BERNHARD SCHULTE SHIPMANAGEMENT

S.M.C. NEWS

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Delivery News

TZS, China: Naming and Delivery of MV "Tern Bulker" - 58,000 DWT Bulk Carrier

27 August 2014

Tsuneishi Zhoushan Shipyard, Zhoushan,China: Naming and delivery ceremony of MV "Tern Bulker" - hull number SS 139 - 58,000 DWT bulk carrier, the fifth vessel ordered by Mitsubishi Corporation, Japan. Construction of the vessel commenced with steel cutting on 5th October 2013. Keel laying was carried out on 8th April 2014 and the vessel was launched on 9th June 2014. Sea trial completed successfully 12 - 14th of August and the vessel successfully delivered on 21st August 2014. The main particulars of the vessel are 190m (LOA) x 32.26m (B) x 18m (D) x 11.30m (Td) x 12.80m (Ts) and with an energy saving rudder bulb and stern boss fins. The vessel is powered with one set of MAN B&W 6S50ME-C8.2 engine with MCR of 8,200 kW at 108 rpm and the service speed is 14.5 knots. Two sets of 700 m3/h electrolysis-type ballast water management systems are provided onboard and the vessel complies with the MLC 2006 crew accommodation standards. The vessel is classed with NK with Class notation NK, NS* (CSR, BC-A, BC-XII, GRAB 20, PSPC-WBT) (ESP) (IWS) (BWTS) MNS* (M0), strengthened for heavy cargo loading where holds Nos.2 & 4 may be empty. The vessel was named by sponsor Mr. Jan Erik Paulsen (General Manager, Mitsubishi Corporation, Oslo) in the presence of distinguished guests from Mitsubishi Corporation Japan, Mitsubishi Corporation Shanghai, Mitsubishi UFJ Finance Company Ltd, Daiichi Chuo Marine Company, Schulte Marine Concept Ltd and Tsuneishi Holding Corporation.

Delivery News

HHIC-Phil, Philippines: Delivery of MV "Wide Charlie" - 5,400 TEU Container

27 August 2014

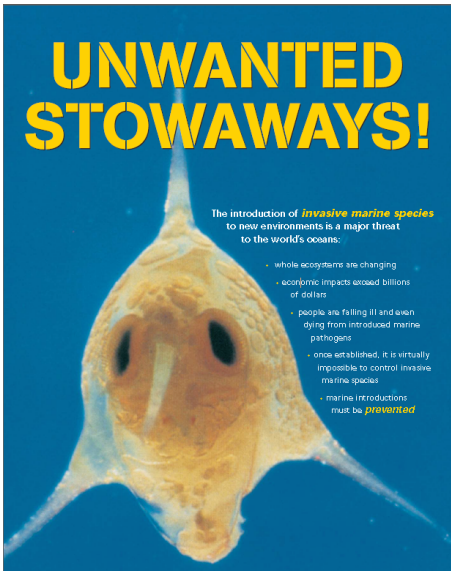
HHIC-Phil Shipyard, Subic, Philippines: Delivery ceremony for a modern eco-friendly 5,400 TEU container ship, Hull No. P0104, MV "Wide Charlie". This vessel was the third vessel in a series of 10 x 5,400 TEU container vessels being built by HHIC Philippines (Hanjin) Subic Bay. The main particulars of the ships are: 255.0m (LOA) x 37.3m (B) x 22.0m (D) x 12.0m(Td) x 13.9m (Ts), with deadweight of about 50,524 metric tons. The vessel has been designed with fully optimized hull and propeller and Becker spade-type rudder and suitably outfitted for transiting the new Panama Canal when it opens. The main engine is from MAN B&W G type Engines, the new generation of optimized ultra-long stroke engines allowing higher efficiency at lower rpm with bigger propeller diameter, the Energy Efficient Design Index greatly surpasses IMO norms. All the vessels are constructed under DNV Class.

Ballast Water Treatment Systems (1)

---The History

Steven Nolan
Technical Manager
Shanghai Head Office

Sebastian Warcaba
BWT Expert
Chengxi Site Office



It has long been recognized the carriage of water ballast from one part of the world to another means carrying the unwanted friends and whilst it does not appear harmful to the seafarer these bacteria, microbes, small invertebrates, eggs, cysts and larvae of various species, carried in the ballast water tanks and discharged thousands of miles in another part of the world may survive to establish a reproductive population in the host environment, becoming invasive, out-competing native species and multiplying into pest proportions.

Whilst the problem was highlighted as early as 1903 (mass occurrence of the Asian phytoplankton algae Odontella (Biddulphiasinensis) in the North Sea) our scientist didn't wake up to the problem until 1970's and it wasn't until the late 1980s with Canada and Australia experiencing particular problems with invasive species, and in 1993 that the concerns were addressed by IMO's Marine Environment Protection Committee (MEPC).

MEPC adopted Guidelines for preventing the introduction of unwanted organisms and pathogens from ships' ballast water and sediment discharges. The IMO Guidelines at that time (1991) were limited to water ballast exchanges and with no enforcement. Re-ballasting at sea, as recommended by the IMO guidelines, currently provides the best-available measure to reduce the risk of transfer of harmful aquatic organisms, but is subject to serious ship-safety limits. Even when it can be fully implemented, this technique is less than 100% effective in removing organisms from ballast water. Some parties even suggest that re-ballasting at sea may itself contribute to the wider dispersal of harmful species, and that island states located 'down-stream' of mid-ocean re-ballasting areas may be at particular risk from this practice.

But it was not the IMO that kick started the need to introduce ballast water treatment systems and control of these harmful stowaways. In 1992 the Agenda article 21 of the United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro called on the International Maritime Organization (IMO) and other international bodies to take action to address the transfer of harmful organisms by ships.

This was further supported by the World Summit on Sustainable Development (WSSD) which took place in Johannesburg, South Africa, from 26 August to 4 September 2002. The WSSD re-affirmed its commitment to Agenda 21 and in its Plan of Implementation the WSSD calling for acceleration of the development of measures to address invasive species in ballast water and urged IMO to finalize the IMO Water Ballast Convention.

What followed has been years in the making and BWTS still isn't compulsory. There has been a lot of meetings, discussions, changes to the initial resolutions and tabling of new resolutions and a lot of time.

Whilst waiting for agreements and the convention from IMO member States to develop an international legal instrument, many countries and even sub-national jurisdictions have unilaterally developed or are developing national or local legislation. These include Australia, Canada, Chile, Israel, New Zealand, the USA, various individual States within the USA and various individual ports around the world, such as Buenos Aires in Argentina, Scapa Flow in Scotland and Vancouver in Canada.

Many of these unilateral responses remain generally consistent with current IMO Guidelines for the Convention. There are however some that impose new and different requirements on shipping. Such developments are of major concern to the shipping industry since they do not follow or operate across any commonly agreed jurisdictions and which have a severe or major impact with the rules changing from port to port.

In an effort to keep members and others informed of individual countries legislative developments, the International Association of Independent Tanker Owners (INTERTANKO) has developed national legislation profiles, posted on its web site. http://www.intertanko.com/tankerfacts/environmental/ballast/ballastreq.htm - INTERTANKO National Legislation Profiles.

IMO member States did not adopt the new Ballast Water Convention until February 2004. The convention requires 30 States, representing 35 percent of world merchant shipping tonnage to come into force.

There are a lot of Guidelines and legislation having been discussed and re-discussed. These can be found at the IMO sites (http://www.imo.org/OurWork/Environment/) with the Guidelines (G1 – G14) readily available for reading.

"The Convention will enter into force 12 months after ratification by 30 States, representing 35 percent of world merchant shipping tonnage (Article 18 Entry into force)."

On 14th October with Turkey agreeing we have now reached 32.5% of world tonnage, remain a requirement of 2.5% to agree with the IMO resolution for it to become law. Currently 43 states ratified IMO resolution.

Introduction of Site Office --- Beihai Site Office

S.M.C.'s Qingdao Beihai Site Office has ten team members, including one site manager, one secretary, four hull supervisors, three coating supervisors, and one machinery supervisor. When there is a full complement there are fourteen supervisors. The site manager and secretary are local residents whilst the rest of the team are from various places including Shanghai, Hebei, Hubei, Jiangxi, Fujian, Liaoning and Shandong Provinces.

S.M.C.'s current project is supervision of 4 x 180k DWT BCs and 4 x 250k DWT VLOCs for CARA Shipping of Singapore. At present, two BCs and two VLOCs have had steel cutting, the two BCs are in the dock erection stage whilst the two VLOCs are in the block construction stage. This is the first foreign owner for the shipyard and the first foreign supervision team.

Qingdao Beihai Shipbuilding Heavy Industry Co., Ltd (BSIC) is located in Qingdao Economic and Technical Development Zone, Shandong Province. Originally the shipyard was in the commercial district of Qingdao but was relocated to the south side of the bay when it was decided to utilize the area to accommodate the 2008 Olympic sailing centre. BSIC is one of three major shipbuilding bases in China.

In the area, there are international and state-owned companies, like QMD, CNPC, and McDermott Wuchuan.

Not far from the shipyard gate there is a famous beach called Golden Sands Beach and Phoenix Island Tourist Resort, where every year thousands of people come to visit and spend their holidays.

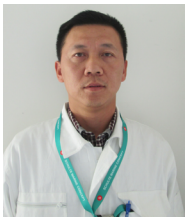
Supervisors of Site Office --- Beihai Site Office

Jeffrey Wood
Site Manager

Wu Wenbin
Deputy Site Manager
Hull Supervisor

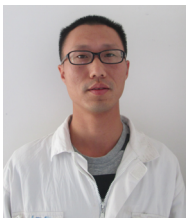
Gao Qingdong
Hull Supervisor

Sun Xiaokang
Hull Supervisor



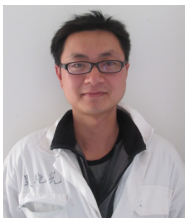
Gan Xiaoming
Hull Supervisor

Jiang Zhaokun
Paint Supervisor

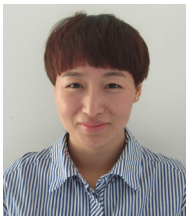


Li Gangyong
Paint Supervisor

Lu Chang
Machinery Supervisor



Wu Yanguang
Paint Supervisor



Zhang Mingyue
Secretary

Health, Safety and Environment Policy

Schulte Marine Concept (S.M.C.) is fully committed to developing and maintaining a strong and positive HS&E culture in which all individuals are aware of healthy, safe and environmental impact of their working activity and are empowered to take appropriate action to minimize risk.

Managerial responsibility and accountability for HS&E performance lies with the most senior person in each area of the operation with every employee / contractor having the personal authority to stop working when exposure to a hazard present too high risk to safety.

Developing and maintaining our positive HS&E attitude is a critical requirement for continually improving our HS&E performance.

The importance of the job and the pressure of time or financial constraints, are no justification for potentially compromising the health and safety of any person and we will all be justly accountable for our actions and / or omissions.

We aim to inspire confidence in our collective ability to provide a healthy, safe and environmentally friendly working environment and our individual ability to work in a like manner.

Maritime Solutions – Powered by People

BERNHARD SCHULTE SHIPMANAGEMENT

Bernhard Schulte Shipmanagement – More than 100 years experience in shipping

- 1883: Entry into shipping by founding a ship broking and agency business in Papenburg, Germany
- 1914: Purchase of the first steamship
- 1939: Fleet stands at 16 seagoing vessels and an inland waterway fleet at 100,000dwt
- 1949: Purchase of the first vessel after the war
- 1955: Relocation to Hamburg. Fleet comprises out of 16 seagoing vessels and over 100 inland water crafts
- 1972: Foundation of the first German-controlled offshore ship management company – Hanseatic Shipping, Limassol, Cyprus
- 1987: The shipping crisis is survived with 22 owned vessels
- 1996: Move into liner shipping through the acquisition of liner operator Oldenburg-Portugiesische Dampfschiffs-Rhederei
- 2004: Oil tankers and bulk carriers are added to the fleet
- 2008: Merger of Schulte-owned shipmanagement companies
  - Hanseatic Shipping (est. 1972)
  - Dorchester Atlantic Marine (est. 1978)
  - Eurasia Shipmanagement (est. 1981) and
  - Vorsetzen Bereederungs- und Schiffahrtskontor (est. 1999)

  in to Bernhard Schulte Shipmanagement
- 2012: BSM remains fully family-owned in the 5th generation with 79 vessels and over 600 under management

Bernhard Schulte Shipmanagement – Services

- Crew Management
- Technical Management
- Chartering Services
- Maritime Catering Services
- Newbuilding & Conversion Projects and Supervision
- Port Services
- Vessel Communication Services
- Travel Services
- Technical Solutions

Bernhard Schulte Shipmanagement – Vision and Mission

Vision: To be the leader in quality shipmanagement

Mission: To assist responsible and demanding clients in achieving their business objectives through our professionalism, dedication, enthusiasm and responsiveness

Bernhard Schulte Shipmanagement – Fit for purpose

Bernhard Schulte Shipmanagement is a product line driven organisation led by a unified executive management, with all Ship Management Centres operating to the same high standard.

With 8 Ship Management Centres, a Crew Management Centre, our own Crew Service Centres in 24 locations and 5 main Maritime Training Centres, Bernhard Schulte Shipmanagement can offer:

- World-class service to our clients by using large-scale and proximal resources
- Vessel type-specific expertise
- Structured and promising careers
- Specialised and innovative value-added services

Bernhard Schulte Shipmanagement – Worldwide Map