

## OMV – MINIMUM SELECTING CRITERIA

### 1. Introduction

The application of this document and associated processes will help to ensure that the risks involved in OMV marine activities are effectively managed, and consistent with the Company's vision for safety, health, environment, reliability and efficiency.

This policy does not replace any aspect of the group business transaction policies or other compliance group policies. This policy states additional requirements specific to the chartering activity in order to address some risk management and insurance issues. These must be considered as minimum requirements.

We strongly believe in the maxim of "Prevention is Better than Cure" and therefore take every preventive measure to AVOID incidents with Crude Oil/Product Tankers. QUALITY AS ABOVE ALL ELSE.

The intention of this statement is to provide a clear and concise guide for all OMV personnel who may become involved in any aspect of the employment of Crude Oil/Product Tankers, Chemical Tankers and Gas Carriers at sea. The main theme within the Guide is to emphasize to all that the issue of the quality of the tonnage employed is of paramount importance throughout the decision making process.

It is the responsibility of individuals involved in the chartering of ships to ensure that they are familiar with and understand the requirements of this policy. It is the responsibility of the managers to ensure that the staff is aware and understand the requirements of this policy.

### 2. Applicability and Exceptions

This policy applies to all vessels carrying:

- any bulk liquid hydrocarbon,
  - chemical or
  - liquefied gas
- on a time or voyage charter basis (incl. COA).

Any vessel to be considered for OMV Group employment has to be cleared by OMV Vetting and has to be nominated in writing either by OMV Chartering or OMV Operations directly involved in the deal. The vessel clearance nomination to OMV Vetting has to include at least:

- an updated Q88 in INTERTANKO format (not older than 4-5 days),
- an updated Crew Matrix in OCIMF format (not older than 4-5 days) and
- a filled-up set of OMV Warranties for either Crude, Product or Gas.

For further details on required documents as well as other supportive documents, please visit: <http://adriaticvetting.it/clearance-request/>

OMV Vetting will use all available sources and information such as previous vetting inspection(s) conducted by OMV; inspection report(s) extracted from SIRE (preferably not older than 3 months, respectively 6 months for positively OMV TMSA audited Operators); information extracted from Equasis, PSC Inspections, Casualty reports, Voyage & Terminal reports, information published within the Industry media, etc. After screening of all of the required information, OMV Vetting will advise if the vessel is acceptable or not for the intended voyage.

Vessels must have no any outstanding safety issues or violations and must operate in a safe and environmentally responsible manner as expected of a vessel under first class Ownership.

Vessels must have all the statutory certificates valid; with annual, intermediate and special surveys carried out by the Classification Society within the required date range.

Approvals will only be given on a voyage-by-voyage basis. If the vessel is approved on one occasion, it will only be valid for the proposed voyage. If the vessel should be proposed for a subsequent voyage or deviation from the initial

vessel clearance (e.g. cargo, disport, etc.), OMV Vetting will screen her again and any previous vessels approval does not automatically generate a re-approval.

**At all times, acceptance or rejection of a vessel for any reason has to be at the absolute discretion of OMV Vetting.**

If, at any time during the validity period, there is evidence of relevant modification concerning safety and/or operational systems, changes of name/owner/flag etc., the status of the mentioned vessel could be subject to a physical re-inspection (Vetting and Safety Inspection).

### **3. Vessel Requirements**

All vessels must fully comply with the OMV MSC (Minimum Selecting Criteria):

#### **a. Age and Hull**

All vessels must be double hull.

Crude Oil/Product or Chemical tankers: the maximum acceptable age limit is 20,0 years.

Gas Carriers (LPG & LNG): the maximum acceptable age limit is 25,0 years.

The vessel's age is to be calculated from the date of the first delivery.

All Crude Oil / Product or Chemical tankers older than 15,0 years and Gas Carriers (LPG & LNG) older than 20,0 years, must hold a CAP Certificate (Condition Assessment Program) with a rating 1 or 2 for Hull & Machinery and Cargo System (vessels of less than 10.000 dwt are required to submit a hull structural fatigue analysis). CAP validity is 3 years.

OBO Vessels (Ore Bulk Oil) are to be avoided; when carrying dry cargo in their last voyage the vessel will be rejected. OBO vessels will be considered only, if no double hull tanker is available, with three previous liquid cargoes and at least one COW operation performed.

#### **b. Maiden Voyage & First voyage after Dry Dock**

New Buildings on their maiden voyage will be considered only if Operators positively passed an OMV TMSA Audit and on a case-by-case basis.

Operators should provide a plan of actions that are in place to manage a potential risk and a procedural control. Additionally they should increase the manning with an additional deck Officer and a fleet Superintendent on board during OMV voyage.

Vessels should not be accepted in case of first voyage after dry-dock. This will especially apply when loading a cargo that is required to be heated or is paraffinic in nature. They will be considered only if Operators positively passed an OMV TMSA Audit and on a case-by-case basis.

Operators should provide all necessary information as early as possible (e.g. dry-dock survey checklist, list of maintenance work done during dry-dock), and plans of action that are in place to manage/mitigate a potential risk. Furthermore, the Operator accepts a fresh inspection during discharge to be performed by a SIRE-accredited inspector nominated by OMV Vetting.

All costs are at Owner's time and expenses.

**c. Time Charter (TC) & Contract of Affreightment (COA)**

For vessels used under a TC or COA, operators have to undergo and attain a positive OMV TMSA Audit to verify compliance with OCIMF standards prior to the contract or within reasonable time after beginning of TC/COA, latest 3 months into the contract. A Vetting Inspection of the vessel(s) has to be performed by a SIRE-accredited Inspector nominated by OMV Vetting if possible before entering the TC/COA or latest during first discharge under the TC/COA. Thereafter the inspection frequency is as per table in section e.

**d. Ship to Ship (STS operation)**

All vessels engaged in transfer operations at open sea (STS operation) must comply with the OMV MSC and are subject to a positive OMV vessel clearance by OMV Vetting prior nomination.

A STS approved plan and relevant risk assessment for all vessels involved must be in place and presented in due time. All STS Transfer Operations must comply with all international, national and local regulations guidelines and legislation and all industry codes of practice, guidelines and recommendations, including those issued by ISGOTT, SIGGTO, ICS and OCIMF. The STS Transfer Operation must be supervised by a superintendent/mooring master, professionally trained and experienced in STS transfer operations. Where an OMV Company is directly organizing the STS Operation, OMV reserves the right to send an additional inspector (on Owner's account), who will remain on board on behalf of OMV during the entire operation.

**e. OMV SIRE Inspections**

Vessels shall have an operational SIRE carried out by OMV within the below mentioned frequency. A one-time waiver may be granted. It is the owners / operator's responsibility to carry out an OMV SIRE inspection within the given period to remain acceptable for OMV business.

The months in brackets indicate the acceptability if the vessel's technical operator holds a valid OMV TMSA audit. TMSA audits are valid for 3 years.

| Vessel Age (years) | OMV Vetting Inspection Frequency |
|--------------------|----------------------------------|
| 0 – 10,0           | every 12 (15) months             |
| 10,1 – 15,0        | every 9 (12) months              |
| 15,1 – 20,0        | every 6 (9) months               |

Any major deficiencies (as defined by OMV Vetting) and/or technical deficiencies might impair the safety and the performance of the vessel. Deficiencies and detentions as a result of PSC and/or USCG inspections which have been detected within the last 3 months shall be assessed and evaluated on a case-by-case basis and may lead to ship's rejection.

All inspection fees and travel costs are at Owner's time and expense.

**f. Compliance with Regulations and Conventions**

Vessels, Crew and Management should comply with but not limited to:

- Local and International Conventions, European Union Regulations and Directives, Rules and Regulations of Flag State, Ports and other places and waters where the Vessels will sail, dock or call;
- Classification Societies Rules and Recommendations;
- International Sanctions (Ownership, Flag, Country, etc.)

- IMO Rules and Recommendations, to be verified through the implementation of a reliable Safety Management System (SMS); International Conventions, Rules and Regulations;

The provisions contained in the latest edition of OCIMF / ICS / ISGOTT / SIGTTO / STCW / SOLAS / MARPOL / STCW / IBC / IGC / BCH / ISM.

#### **g. Manning**

The manning on board should be suitable to cover in all aspects and in all watch levels established by the Company, the local and international rules.

The Senior Officers (Master /Chief Officer - Chief Engineer /1<sup>st</sup> Ass. Engineer) must have at least:

- Combined aggregate experience of 2 year with the Operator - tanker sea-service (Combined experience respectively for Master and Chief Officer and for Chief Engineer and 1<sup>st</sup> Ass. Engineer),
- Combined aggregate experience of 3 years on the specific type of tanker - tanker sea-service (Combined experience respectively for Master and Chief Officer and for Chief Engineer and 1<sup>st</sup> Ass. Engineer),
- Combined aggregate experience of 4 years on all types of tankers - tanker sea-service (Combined experience respectively for Master and Chief Officer and for Chief Engineer and 1<sup>st</sup> Ass. Engineer).

For Chemical and Gas Tankers, in addition to the above, the Master and Chief Officer must have a minimum of 1 year senior officer experience on Chemical/LPG/LNG vessels.

An Operator policy for a suitable handover period for all four ranks must be in place. The Officers experience will be evaluated case by case according to the trading area and the cargo handled.

A well-detailed Operator policy in respect of the mitigation of fatigue on board must be in place.

Drug and Alcohol policy must meet OCIMF requirement, with monthly on board tests.

Not more than 5 different nationalities are allowed; if more, the vessel will/could be rejected.

#### **h. TMSA Requirements**

OMV Group considers the TMSA report, if it is submitted by the Operator and not older than 12 months. At least stage 1 and 2 of the TMSA must be fully implemented on board and ashore.

OMV reserves the right to conduct a TMSA Audit, in order to verify the effective implementation of the TMSA stage 1 and 2.

Due to the nature of the self-assessment, OMV Vetting does not consider the TMSA as a part of the single voyage assessment for a named tanker.

Situations that might lead to an OMV TMSA Audit:

- two or more negative vetting results (also on different vessels of the same Operator)
- any particular case that OMV Vetting considers as a high risk

A positive OMV TMSA Audit is valid for 3 years.

#### **i. Safety inspection**

If there are any doubts about the status of a vessel, OMV reserves the right to conduct a Safety Inspection on board during the entire discharging time by a Safety Inspector nominated by OMV Vetting.

All inspection fees and travel costs are at Owner's time and expense.

Moreover, if deemed necessary OMV reserves the right to board the vessel at anchorage prior coming alongside for a Pre-Berthing Inspection.

#### 4. Barges (including bunker barges)

- Must be double hull,
- Barge must have a SIRE inspection on OCIMF not older than 12 months. SIRE inspection to be performed preferably before first OMV voyage or at first disport/load port,
- must comply and operate their equipment in compliance with the Local and International Regulations and Conventions.

#### 5. Chartering Policy

The Chartering Policy of OMV Group is to source the most modern, best quality tonnage available, at the most competitive rate, under the prevailing market conditions. Rate considerations are to take second place to quality issues at all times.

The vessel's quality always has to meet the OMV Minimum Selecting Criteria and this should be checked and ratified by OMV Vetting before that any vessel fixture is re-confirmed.

#### 6. P&I Insurance

The Operator has to guarantee to have a valid membership in an industry accepted P&I club.

#### 7. Waivers / Exceptions

Any exceptions in relation to the OMV MSC must be approved by OMV Vetting in writing.

#### 8. Incidents

In the event of an incident that results in harm to people, the environment, or an increased risk to the vessels involved, or to the operation in general, then the OMV Incident Response Plan must be followed immediately.

This plan will be distributed by OMV Operations after the vessel has been nominated for the intended voyage.

#### 9. Special note

Notwithstanding, prior acceptance of a vessel, OMV Vetting shall have the right to reject the vessel on any reasonable grounds that could jeopardize safety. This includes false or incomplete declaration during the clearance process, if the vessel's safety aspects are not maintained after a successful OMV Inspection, or if such a vessel is involved in any incident that could compromise the safety of the load and/or discharge operation.

If such an incident/situation happens, or information in respect of any previous incident is not reported or is not in the public domain at the time of acceptance, even after the acceptance, OMV Vetting shall have the right to reject the vessel.

**Vessel inspection requests to be addressed to the following OMV Vetting contact:**

#### **OMV Vetting**

Jan-Martin Kusztrich

Vetting Manager

Pipeline JV & Shipping

OMV Downstream GmbH

Trabrennstrasse 6-8

1020 Wien /Vienna - Austria

Telefon +43 (1) 40440 23027

Mobil +43 664 8567572

[vetting@omv.com](mailto:vetting@omv.com)

#### **ADRIATIC VETTING S.r.l.**

TPVC - formally registered in the OCIMF system

Via Beccaria 13

34133 Trieste / Italy

Tel. +39 (040) 630588

Fax +39 (040) 5708035

[trieste@adriaticvetting.it](mailto:trieste@adriaticvetting.it)