

# **Contract for Agency Service**

April

# 2018

By and Between Shanghai Highwoods Ship Co., Ltd.  
and

Agreement Number:  
07-1006-2018-00

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# **Contract for Agency Service in China**

## **1.0 Purpose of Contract**

1.1 The Regulations of People’s Republic of China on the Administration of Prevention and Control of Pollution to the Marine Environment by Vessels require that an agreement for Ship Pollution Response (hereinafter referred to as “Agreement”) is formulated in accordance with the provisions of Article 29 of the Regulations of the People’s Republic of China on Emergency Preparedness and Response on Marine Environment Pollution from Ships for the purpose of effectively implementing the regime of agreement for ship pollution response. Through this contract the Owner/Operator/Manager (hereafter called the “Client”) agrees to appoint Shanghai Highwoods Ship Co., Ltd. (SHSCL) as its agent as defined by Paragraph 3 of Article 18 of the Detailed Rules of Maritime Safety Administration of the PRC on the Implementation of the Administration Regime of Agreement for Ship Pollution Response with respect to the signing of the agreement for Ship Pollution Response with approved oil spill response organizations (“SPROs”) and other relevant issues at Chinese ports except Hong Kong, Macau and Taiwan

1.2 SHSCL agrees to be appointed as agent of the Client for the mission detailed above.

1.3 The ships to receive services under this contract (“the Ships”) are listed as in appendix I.

## **2.0 Scope of Service**

The scope of services to be rendered by SHSCL to the Client as per the Contract shall be strictly limited to the scope of authorization as is defined by the “Letter of Authorization (IG LOA dated 6 December 2014)”, including:

2.1 Advising the Client regarding the identity, qualification status and other relevant Information of Maritime Safety Administration (“MSA”) approved SPRO(s) for a certain port or ports for the consideration and choice of the Client;

2.2 Negotiating with the SPRO selected by the Client on terms and conditions of the Agreement on behalf of the Client, endeavoring to obtain their agreement as much as possible to contract on the MSA Sample Agreement with IG supplemented clauses (IG Sample Agreement 20 November 2014);

2.3 Monitoring of evolving PRC & Local Regulations & on-going qualification of SPRO.

2.4 Signing the Agreement on behalf of the Client;

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2.5 Handling payment of the retainer fee to SPRO according to the signed Agreement on behalf of the Client;

2.6 Providing the Ships' movement information to SPRO according to the signed Agreement on behalf of the Client;

2.7 Handling renewal, extension or termination of the Agreement on behalf of the Client;

2.8 Dealing with any other issues in relation to the signing of the Agreement as instructed by the Client;

### **3.0 Obligations of SHSCL**

3.1 SHSCL shall exercise reasonable skill, care, efficiency and diligence in carrying out the services detailed in Article 2 above.

3.2 SHSCL shall advise the Client of all necessary requirements with respect to signing of the Agreement at a certain port or ports, including information of SPRO(s) with appropriate level of qualification approval by MSA to comply with relevant laws and regulations, acceptable procedures and acceptable contract terms, so that the Client may comply with the requirements.

3.3 SHSCL shall strictly follow the instructions of the Client and act within the authorization of the Client.

3.4 SHSCL shall send a copy of the Agreement signed on behalf of the Client by email or fax to the Client within 48 hours after the execution is completed with the SPRO selected by the Client.

3.5 SHSCL shall keep the originals of effective Agreements safely and send them to the Client when requested, at the cost of the Client.

3.6 SHSCL shall update the Client with developments on legislation and other requirements with respect to signing of the Agreement.

3.7 SHSCL shall update the Client with material changes of status of the SPROs with which the Client has entered into agreement as soon as SHSCL becomes aware of such changes.

3.8 SHSCL shall make itself available for service 24/7 by providing the Client with an Emergency contact list and updating it timely in case of changes.

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### **4.0 Obligations of the Client**

4.1 The Client shall ensure itself is the proper party to enter into contract with SPROs for the Ships pursuant to Article 18 of *the Detailed Rules of Maritime Safety Administration of the PRC on the Implementation of the Administration Regime of Agreement for Ship Pollution Response*.

4.2 Generally, the Client shall inform SHSCL of each intended call of the Ships to Chinese ports (except Hongkong, Macau and Taiwan,) together with the appointed local ship agent at least 4 days prior to the Ships' arrival. In case of emergency situations, the Client shall get in contact with SHSCL as soon as the Client becomes aware of the intended call of the Ships to Chinese ports (except Hongkong, Macau and Taiwan) so that the Parties can work out a solution together.

4.3 The Client shall confirm to SHSCL its choice of SPRO together with the Agreement wording which it accepts as far in advance of the ship's arrival as possible but in any event no later than 24 hours prior to arrival at a Chinese port.

4.4 When requested by SHSCL, the Client shall provide SHSCL with a copy of valid P&I entry certificate.

4.5 The Client shall ensure proper conditions for SHSCL to render services in accordance with the Contract, such as:

- (a) Cooperative attitude of all Clients' employees towards SHSCL personnel;
- (b) Timely and exhaustive provision of necessary documentation and information.

4.6 The Client shall execute the Letter of Authorization and submit it to SHSCL by sending a copy electronically for submitting to PRC authority. The Client shall send the originals of the Letter of Authorization in duplicate to SHSCL for its own filing in due course.

4.7 The Client shall provide SHSCL with an emergency contact number for the sake of urgent situations, and update any changes thereof.

### **5.0 Liabilities**

5.1 It is agreed and understood that, under no circumstances does SHSCL provide any guarantee to the Client regarding performance of any SPROs either in terms of the SPROs' meeting its contractual liabilities under the Agreement or in terms of the SPROs' meeting the demand and criteria of the PRC authority.

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5.2 It is agreed and understood that SHSCL shall not be liable for fines, losses, damages, or penalties suffered by the Client arising from MSA's refusal or delay to accept the Agreement signed by SHSCL on behalf of the Client, unless such refusal or delay is caused by the fault or negligence of SHSCL in providing SPRO candidate which is not officially approved by MSA or which is not with appropriate level of qualification approval by MSA to comply with relevant laws and regulations.

5.3 It is agreed that it is the Client's own responsibility to ensure that the Agreement is accepted by the P&I Club with which the Ship is entered so that the Club's cover will not be prejudiced. SHSCL shall not be liable for any losses, damages or liabilities sustained by the Client due to the prejudiced cover caused by the Agreement.

5.4 It is agreed and understood that SHSCL shall not be liable for losses or damages suffered by the Client arising from delays to the Ships' schedule caused by the Client's failure to pay the retainer fees charged by SPROs in a timely manner, unless the Client has had sufficient cash deposit with SHSCL in the manner specified in Article 9.3.

5.5 Each party to the Contract shall not be liable for losses, damages, fines, costs, liabilities and penalties caused to the other party by the fault or negligence of the other party in fulfilling its obligations provided in the Contract, and shall indemnify and hold harmless the other party for losses, damages, fines, costs, liabilities and penalties caused to the other party by the fault or negligence of its own in fulfilling its obligations provided in the Contract.

5.6 The Client agrees to indemnify and hold harmless SHSCL, its directors, managers, employees or sub-contractors from all claims, losses, damages, liabilities, costs and expenses arising from SHSCL's providing the services or fulfilling its obligations as are specified in the Contract and or are carried out in line with the Client's instructions, unless such claims, losses, damages, liabilities, costs and expenses are caused by the fault or negligence of SHSCL, or its directors, managers, employees or sub-contractors.

## **6.0 Insurance**

6.1 During the period when the Contract is in effect, the Client shall maintain P&I cover including coverage for pollution liabilities.

## **7.0 Confidentiality**

7.1 All business transacted between the Parties as well as data, knowledge, information and documents ("Confidential Information") handed over by one Party to the other shall always be subject to confidentiality except where the relevant data, knowledge, information and documents have already become public domain through no fault of any party.

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7.2 Neither of the Parties shall disclose, reveal or permit access to the Confidential Information, in whole or in part, to any third party without the other Party's prior written consent, except where the disclosure of information is required by law or is made to PRC maritime authority or the P&I Club which the Ships are entered with.

### **8.0 Fees**

8.1 SHSCL's service fee shall in any and all circumstances be charged separately from the retainer fee and response costs that are charged by SPROs or any other third parties,

~~8.2 USD 30 per ship per call for handling necessary arrangements with and payments to the SPROs and for coordinating with port authorities,~~

### **9.0 Payments**

9.1 The Client shall settle the debit note submitted by the SHSCL issued in line with Article

8.1 and 8.2 for services rendered within 30 days upon receipt of an electronic version of the debit note via either email or fax.

9.2 SHSCL is not obligated to advance any third party fees on behalf of the Client, including but not limited to the retainer fees and response costs charged by SPROs.

9.3 In order to ensure the Ships' smooth entry, departure and operation at Chinese ports and to save time and costs, the Client may, immediately after the Contract becomes effective, remit an agreed amount of cash deposit with SHSCL, for the purpose of paying the retainer fees charged by SPRO and settling the debit note of SHSCL for services rendered. When the cash deposit is used out or becomes insufficient to cover the cost of the Ship's next call, the Client may make another remittance in an agreed amount. In case of the Client doing so, SHSCL shall keep a clear and complete account record regarding use of this cash deposit, including informing the Client of the amount of retainer fee paid to the SPRO within three working days after such fee is paid out or is incurred, submitting a monthly debit note detailing the service fee charged by SHSCL, and making available a complete account breakdown whenever required by the Client. At the time of termination of this Contract, SHSCL shall return any balance of the cash deposit to the Client within seven days after the Contract is terminated.

### **10.0 Effect and Termination**

10.1 The Contract takes effect on the date of execution by both Parties and will continue to be valid until terminated by either of the Parties.

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10.2 Either party may terminate the contract by giving 30 days prior written notice to the other party.

10.3 In case of termination of the contract, the clients undertakes to pay for services rendered prior to the termination of the contract within 7 days from the receipt of debit note from SHSCL.

### 11. Jurisdiction

The contract shall be governed by and construed with the laws of People's Republic of China. Any disputes arising there from shall be submitted to the court of the People's Republic of China.

### 12. Other conditions

The contract shall be executed in duplicate, one copy for each Party, both copies being of equal legal effect. The undersigned irrevocably warrant that they are fully and duly authorized by their respective parties to sign and execute the contract.

Client:

Signature /company stamp/seal:

Print name:

Title:

Company name:

Date:

SHSCL

Signature /company stamp/seal:

Print name: William Peng

Title: OSRO Service Manager

Company name: Shanghai Highwoods Ship Co., Ltd

Date:

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### 授权委托书

#### Letter of Authorization

(IG LoA dated 6 Decemeber 2011)

委托人:

Principal:

住所地:

Domicile:

法定代表人:

Legal representative:

联系人:

Contact person:

通讯地址:

Correspondence address:

电话:

Telephone:

传真:

Fax:

电子邮箱:

Email:

代理人 (代理公司名称或代理船长姓名\*): 上海潼林船舶有限公司

Agent (name of agency or Master\*): Shanghai Highwoods Ship Co., Ltd.

住所地: 上海奉贤环城西路 3111 弄 555 号 4 幢 3832

Domicile: Rm 3832 Building, 555, No.3111 Ring (W) Road Fengxian Shanghai China

法定代表人: 彭正清

Legal representative: William Peng

联系人: 彭正清

Contact person: William Peng

通讯地址:

Correspondence address:

电话:

Telephone:

电子邮箱:

Email:

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\*委托人仅可以在紧急情况下或者船舶没有预先计划突然需要停靠中国港口时, 委托船长代为签订《船舶污染清除协议》

\*The Principal can only authorize the Master to Sign the Agreement under an emergency or when the ship need to call at Chinese ports without a prior schedule.



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Pursuant to the requirements of the Regulations of the PRC on Administration of the Prevention and Control of Marine Environment Pollution from Ship, Regulations of the PRC on Emergency Preparedness and Response on Marine Environment Pollution from Ships and the Detailed Rules of Maritime Safety Administration of the PRC on the Implementation of the Administration Regime of Agreement for Ship Pollution Response, our company hereby appoint your good company (or the Master of the contracted ship) as our agent as defined by Paragraph 3 of Article 18 of the detailed Rules of Maritime Safety Administration of the PRC on the Implementation of the Administration Regime of Agreement for Ship Pollution Response with respect to the signing of the Agreement for Ship Pollution Response (hereafter “the Agreement”) and other relevant issues.

根据《中华人民共和国防治船舶污染海洋环境管理条例》、《中华人民共和国船舶污染海洋环境应急防备和应急处置管理规定》、《中华人民共和国海事局船舶污染清除协议管理制度实施细则》的有关规定要求，我司特授权贵司（或签约船舶的船长）作为我司为《中华人民共和国海事局船舶污染清除协议管理制度实施细则》第18条第三款的规定代理人，代为我司签署《船舶污染清除协议》和处理相关事宜。

The authorization provided to the agent by the means of this letter is limited to the following:  
贵司的代理权限如下：

To negotiate with the PRC corresponding qualified ship pollution response organization on terms and clauses of the Agreement and on revision, extension and termination of the Agreement after the Agreement is signed;

与获得中国主管部门认可相应资质的船舶污染清除单位协商《船舶污染清除协议》的条件和条款，以及合同成立之后的对于该合同的修改、延期和终止；

To sign the Agreement for Ship Pollution Response on behalf of our company;

代理我司签署《船舶污染清除协议》；

To submit and to file the signed Agreement with PRC Maritime Safety Administrations in charge.

代理我司向主管海事局提交、报备已签署的《船舶污染清除协议》；

Under the instruction of our company, to pay the ship pollution response retainer fee under the Agreement and to collect the refunding of the said retainer fee according to the signed Agreement on behalf of our company; to receive the receipt of the said retainer fee;

根据我司指示，依据《船舶污染清除协议》之规定，代理我司向船舶污染清除单位支付船舶的协议费，代为收取退回的船舶的协议费；并领取有关付款收据；

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To deal with any other issues relevant to the signing of the Agreement as instructed by our company.

代为办理我司指示的与签署《船舶污染物清除 协议》有关的其他事务；

This Authorization shall cease to be effective when the contracted ship departs from the service zone for a voyage Agreement, and this Authorization shall cease to be effective for a time Agreement when the term of the Agreement as agreed expires.

在签订航次《船舶污染清除协议》时，本授权委托书自所代理船舶驶离《船舶污染清除协议》的服务区域时失效；在签订固定期限的《船舶污染清除协议》时，本授权委托书在双方约定的合同期限届满时失效。

委托人：

Principal:

法定代表人：

Legal representative:

(Signature of legal representative and company seal)

日期 (Date) :

附录一 协议船舶名录

Appendix I List of The Agreed Ships

No.	船名 Name of vessel	海事编 号 IMO	总吨 GT	船舶类 型 SHIP TYPE	保赔协会 P&I Club	船舶邮箱 Ship Email Address