanka Coal Company (Pvt) Private Limited, duly registered under the Companies Act No. 7 of 2007 of Sri Lanka, bearing Registration No. PV62636 and having its registered office at No. 51/3, Dutugemunu Street, Dehiwala, Sri Lanka (hereinafter referred to as 'LCC');

And whereas, CSC in pursuance to, and by virtue of the aforesaid Agreement between CSC and LCC, CSC and XXX enter into an Agreement with XXX with legal intentions for the Ocean Transportation of the said cargo for the sea leg from the loading port to the anchorage of the port of Puttalam, Sri Lanka;

And whereas, the Parties agree that any future material changes to the said Agreement between LCC and CSC would be reflected and part and parcel of this Agreement and would automatically entails amendments, additions and deletions incorporating any such material changes;

And whereas, the Parties agree that this Agreement replaces and supersedes any prior agreements, understandings, communications and representations whether verbal or written on the subject matter referred to in this agreement;

Witnesseth

In consideration of the mutual covenants and agreements made by and between them, the Parties hereby agree as follows:

1. Definitions

1.1. "Coal" shall mean the thermal coal/sub-bituminous steam coal.

- 1.2. "MT(s)", "tonne" shall mean Metric Ton(s) of 1,000 kilo grams.
- 1.3. "US\$" or "USD" shall refer to the lawful currency of the United States of America.
- 1.4. "Season" shall mean the period from mid-September to end-April in each Contract Year, subject to adjustment on mutual agreement.
- 1.5. A fraction of a cent in any calculation shall be rounded up to a cent if such fraction is one half of a cent or more, and shall be rounded down if otherwise.
- 1.6. A fraction of a ton in any calculation shall be rounded up to a ton if such fraction is one half of a ton or more, and shall be rounded down if otherwise.
- 1.7. "Working day" shall mean a day (other than Saturday, Sunday or public holidays) on which banks are open for business in Sri Lanka and the country of loading.
- 1.8. "International Independent Surveyor" shall mean independent inspection agency at load port or at discharge port, to be mutually agreed by Parties.
- 1.9. "NOR" shall mean Notice of Readiness.
- 1.10. "Mother vessel or Vessel" shall mean single deck, ocean going bulk carriers rated Lloyd's 100a or equivalent, fitted with cranes and grabs, suitable to enter and leave the loading/discharging ports, nominated by XXX.
- 1.11. "FOBT" shall mean free on board and trimmed.
- 1.12. "Jetty" shall mean the Jetty of the Lakvijaya Power Station at Puttalam, Sri Lanka.
- 1.13 **suppler and buyer**

2. Ports of Loading and Discharging and Shipping Terms

- 2.1. Port of Loading on mother vessels: One safe berth/anchorage in one or more countries listed below, always afloat and always accessible.
.....
.....
- 2.2. Port of Discharge from mother vessels: One safe anchorage in port of Puttalam, Sri Lanka, around the anchorage location of approximately 08° 00' N, 079° 40' E always afloat and always accessible.
- 2.3. Sale Terms: FOB, Trimmed (FOBT)
- 2.4. Shipping terms: Free in, Stowed, Trimmed/Free out (FIOST)
- 2.5. Shipper shall arrange for Coal to be loaded into the vessel, stowed and trimmed to the Master's satisfaction in respect of sea-worthiness, being free of risk, expense and responsibility to the Vessel and XXX.

3. Period of the Contract, Quantity and Laycan Schedule

The period of this Agreement shall be for two (02) Seasons commencing from mid- Sep 2023 until mid-Nov. 2024.

Quantity of coal to be transported under this Agreement shall be about 2,300,000 MT +/- 10% above period.

CSC shall, provide XXX a Provisional laycan Schedule for load ports specifying the quantities +/- 10% to be shipped in a Season. XXX shall confirm such Provisional laycan Schedule within 05 working days. The laycan schedules shall be adjusted on mutual agreement depending on the requirements of LCC and the end-user Ceylon Electricity Board.

4. Schedule of Arrivals at Load Port

By not later than 15 days prior to the first day of each month XXX and CSC will mutually agree on the final laycan for that month. XXX shall make best endeavors to maintain a gap of at least 03 days at the load port in order to ensure a gap in arrival of ships in the port of Puttalam with a view to avoiding bunching of vessels at the discharge port, always provided shippers cooperate in this respect in laycan nominations. For maintaining such a gap between arrivals of vessels at Puttalam, XXX shall increase or decrease the speed of the vessels as and when advised by CSC, within the safe limits of the ships.

All the vessels shall be discharged at the discharge port strictly on “first come first served” basis. Any exception to the change of discharging sequence shall be allowed only with the written consent of the Receivers of the cargo and subject to mutual agreement.

5. Schedule of Arrivals at Port of Puttalam

XXX shall be responsible for arrive the ships at the given ETA of the Puttalam Anchorage. XXX will be allowed 36 hrs +/- from the declared ETA for the unavoidable circumstances which may occurred beyond the control of XXX. In case of any further deviations the XXXX is not eligible to claim any demurrage. However, the final decision of the claim on unavoidable circumstances will be at the sole discretion of the Chairman, LCC.

Turn Time at discharge port to be 12 hours unless sooner commenced (USC) in which case actual time used to count (ATUTC) proportionate to the number of cranes worked. For illustration basis, if receiver can allocate only 1 crane / gang then time used will be 25 percent (basis 4 cranes) up to the 12 hours only and same does not apply anywhere else in the CoA.

6. Vessel Nominations & ETA Notices at Load Port to be Given by XXX to the CSC/Shipper

XXX shall nominate vessels with full details, demurrage and dispatch rate and copies of all valid trading certificates, estimated intake of cargo and the expected time of arrival (ETA) at the respective load port to CSC 15 days before the first day of each laycan mentioned in the final laycan for the month under Clause 4.

For shipments from Richards Bay Coal Terminal, South Africa (RBCT), Nominations and Substitution shall be as per the prevailing Guidelines of the RBCT.

In case CSC/shipper decides to reject the nomination, CSC shall inform XXX of the rejection of the nominated vessel within 01 working day after the receipt of the nomination. Within 01 working day after the receipt of the rejection intimation from CSC, XXX shall nominate another suitable vessel within 01 working day. CSC shall confirm acceptance of the vessel by CSC/shipper within one (01) working day after receipt of such notice from XXX.

Not later than Seven (07) days before the estimated time of arrival at the port of loading, Master of the nominated performing vessel shall give written notice by telefax or email to the ship's agent of the matters stated below to be informed to the CSC/shipper/shipper's agent/stevedores:

- (a) The name and the particulars of the vessel;
- (b) Estimated time of arrival ("ETA") of said vessel at the port of loading; and
- (c) The intake of coal that could be loaded, the Stowage Plan and the Loading Sequence, with +/- 10% tolerance at Master's option.
- (d) XXX shall ensure that the cranes and grabs of the vessels nominated are in good working condition by checking the performance of the cranes and grabs in the last 03 voyages to the best of their ability and normal wear and tear excepted.

Thereafter, the XXX shall ensure that the Master of each relevant vessel shall provide not less than seven (7) and three (3) days' notice, and not less than twenty four (24), eight (8), three (3) and one (1) hours' notice, of that vessel's estimated time of arrival at the Load Port.

7. NOR and the Laytime at the Port of Loading

For shipments from RBCT, South Africa Loading; Notice of Readiness and the Latime calculations shall be as per the prevailing Guidelines of the RBCT, South Africa.

In case any other load port then the applicable rules and regulations of that load port shall apply.

Master of the vessel shall tender Notice of Readiness (NOR) to load at any time day or night Saturday, Sunday, holidays including, by telefax/email, after safely anchoring at the designated transshipment anchorage, and is in all respects ready to load the cargo, whether in free pratique or not, whether cleared at customs or not, whether in berth or not, whether in port or not to the agent/shipper.

If the master tenders NOR outside the port limits, the time of shifting from such out port anchorage to the waiting/loading anchorage in the port or direct to the berth shall not count as laytime or time on demurrage.

The time used in shifting from the place of waiting, whether out of port limits or within port limits to the loading anchorage/berth shall not count as laytime or time on demurrage.

Laytime shall commence twelve (12) consecutive hours after NOR is tendered by the Master. However, if loading commences before the expiry of such 12-hour period, laytime shall commence to run upon commencement of loading.

If, after inspection, the vessel is found not to be ready in all respects to load, time lost after the discovery thereof until the vessel is again ready to load shall not count as laytime.

For NOR purposes, if a vessel tenders NOR without having ISPS clearance, then the NOR is to be re-tendered once ISPS clearance is received.

XXX shall ensure that the vessels shall be scheduled and arriving in accordance with the Final laycan Schedule stated in Clause 3 above.

Laytime or time on demurrage shall cease to count after cargo loading is completed. Time taken for the initial and final draft surveys shall not count as laytime or time on demurrage.

In case the vessel loads alongside a berth at a coal loading terminal, the time taken from anchor aweigh, whichever is earlier, until the vessel is all fast alongside, and ready in all respects to load including hatches passed, customs clearance and free pratique, if applicable, shall not count as laytime or time on demurrage.

Time required for loading of Vessel's bunkers and lubricants shall not be included in the laytime or time on demurrage except to the extent that the loading of the Coal is carried out concurrently.

Duration of breakdown of ship's cranes during loading operation shall not be counted as laytime. The time of breakdown of ship's cranes shall be calculated on a pro rata basis in accordance with the number of Vessel's cranes in breakdown to the total number of Vessel's cranes.

In case loading of the ship takes place alongside a berth at a coal loading terminal, rules and regulations mandatorily applicable at the port/terminal shall prevail.

It is clearly understood that any breakdown of loading vessels' crane (s) will have no reference to laytime of any other vessel at the anchorage loading or waiting to load.

8. ETA Notices at Port of Puttalam to be given by XXX to CSC

Master shall provide CSC not less than seven (7) and three (3) days' notice, and not less than twenty four (24), eight (8), three (3) and one (1) hours' notice, of that vessel's estimated time of arrival at the discharge port by telefax or email. Accordingly, CSC shall make arrangements to discharge cargo at the port of Puttalam using the barges.

9. Notice of Readiness (NOR) and the Laytime at the Port of Puttalam

Master of the vessel shall tender Notice of Readiness (NOR) any time day and night Saturday, Sunday, holidays including, by telefax/email, after safely anchoring at the designated

transshipment anchorage, whether in free pratique or not, whether cleared at Customs or not, whether in berth or not, whether in port or not to CSC.

Laytime shall commence twelve (12) consecutive hours after NOR is accepted by CSC, subject to provisions in the Clause 5. However, if unloading commences before the expiry of such 12-hour period, laytime shall commence to run upon commencement of unloading.

If discharging of a vessel commences during the Turn Time with 01 or 02 or 03 gangs, time shall count only proportionately (25% or 50% or 75%) up to expiry of 12 hour Turn Time only.

For NOR purposes, if a vessel tenders NOR without having ISPS clearance or in case free pratique is not granted, then the NOR is to be re-tendered once ISPS clearance is received or free pratique is granted.

Time required for loading of Vessel's bunkers and lubricants at the discharging anchorage shall not count as laytime or time on demurrage except to the extent that the discharging of the Coal is carried out concurrently.

Duration of breakdown of ship's cranes during discharging operation shall not be counted as laytime. The time of breakdown of ship's cranes shall be calculated on a pro rata basis in accordance with the number of Vessel's cranes in breakdown to the total number of Vessel's cranes.

Laytime or time on demurrage shall cease to count after discharging of cargo at the anchorage is completed. Time taken for the initial and final draft surveys shall not count as laytime or time on demurrage.

It is clearly understood that any breakdown of discharging vessels' crane(s) will have no reference to laytime of any other vessel at the anchorage discharging or waiting to discharge.

Weather delays recorded in the SOF of the vessel under discharging shall be deducted from the laytimes of the vessels waiting for discharging, unless already on demurrage.

10. Base Freight Rates:

The base FIOST freight rates from the respective ports of loading to port of Puttalam anchorage shall be as follows;

Port of Loading	Freight Rate USD Per MT

11. Address Commission to CSC Payable by XXX

Address Commissions payable to CSC by XXX shall be as follows;

11.1. On base Freight Charges:

USD per MT deductible by CSC on payment of freight at source on each shipment.

11.2. On Demurrage/Detention Charges, Positive Bunker Adjustments and Positive Freight Market Adjustments

Five per cent (5.0 %) on each payment deductible by CSC at source.

12. Freight Adjustment Formulae

The bunker cost component of the freight is assumed to be 22 % of the base freight rate. Accordingly, the initial Base Freight rate/s shall be varied depending on Platts bunker index as follows:

$$F_f = (F_i * 0.22 * (E)_n / (E)_o) + (F_i * 0.78)$$

Where;

F	Base Freight rate
E	0.5% Very Low Sulphur Fuel Oil (VLSFO) price published in the monthly Platts BunkerWire Reports as the Index. For shipments from Indonesia, Far Eastern ports of Russia and Australia, Delivered Price of 0.5% Very Low Sulphur Fuel Oil (VLSFO) at Singapore shall apply. For shipments from Richards Bay Coal Terminal, South Africa, Delivered Price of 0.5% Very Low Sulphur Fuel Oil (VLSFO) at Colombo shall apply. <i>For shipments from Colombia, Delivered Price of 0.5% Very Low Sulphur Fuel Oil (VLSFO) at Durban shall apply.</i>
Suffix "i"	To denote Initial Base Freight Rate according to the Agreement
Suffix "f"	To denote applicable Freight Rate for the shipment
Suffix "o"	To denote mean of Platts Index Price (US\$) of 0.5% Very Low Sulphur Fuel Oil (VLSFO) at Colombo for the preceding month to the month, which includes Bid Closing Date, as the Base Bunker Price.
Suffix "n"	To denote mean of Platts Index Price (US\$) of 0.5% Very Low Sulphur Fuel Oil (VLSFO) at Singapore or Colombo or <i>Durban</i> as applicable for the preceding month to the month, which includes Bill of Lading Date of the relevant ship-

13. Payment Terms of Bunker Adjusted Freight Charges

The freight charges adjusted for bunker cost less Address Commission on base freight per Clause 11 shall be paid by CSC to XXX by Telegraphic Transfer before breaking bulk at the

discharge port, whilst Bill of Lading shall be released to the shipper by XXX /agent, marked as "freight payable as per the charter party." In case the freight payment is not received by XXX before commencement of discharge, the vessel will wait on CSC account.

14. Taxes, Dues and Port Charges at Load Port

The taxes, dues, port charges, Customs overtime payments etc. levied on the vessel or the freight at the load port, if any, shall be for the XXX's account. The taxes/dues on the Cargo at the load port, if any, shall be for the shipper's account.

15. Port Charges, Dues and Statutory Levies in Port of Puttalam

All Port charges and dues as per the prevailing Tariff rates of Sri Lanka Port Authority and the Customs Overtime Payments at the prevailing rates as per the Customs Ordinance of Sri Lanka applicable for the port of Puttalam, shall be on account of XXX.

Owners shall appoint CSC as the charterer's nominated agent at the discharge port and owners to pay an agency fee of USD 4,000 per vessel / per port call plus transport/launch and communication charges at USD

Owner's shall have the option to appoint Owner's protective agents at their discretion.

16. Weight Determination at the Port of Loading

The weight of each shipment of Coal shall be determined at the Port of Loading. The draft survey for weight determination shall be carried out by an Independent Marine Surveyor appointed by LCC and shall be binding on all Parties. The Independent Marine Surveyor shall also inspect all holds of the vessels at the port of loading to ensure that they have been thoroughly cleaned and are suitable for carrying that shipment of Coal, and shall issue a hold cleaning inspection certificate to that effect. In case the survey found that the holds are unclean and not suitable for loading coal, laytime shall not count until the holds are cleaned and the Independent Marine Surveyor inspect the holds again and issues the hold cleanliness certificate.

The cost of weight determination and the first hold inspection survey at the load port shall be for the shipper's account.

17. Draft Survey at the Port of Puttalam

In the port of Puttalam, at the transshipment anchorage, two draft surveys for weight determination of cargo for Customs clearance purposes shall be arranged by LCC at LCC's cost on arrival of the vessel and after completion of discharging of vessel, respectively.

It is agreed between CSC and XXX that there could be a variation of quantity of cargo between B/L quantity (derived from the draft survey to be conducted at load port) and the discharged quantity at the Jetty, up to 0.5%.

18. Load/Discharge Rates

Load rates at the respective load ports per weather working day of twenty four (24) consecutive hours, Saturdays, Sundays, and holidays included, except on major holidays shall be as follows:

	Port of loading	Load rate MT (pwwd shinc)
1	Richards Bay Coal Terminal, South Africa	As per the prevailing Guidelines of the RBCT
2		
3		

19. Shipments from Russian ports of Tamnam, Vanino and Vostochny

19.1. There are restrictions on the loaded draft of the vessels at the Berth No. PPK1 of the port of Vostochny, Russia. Therefore, following terms and conditions shall apply for shipments from port of Vostochny.

a). If the vessel nominated by the Buyer and accepted by the Seller cannot be fully loaded at the Berth No. PPK1 due to draft restrictions, the Seller shall arrange to top-up the vessel at the Berth No. PPK3 of the port of Vostochny at Seller's cost and time.

b). In such an event, the vessel will either wait at PPK1 berth or at the inner anchorage at Vostochny port. Shifting costs from PPK1 to PPK3 and the berth hire / anchorage charges (as applicable) from the time of completion of loading at PPK1 until the time of recommencement of loading at PPK3 shall be for Seller's account in addition to the cost of shifting.

c). Laytime or time on demurrage shall count continuously until completion of loading at the berth No. PPK3 including any shifting times.

d). In the event Seller does not ship the full quantity / intake of the performing ship declared by the master of the performing ship as per his Pre-Stowage Plan, Seller shall pay dead freight to the Buyer for the shortfall of the loaded quantity from the quantity declared in the final Pre-stowage Plan of the Master.

19.2. Berthing Restrictions

Vanino	Vostochny, Terminal no. PPK1	Vostochny, Terminal no. PPK 3
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<p>LOA 300m, up to 17m sw draft, 48m beam and 170,000 MT dwt limit</p>	<p>Berth #13 berth actual length — 210 m LOA — no limit (in case of berthing to two berths 13+14) beam — 32.5 m draft —12.20 m air draft limit — 14 m Berth #14 berth actual length — 210 m LOA— no limit (in case of berthing to two berths 13+14) beam —32.5 m draft —12.20 m air draft limit— 17 m</p>	<p>No restrictions for Panamax size vessels</p>
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18.3. Discharge rate at Puttalam port anchorage:

10,000 MT Tons per weather working day of twenty four (24) consecutive hours, Saturdays, Sundays, and holidays included, except on major Sri Lankan holidays.

Accordingly, CSC shall arrange to unload barges at the Jetty per weather working day of 24 consecutive hours, Saturdays, Sundays, and holidays included, except on major Sri Lankan holidays.

Major Holidays in Sri Lanka

01 (One) day for National Day	04 th February
01 (One) day for Holy Prophet's Birth Day	to be declared each year
01 (One) day for Sinhala / Tamil New Year	to be declared each year in April
01 (One) day for May Day	01 st May
01 (One) day for Vesak Full moon Day	to be declared each year in May
01 (One) day for Christmas	25 th December

If the loading or discharging is carried out during aforesaid holidays, only the actual working time shall count as laytime.

For all other ports, major holidays shall be as per the BIMCO Holidays Handbook.

19. Loading and Discharging Operations

XXX shall be solely responsible for the ocean transportation of the Coal and shall arrange for single deck geared bulk carriers suitable to enter and leave the nominated anchorages of the ports of loading and discharging, with following or better specifications.

- a) Single deck dry-bulkers suitable for the carriage of thermal coal

- b) Age: less than 15 years
- c) Vessel Size: 58,000 to 63,000 MT DWT
- d) Cranes: 04 Electro-hydraulic cranes with minimum SWL of 30 MT
- e) Grab capacity: minimum 10 CBM
- f) Parcel Size: 60,000 MT +/- 10 % MOLBO

XXX shall ensure that each Vessel designated for the carriage of the Coal will;

19.1 Provide free use of /cranes and related electricity power required by the shipper during loading, trimming and stowage of the Coal on board such Vessel and in discharging at discharge port; and

19.2 Have lighting facilities and crew available during the loading and discharging operations. However, loading, stowing and trimming shall be done by the stevedores appointed by the shipper at the load port at their cost and time.

19.3 Any machinery (pay loaders) if required for trimming shall be supplied and paid for by the shipper.

19.4. Basic facilities on board for the agent and stevedores at the load port and discharge port and for the CSC agent/representative at Port of Puttalam.

20. Demurrage and Dispatch

XXX shall declare the demurrage rate for each vessel at the time of nomination of ship as stated in Clause 6.

20.1. Demurrage rate:

20.1. The Demurrage Rate to be declared by the ship owner for each vessel / shipment at the time of nomination of the vessel shall be on a par with the market levels.

20.2. In case of a dispute, Demurrage Rate shall be justifiable by the Seller to the Buyer based on the Average Trip Charter Rate per day for Supramax / Panamax vessels, as reported in the Shipping Intelligence Weekly Reports published by the Clarkson Research Services Limited, as the Index for charter market, one week prior to the vessel nomination date. and Platts Monthly Bunkerwire as the Index for bunker prices. Both indices shall be for the preceding month to the month, which includes the first date of each laycan.

20.3. Vessel demurrage, at the rate mentioned in Clause 20.1 above, attributable to delays in loading or unloading shall be as per the laytime calculations prepared as per the Statement of Facts and should be agreed / accepted by the all parties before payment.

20.4. In the event that the loading or unloading of a shipment of coal is completed before the expiry of the laytime allowed, XXX shall pay to CSC dispatch money at 50% of the demurrage rate for all laytime saved as per the laytime calculations.

20.5. If loading or unloading of vessels at the anchorage or unloading of barges at the Jetty of the Lakvijaya Power Station is interrupted due to bad weather (including typhoon, strong wind, raining, high wave etc.) any time lost shall not counted as laytime.

20.6. However, in case unloading of vessels at the anchorage is interrupted due to operational reasons related to barges, machinery breakdown of the Jetty of the Lakvijaya Power Station etc., any time lost will count as laytime and the same will be to CSC's account.

20.7. Statement of Facts shall be prepared by the vessel agent and shall be signed by the Master of the vessel, supervisor of stevedores, shipper's agent / representative on board, as applicable.

20.8. All claims on demurrage/detention less Address Commission payable to CSC as stated in Clause 11, shall be settled and paid within Thirty (30) days after the completion of loading or discharging as applicable.

20.9. Asian Gypsy Moth Free Certificates

In case any shipments are loaded from the ports of Vanino or Vostochny in Russia, during high risk Asian Gypsy Moth months from 1st July - 31st October every year, the costs incurred by the vessel for fumigation of the ship and for obtaining the Asian Gypsy Moth Free Certificates shall be reimbursed by the Seller on actual basis.

21. Overtime

The expenses required for overtime work shall be borne by the Party who has requested the same. If overtime work is ordered by the port authorities, the expenses therefore shall be borne by shipper; provided, however, the expenses for overtime of the officers and crew of the vessel shall always be borne by XXX.

22. Costs of Delivery

Shipper shall bear all of the costs and expenses of and relating to the loading of the Coal on the vessel, wharfage, export and other taxes, imposts and other charges imposed by any government or its agencies, as well as other similar costs which are normally considered to be for Shipper's account. XXX shall bear the shipping agency, berthage, pilotage, tugboat and line handling fees, port charges and other similar costs which normally are considered to be for the vessel's account.

23. Stevedore Damages

CSC shall not be responsible for any stevedore damage under this Agreement. Such damages, if any (beyond ordinary wear and tear), shall be settled between XXX and stevedores directly. However, should the XXX fail to receive prompt settlement of stevedore claims from the stevedores, the XXX can request the CSC's assistance for the earlier settlement of all stevedore claims that may exist between the XXX and the stevedores for all proven damages.

The Master shall inform stevedores, agents and XXX as soon as the damage is sustained during loading/discharging, failing which stevedores shall not be responsible. The Masters shall endeavor to obtain stevedores' written acknowledgement of liability. Owners or Master shall give written notice to stevedores of damage claimed before the vessel sail from the loading port or discharging port.

Any time lost due to waiting for surveyors of the owners/XXX shall not be on CSC account.

24. Bill of Lading (B/L)

XXX shall issue the Bill of Lading in the BIMCO format CONGENBILL Edition 1994 to the shipper or their agent. Master of the vessel shall allow discharging of coal at the port of Puttalam without production of original Bill of Lading against a Letter of Indemnity signed by CSC as per standard Protection & Indemnity Club format without any bank endorsement.

25. Daily loading and discharging reports at the load port and the discharge port respectively shall be emailed by XXX to CSC.

26. XXX shall bear all insurance costs of the vessels including any extra insurance premium on cargo and freight owing to vessel's age (maximum 15 years), Class, country where built, flag, ownership, or any other reason. The performing vessels shall have a comprehensive Protection and Indemnity (P&I) insurance covering marine pollution, third-party liabilities, wreck removal and port property damages etc. Any vessel nomination without such comprehensive and valid P&I insurance cover and all valid trading certificates shall not be acceptable to CSC.

27. The vessels to be deployed by XXX shall be tight, staunch, strong and in every way fitted for the voyage, and shall be geared (with hydraulic grab bucket or superior type) single-deck and of suitable size. Oil/bulk/ore combined carrier is not acceptable. In case the vessel has any problem incurred due to vessel's equipment failures, it shall be the responsibility of XXX for the time/expenses required to settle such problem.

28. If any additional war risk insurance surcharge on vessels becomes applicable at either one or both ends, same shall be on CSC's account.

29. If a vessel is being loaded/unloaded during a time of precipitation, Master shall ensure to close hatch covers of all cargo holds.

30. As soon as possible after the completion of loading of the vessels, XXX shall inform CSC by telefax/email the tonnage of coal loaded, time of completion of loading, departure time from the port of loading and estimated time of arrival ("ETA") at the point of transshipment in discharge port.

31. XXX shall ensure complying with Sri Lanka Ports Authority's regulations, to have the vessel vacated from the discharging anchorage at the port of Puttalam promptly after completion of the discharging without delay.

32. XXX shall ensure that the performing vessel shall comply with all applicable laws and regulations whether promulgated by governmental authorities or by authorized private organization(s) at the loading and discharging ports. If XXX fails to do that, XXX shall be liable for all losses, expenses and responsibilities thus incurred and shall indemnify and defend CSC, its agents, officers and employees against, and shall hold them free and harmless from, any and all losses, expenses, liabilities and claims of any kind and character arising from the failure on the part of the vessel, her Master and crew to comply with any such laws and regulations. Acceptance of nomination of a vessel by CSC shall in no way relieve the XXX of responsibility for failing to comply with the requirements stipulated in this Clause.

XXX shall ensure that the Master / vessel shall comply with all the Regulations of the International Maritime Organization (IMO) as well as local Regulations of the Port State Control (Director General of Merchant Shipping), Sri Lanka Ports Authority (SLPA), Marine Environment Protection Authority of Sri Lanka (MEPA), Sri Lanka Navy (SLN), Sri Lanka Customs (SLC) etc.

XXX shall ensure that the vessels to be deployed under this COA, irrespective of whether vessels are owned or chartered by XXX, shall fully comply with the 'International Convention for the Prevention of Pollution from Ships' (MARPOL) of the International Maritime Organization (IMO), up to the Annex VI or the latest in force during the tenure of this COA. CSC shall not be responsible for any non-compliance by the ships to be deployed by XXX under this COA, in whatsoever form at load port or discharge port or during the sea passages.

33. **Conditions Precedent**

The obligations of XXX to commence the performance under the this Contract of Affreightment or the CSC to obtain the services from XXX pursuant to this Contract of Affreightment shall become effective on the date when the XXX has established the Performance Security within 03 working days of receipt of the Letter of Acceptance.

34. **Performance Security**

XXX shall issue a Performance Security for an amount of USD as specified in the Bid Data Sheet. The Performance Security shall be in the form of a Bank Guarantee as per the format attached as Annexure in the Instructions to the Bidders in the Bidding Documents, issued by a bank operating in Sri Lanka, approved by the Central Bank of Sri Lanka, .

35. **Force Majeure**

An Event of Force Majeure shall mean any circumstances not within the reasonable control, directly or indirectly, of the party affected, but only if and to the extent that (i) such circumstances despite the exercise of reasonable diligence, cannot be or be caused to be prevented, avoided or removed by such party, (ii) such event materially adversely affects the ability of the affected party to perform its obligations under the Agreement, and the affected party has taken all reasonable precautions, due care and reasonable alternative measures in order to avoid the effect of such event on the affected party's ability to perform its obligations under

the Agreement and to mitigate the consequences thereof, (iii) such event is not the direct or indirect result of the failure of such party to perform any of its obligations under the Agreement and (iv) such party has given the other party prompt notice describing such events, the effect thereof and the actions being taken in order to comply with this Clause provided that Events of Force Majeure shall not include strikes, lockouts or other industrial action by non-manual personnel of the party seeking to invoke that Event of Force Majeure or of such party's agents or contractors.

36. Notices

Any written notice requiring to be served hereunder shall be sufficiently served by sending such notice by e-mail or fax or courier or registered mail addressed to and forwarded to the party at its last known address.

With Respect to the XXX the contact information is:

With Respect to the CSC the contact information is:

Ceylon Shipping Corporation Ltd.

No. 27, MICH Building
Sir Razik Fareed Mawatha (formerly Bristol Street)
Colombo 00100
Sri Lanka
Phone:+94 11
Fax: + 94 11

Email.....

37. Cargo Claims

It is agreed between CSC and XXX that variation of quantity of cargo between B/L quantities (derived from the draft survey to be conducted at load port) and the delivery quantity at the Jetty of LVPS up to 0.5% shall be accepted as normal handling losses. All other claim (if any) shall be handled in accordance with the relevant Club rules.

38. Training Opportunities for Sri Lankan Cadets

XXX shall provide ... number of sea training opportunities for Sri Lankan merchant shipping Cadets, onboard the vessels owned or managed or bareboat chartered by XXX during the period of the Contract. The offered number of training billets shall be provided at any given time right throughout the contract period and until the successful completion of the respective Seaman Employment Agreements, which may be still in force even at the time of expiry of COA.

Training program will be submitted for CSC accordingly. A separate Crew Agency Agreement will be signed between CSC and XXX. Seaman Employment Agreements shall be signed between XXX and the Cadets nominated by CSC.

38. Confidentiality

The terms of the Agreement, any information provided by one party to another in the course of negotiation of the Agreement or any further negotiations among the Parties, and any further terms agreed among the Parties (collectively the Confidential Information) shall remain confidential to the Parties and shall not be disclosed, or used otherwise than for the performance of the Parties respective obligations under the Agreement, without the specific written agreement of both Parties provided that a party may disclose the Confidential Information to the extent required by law.

39. Assignments and Modifications

Neither party shall assign the whole or any part of the contract or any benefit or interest in or under the contract.

Any alternation or amendment or modification shall be on mutual consent of both parties and it shall be reduced to writing.

40. Termination

This Agreement shall be in force with effect from 2023 up to ... 2024 or until completion of discharging of the last vessel under the Agreement.

(a) Either party may terminate this contract immediately by written notice to the other party if:

- (I) one party breaches this contract in a material respect; or
- (ii) a receiver, manager, administrator, trustee or similar official is appointed over all or substantially all of the other party's assets or undertakings, an application (not being withdrawn or dismissed within 21 days) or order is made for the winding up or dissolution of the other party, or a resolution is passed by the other party or any steps are taken by the other party to pass a resolution for the winding up or dissolution of the other party, except for the purpose of amalgamation or reconstruction which has the party's prior written consent (such consent not to be unreasonably withheld).

(b) Parties further agree that this agreement shall terminate in the event of any directive of the Government of Sri Lanka or an Order or any Decision of a Court of Law or any Arbitration Panel, resulting in CSC becoming incapable of continuing with this Agreement due to the implementation of such Directive or Order or Decision.

(c) Upon termination under this Clause, each party shall cease to have any rights or obligations under this contract, save for any rights and obligations which have accrued prior to such termination, and termination of this contract shall not relieve any party from liability to

the other party for any breach of this contract occurring before termination. The rights and remedies available under Clause are without prejudice to any other rights and remedies at law, in equity or otherwise.

41. Entire Agreement

This contract contains the entire agreement between the Parties with respect to the subject matter hereof and all proposals, negotiations, and representations with reference thereto are merged herein.

42. Dispute Resolutions and Arbitration

If a dispute of any kind whatsoever arises between the buyer and the seller, then every effort will be made by the parties to settle such dispute amicably before the commencement of Arbitration.

If amicable settlement has not been reached, then all such disputes arising out of the contract agreement shall be dealt in accordance with the provisions of Arbitration Act No. 11, 1995 of Sri Lanka. The language for the Arbitration shall be English and the place of arbitration shall be Sri Lanka. The following procedure shall be followed:

(a) Any dispute, controversy or claim arising out of or relating to this Contract, or the breach termination or invalidity thereof [“Dispute”] may be submitted by either Party to arbitration for final settlement. Each of the Parties submits to arbitration under this Clause before a panel of three arbitrators under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL) as then in force (the “Rules”), as modified by this Clause. The proceedings shall be conducted, and the award shall be rendered, in the English language. The seat and place of arbitration shall be Colombo, Sri Lanka unless any other location is agreed to by the Parties.

(b) Each Party shall appoint one arbitrator, and the two arbitrators, so appointed shall appoint a third arbitrator. The third arbitrator shall be the chairman of the arbitral tribunal. If either Party fails to appoint an arbitrator or if the two Party-appointed arbitrators fail to agree upon a third arbitrator, then such arbitrator shall be appointed in terms of the Arbitration Act No. 11 of 1995 or such other law that governs Arbitration proceedings as in force in Sri Lanka.

(c) Any award rendered by a majority of the arbitral tribunal shall be final and binding and judgment thereon may be entered and may be enforced in any court of competent jurisdiction. Any monetary award shall be made in reasonable time and as the arbitral tribunal may consider appropriate. The arbitral tribunal shall be authorized in its discretion to grant pre-award and or post-award interest as the case may be. Any costs, fees, or taxes incidental to enforcing the award shall, to the maximum extent permitted by law, be charged against the Party resisting such enforcement.

(d) Subject to right of any Party to obtain any appropriate interim relief from any court of competent jurisdiction, an arbitration award under this Clause shall be a condition precedent to the commencement of action, suit, or claim in any court or other judicial forum.

(e) Except, as expressly provided in this Contract, pending the award in any arbitration proceeding hereunder (i) this Contract and the rights and obligations of the Parties shall remain in full force and effect and (ii) each of the Parties shall continue to perform their respective obligations, including payment obligations, under this Contract. The termination of this Contract shall not result in the termination of any arbitration proceeding pending at the time of such termination nor otherwise affect the rights and obligations of the Parties under or with respect to such pending arbitration.”

43. Governing Law

The Agreement shall be governed by and construed in accordance with the laws of Sri Lanka.

44. Statutory Inclusion Clauses

BIMCO "Voywar 2013", Clause, Both to Blame Collision Clause, General Average, New Jason Clause, General Paramount Clause and P & I Club's oil bunkering deviation clause with latest amendment thereof to be deemed incorporated in full in this Charter Party.

IN WITNESS WHEREOF the Ceylon Shipping Corporation Ltd. and the XXX have set their respective hands hereto and to one another of the same tenor and date hereof at Colombo and respectively, on this

For and on behalf of the
Ceylon Shipping Corporation Ltd.,
Authorized Signatory

For and on behalf of the
XXXX
Authorized Signatory

Witness:

Witness:

VOYWAR 2013

War Risks Clause for Voyage Chartering

(a) For the purpose of this Clause, the words.

(i) "Owners" shall include the shipowners, bareboat charterers, disponent owners, managers or other operators who are charged with the management of the Vessel, and the Master; and

(ii) "War Risks" shall include any actual, threatened or reported:

War, act of war, civil war or hostilities; revolution; rebellion; civil commotion; warlike operations; laying of mines; acts of piracy and/or violent robbery and/or capture/seizure (hereinafter "Piracy"); acts of terrorists; acts of hostility or malicious damage; blockades (whether imposed against all vessels or imposed selectively against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever), by any person, body, terrorist or political group, or the government of any state or territory whether recognised or not, which, in the reasonable judgement of the Master and/or the Owners, may be dangerous or may become dangerous to the Vessel, cargo, crew or other persons on board the Vessel.

(b) If at any time before the Vessel commences loading, it appears that, in the reasonable judgement of the Master and/or the Owners, performance of the Contract of Carriage, or any part of it, may expose the Vessel, cargo, crew or other persons on board the Vessel to War Risks, the Owners may give notice to the Charterers cancelling this Contract of Carriage, or may refuse to perform such part of it as may expose the Vessel, cargo, crew or other persons on board the Vessel to War Risks; provided always that if this Contract of Carriage provides that loading or discharging is to take place within a range of ports, and at the port or ports nominated by the Charterers the Vessel, cargo, crew, or other persons on board the Vessel may be exposed to War Risks, the Owners shall first require the Charterers to nominate any other safe port which lies within the range for loading or discharging, and may only cancel this Contract of Carriage if the Charterers shall not have nominated such safe port or ports within 48 hours of receipt of notice of such requirement.

(c) The Owners shall not be required to continue to load cargo for any voyage, or to sign bills of lading, waybills or other documents evidencing contracts of carriage for any port or place, or to proceed or continue on any voyage, or on any part thereof, or to proceed through any canal or waterway, or to proceed to or remain at any port or place whatsoever, where it appears, either after the loading of the cargo commences, or at any stage of the voyage thereafter before the discharge of the cargo is completed, that, in the reasonable judgement of the Master and/or the Owners, the Vessel, cargo, crew or other persons on board the Vessel may be exposed to War Risks. If it should so appear, the Owners may by notice request the Charterers to nominate a safe port for the discharge of the cargo or any part thereof, and if within 48 hours of the receipt of such notice, the Charterers shall not have nominated such a port, the Owners may discharge the cargo at any safe port of their choice (including the port of loading) in complete fulfilment of the Contract of Carriage. The Owners shall be entitled to recover from the Charterers the extra expenses of such discharge and, if the discharge takes place at any port other than the loading port, to receive the full freight as though the cargo had been carried to the discharging port and if the extra distance exceeds 100 miles, to additional freight which shall be the same percentage of the freight contracted for as the percentage which the extra distance represents to the distance of the normal and customary route, the Owners having a lien on the cargo for such expenses and freight.

(d) If at any stage of the voyage after the loading of the cargo commences, it appears that, in the reasonable judgement of the Master and/or the Owners, the Vessel, cargo, crew or oth-

er persons on board the Vessel may be exposed to War Risks on any part of the route (including any canal or waterway) which is normally and customarily used in a voyage of the nature contracted for, and there is another longer route to the discharging port, the Owners shall give notice to the Charterers that this route will be taken. In this event the Owners shall be entitled, if the total extra distance exceeds 100 miles, to additional freight which shall be the same percentage of the freight contracted for as the percentage which the extra distance represents to the distance of the normal and customary route.

(e) (i) The Owners may effect War Risks insurance in respect of the Vessel and any additional insurances that Owners reasonably require in connection with War Risks and the premiums therefor shall be for their account.

(ii) If, pursuant to the Charterers' orders, or in order to fulfil the Owners' obligation under this Charter Party, the Vessel proceeds to or through any area or areas exposed to War Risks, the Charterers shall reimburse to the Owners any additional premiums required by the Owners' insurers. If the Vessel discharges all of her cargo within an area subject to additional premiums as herein set forth, the Charterers shall further reimburse the Owners for the actual additional premiums paid from completion of discharge until the Vessel leaves such area or areas. The Owners shall leave the area or areas as soon as possible after completion of discharge.

(iii) All payments arising under this Sub-clause (e) shall be settled within fifteen (15) days of receipt of Owners' supported invoices.

(f) The Vessel shall have liberty:

(i) to comply with all orders, directions, recommendations or advice as to departure, arrival, routes, sailing in convoy, ports of call, stoppages, destinations, discharge of cargo, delivery, or in any other way whatsoever, which are given by the government of the nation under whose flag the Vessel sails, or other government to whose laws the Owners are subject, or any other government of any state or territory whether recognised or not, body or group whatsoever acting with the power to compel compliance with their orders or directions;

(ii) to comply with the requirements of the Owners' insurers under the terms of the Vessel's insurance(s);

(iii) to comply with the terms of any resolution of the Security Council of the United Nations, the effective orders of any other Supranational body which has the right to issue and give the same, and with national laws aimed at enforcing the same to which the Owners are subject, and to obey the orders and directions of those who are charged with their enforcement;

(iv) to discharge at any alternative port any cargo or part thereof which may expose the Vessel to being held liable as a contraband carrier;

(v) to call at any alternative port to change the crew or any part thereof or other persons on board the Vessel when there is reason to believe that they may be subject to internment, imprisonment, detention or similar measures;

(vi) where cargo has not been loaded or has been discharged by the Owners under any provisions of this Clause, to load other cargo for the Owners' own benefit and carry it to any other port or ports whatsoever, whether backwards or forwards or in a contrary direction to the ordinary or customary route.

(g) The Charterers shall indemnify the Owners for claims arising out of the Vessel proceeding in accordance with any of the provisions of Sub-clauses (b) to (f) which are made under any bills of lading, waybills or other documents evidencing contracts of carriage.

When acting in accordance with any of the provisions of Sub-clauses (b) to (f) of this Clause anything is done or not done, such shall not be deemed to be a deviation, but shall be considered as due fulfilment of the Contract of Carriage.

NEW BOTH-TO-BLAME COLLISION CLAUSE

If the liability for any collision in which the vessel is involved while performing this Bill of Lading fails to be determined in accordance with the Laws of the United States of America, the following clause shall apply:-

"If the vessel comes into collision with another ship as the result of the negligence of the other ship and any act, neglect or default of the master, mariner, pilot or the servants of the carrier in the navigation or in the management of the ship the Owners of the goods carried hereunder will indemnify the carrier against all loss or liability to the other or non-carrying ship or her Owners in so far as such loss or liability represents loss of, or damage to, or any claims whatsoever of the Owners of the said goods, paid or payable by the other or non-carrying ship or her Owners to the Owners of the said goods and set off, recouped or recovered by the other or non-carrying ship or her Owners as part of their claim against the carrying vessel or carrier."

The foregoing provisions shall also apply where the Owners, operators or those

in charge of any ship or ships or objects other than, or in addition to the colliding ships or objects are at fault in respect to a collision or contact. And the Charterers shall procure that all Bills of Lading issued under this charter-party shall contain the same clause.

NEW JASON CLAUSE

In the event of accident, danger, damage or disaster before or after the commencement of the voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequence of which, the Carrier is not responsible, by statute, contract or otherwise, the goods, Shippers, Consignees or owners of the goods shall contribute with the Carrier in general average to the payment of any sacrifices, losses or expenses of a general average na-

ture that may be made or incurred and shall pay salvage and special charges incurred in respect of the goods.

If a salving ship is owned or operated by the Carrier, salvage shall be paid for as fully as if the said salving ship or ships belonged to strangers. Such deposit as the Carrier or his agents may

deem sufficient to cover the estimated contribution of the goods and any salvage and special charges thereon shall, if required, be made by the goods, Shippers, Consignees or owners of the goods to the Carrier before delivery.

PROTECTION AND INDEMNITY BUNKERING CLAUSE

The vessel in addition to all other liberties shall have liberty as part of the contract voyage and at any stage thereof to proceed to any port or ports whatsoever whether such ports are on or off the direct and/or customary route or routes to the ports of loading or discharge named in this Charter and there take oil bunkers in any quantity in the discretion of owners even to the full capacity of fuel tanks, deep tanks, and any other compartment in which oil can be carried whether such amount is or is not required for the chartered voyage.