



SEAGOING VESSEL'S ACCEPTANCE CRITERIA

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GENERAL

Cepsa is a global, integrated company operated across the entire oil and gas value chain.

Cepsa mission is to provide the energy that every reality needs.

We operate across five continents in order to always offer you the best energy solutions. This means that there are occasionally external political, economic or regulatory circumstances that may affect our business. To confront them in the most efficient way we have developed an **Integral Risk Management System**. We manage risk using a common strategy, identifying and dealing with them at all levels, both at a corporate and business level, and for the Company.

Among other things, we are particularly aware of the importance of managing the risk associated with maritime transportation, in this regards Cepsa only uses ships and ship managers/technical operators that meet the appropriate quality and safety requirements, in line with Company rules and principles and recognized industry standards.

Therefore, vessels employed on Cepsa business must comply with all applicable environmental protection, safety, security and quality requirements & regulations at all stages of the voyage.

OBJECTIVES

The purpose of this document is to provide vessels Owners with a comprehensive guide of the Cepsa minimum Safety Criteria for Seagoing Vessel's.

Owners/Operators are reminded that Cepsa does not pre-approve vessels. Each and every time a vessel is offered for Cepsa services, the vessel shall be screened using the latest information available.

It should be noted that SIRE reports could be considered for Preliminary Evaluation.

Cepsa's Vetting is committed to ensure that all cargoes of their interest are carried safely, with the minimum risk to the people and the environment. This also applies to all vessels loading/discharging at a terminal owned or operated by Cepsa or its affiliated companies.

Vessels are required to comply with all applicable International and National legislations. Furthermore, they must be operated according to recognized industry standards and comply with the procedures below.

Ship inspections forms a large part of the risk assessment, Cepsa performs OCIMF SIRE and Safety Inspections however such inspections are not a survey of vessels structural elements, which we believe is the responsibility of the classification society and the ship-owners through the various maintenance & survey routines.

APPLICATION

The Cepsa Vetting criteria applies to:

- All Vessels calling Terminals managed or operated by Cepsa.
- All Vessels carrying Cepsa owned cargoes in bulk.
- Military vessels, supply barges subject to other Cepsa criteria, packaged cargoes and vessels to be bunkered/fueled are not covered by this requirement.

EVALUATION PROCESS

All Cepsa Charterers and Traders have to get the vessel's technical approval from the Vetting department prior fixing or concluding any commercial operation.

The evaluation of vessel begins once the application is received in Vetting department. Only the applications from Cepsa employers and others previously authorized are considered.

Applications should include vessel identification, cargo description, ports of call and Lay can/ETA as appropriate.

In every case and for each commercial operation, following documents should be evaluated:

- Complete and submit Cepsa Questionnaire through <http://www.cephsa.com/en/login>.
- Crew Matrix for intended voyage in OCIMF format.
- Class Status Survey List including conditions and memoranda.
- Last Port State Control including corrective action report, if there are any observations.

- Last 3 cargo list, to be tank wise in case of a parcel tanker.

Documents should be sent to vetting group common e-mail **vetting@cephsa.com** or included in Cepsa Questionnaire.

The vessel is screened using the information provided by Owners, Cepsa own information and latest information available from different sources such as official publications, terminal's reports, Oil Major's approvals, Port State Control reports, Coast Guard reports, Equasis, SIRE reports and other public and private domains.

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The vessels proposed for COA (Contract of Affreightment) within Cepsa group have to be screened before assessing their suitability for the COA.



Listed below are some of the key issues examined during technical evaluation of vessel:

- a) Physical restrictions applicable to vessel if call Cepsa Terminals.
- b) Vessel performance report provided by Terminals.
- c) Cepsa Vetting inspections.
- d) Flag & Port State Control reports, including detentions and historic records.
- e) The casualties' history of the vessel.
- f) Age of the vessel
- g) OCIMF-SIRE reports.
- h) Owner/operator will be rated favorably.
- i) Crew matrix, Number of crew, certification and experience.
- j) Changes of Class Societies, Owners and Technical Managers.
- k) Class recommendations and class remarks.
- l) Oil Major evaluations.
- m) Last dry-docking.
- n) Cargo tank coating and previous cargoes.

Once the evaluation is completed, the sender of application is informed of technical evaluation result.

Cepsa may under its sole discretion decide to carry out a Safety Inspections of vessels at a Cepsa Terminal. The outcome of the Safety Inspection will be considered to evaluate the future suitability of the vessel.

All communications will need to be direct either with Owner or Technical Operator of the vessel or Cepsa Charterers/Traders.

RESULTS OF THE EVALUATION

Evaluation is valid only for the specific application received.

A SUITABLE qualification means that the vessel can visit Cepsa Terminals or load/discharge Cepsa cargoes.

An UNSUITABLE qualification means that the vessel cannot visit Cepsa Terminals or load/discharge Cepsa cargoes.

GENERAL REQUIREMENTS

MATRIX

Cepsa recommendations regarding Officers MATRIX stand as follow:

- 2 years with the Operator (Calendar).
- 3 years in rank experience (Sea time).
- 6 years type of ship experience (Sea time).

These experience required is the combined between Master & Chief Officer, Chief Engineer & Second Engineer, either accumulated/ aggregated.

As the requirement is aimed at evaluating the Officers' experience, compliance is strongly recommended and shall be evaluated case by case.

A minimum two weeks gap is recommended between crew changes of either senior officers within each department.

All Officers must be STCW certified for the type of tanker they serve. Officers in charge of a watch must have an advanced training certificate for the type of tanker they serve.

In order to avoid that the Master has to keep regular watches, the Bridge manning team must consist at least of one Master and three deck Officers, this is mandatory for

vessels above 5000 SWDT however we recommend this be the case also for vessel below this tonnage.

Engine Team must consist at least of one Chief Engineer and one Engine Officer.

STS OPERATIONS

STS operations at open sea must be supported by a recognised STS service provider company.

Captain and Chief Mate must have experience in at least one STS operation during the last three years. They will also need to carry on board the STS Transfer Operations Plan describing how STS Operations are to be conducted. These plans need to be approved by the vessel's Flag Administration.

STS operations do not include vessel bunkering, barge to ship or barge to barge operations.

PORT STATE CONTROL INSPECTIONS

Port State Control reports are evaluated and vessels that have 2 detentions with the same Technical Operator within the last 2 years will be rejected. If Operator have changed after a detention, then vessel should be inspected before fixing any commercial operations with Cepsa.

CEPSA SHIP INSPECTIONS

Vessels found with the same deficiency three times during a physical inspection with same Technical Manager or Operator, will be declared Unacceptable for Cepsa business.

All vessels considered Unacceptable/Unsuitable/Rejected after the physical inspection cannot call Cepsa Terminals or load/discharge Cepsa cargoes at least during the following six (6) months from the date of the inspection. Such vessel need to be inspected successfully by a Cepsa inspector before to close any commercial agreement with Cepsa or call a Cepsa Terminal.

Vessels that undergo a change of Technical Manager will lose any "suitability" status.

NEW BUILT VESSEL & DRY DOCKING

Newly built vessels nominated on her maiden voyage shall be screened on a case by case basis. In order to facilitate the decision-making process, operators are urged to provide whichever actions are necessary in order to manage potential risks and carry out procedural control.

Additionally, vessels should also have an extra deck Officer and must be attended by a fleet superintendent during their stay at any Cepsa Terminals.

Vessels that change of Technical Manager will require to fulfill the same criteria as newly built vessel in addition to the criteria applicable to a vessel of her age.

First loading/discharging operation after Vessel's schedule/unscheduled dry dock stay must be attended by a

fleet superintendent during her visit to any Cepsa Terminals.

CLASS SOCIETY, P&I COVER AND CAP (CONDITION ASSESSMENT PROGRAM)

Cepsa only accept Class Societies if are IACS members.

Should vessel have had several changes of Class in a short period of time it would be required for a Cepsa physical inspection on a case-by-case basis.

Vessel should be free of any outstanding Condition of Class or other condition pertaining to statutory requirements. If vessel has a Condition of Class or other condition, it will be evaluated case by case at solely Cepsa evaluator decision.

Cepsa will insure the ships with a member of the International Group of P&I Clubs (IGA). However, occasionally, other first class P&I Clubs could be acceptable, such as, British Marine (BML), Raets Marine, Charterers P&I Club, Norwegian Hull Club and Ingosstrakh.

CAP surveys are only accepted from an IACS member.

CAP has a maximum period validity of 3 years from the date of CAP survey.

TANKER OPERATIONS

Close cargo operations must be maintained at any time during loading, carriage and discharge operations.

Vessels berthed to Cepsa Terminals should be ready to move and maneuver safely at any time, unless specifically approved by the Terminal.

INERT GAS

Cepsa recommends the use of Inert Gas System as per OCIMF and CDI guidelines.

If vessel is fitted with an Inert Gas System, is recommend to be operational and in use, unless that cargo quality and/or her safe carriage can be jeopardized.

Cepsa requires that all vessels handling products with a low flashpoint at any Cepsa Terminal/ Marine facility MUST be fitted with an appropriate & operational "Inert Gas System" (In this context an appropriate "inert Gas System" (IGS) is one being deemed appropriate to the cargoes being handled). The said system must be in use whenever the vessel is engaged on Cepsa business; in addition, all cargo tanks including transit cargoes with a low flash point must have their vapor space

inerted & at an adequate positive pressure during such vessels stay as a Cepsa Terminal/ Marine facility, this requirement applies to all shipments unless expressly authorized otherwise by Cepsa Vetting.

Low flashpoint cargoes are defined as those which have a flashpoint of less than 60 degrees Celsius, or any cargoes with a flashpoint equal or greater than 60 degrees Celsius that are carried or transferred at a temperature from 10 degrees Celsius below its flashpoint or higher.

Vessels handling products with a low flashpoint, which due to the system design require the use of a compressed gas to facilitate the stripping of tanks, pump stacks or internal stripping of lines, must use an inert gas (Nitrogen or another appropriate inert gas) ONLY, this requirement applies to all shipments globally having Cepsa interest/s.



AGE POLICY, VESSELS LESS THAN 15 YEARS OF AGE

They may be evaluated considering the information recorded in the Cepsa data base and the

complementary information gathered from different sources.

VESSELS BETWEEN 15 AND 19 YEARS OF AGE

The suitability of this category of vessels depends on the information registered in the Cepsa data base, and considering all additional information gathered from different sources, whenever the following conditions are met:

- a) The vessel has been inspected and found suitable for Cepsa business and is still under re-inspection period.
- b) If the aforementioned conditions are not complied with, in exceptional circumstances; if vessel has a SIRE inspection within last six months, after analyzing all internal/external information available and her evaluation is positive, the vessel could be suitable for Cepsa business.
- All Crude Tankers and Product Carriers older than 15 years of age and over 20.000 DWT will be required, to hold a Condition Assessment Program (CAP) 2 rating as a minimum, for Hull, Machinery and Cargo Systems.
- All 15 years old vessels or above are required to have the intermediate bottom surveys on dry dock.
- OBO Vessels older than 15 years of age are not suitable for Cepsa.
- Tanker Vessels older than 15 years of age are not suitable for

new time charter. Existing time charters can be extended beyond this age after evaluation and case by case.

- Vessels older than 15 years of age are not suitable for Contract of Affreightment (COA) within Cepsa. Exceptionally vessels over 15 years of age and only until the next intermediate survey after its third special (limited to 18 years of age) can be considered case by case given that the following conditions are also met,
 - a) Be in possession of a CAP 1 (Condition Assessment Program) for Hull, Machinery and Cargo Systems.
 - b) Be found suitable for Cepsa business during a physical inspection by Cepsa.
 - c) Have a good inspection history during past Cepsa inspections.
 - d) No PSC detentions with present Technical Managers in the last 5 years.

Exemptions

- Vessel whose cargo tanks are made of Stainless Steel or clad steel could be suitable for COA until 20 years of age.
- Gas carrier vessels should be considered case by case.

- Vessels above 15,000 DWT and older than 15 years of age, carrying heavy fuel oil additionally must,
 - a) Be in possession of a CAP 1 (Condition Assessment Program) for Hull, Machinery and Cargo Systems.
 - b) Be found suitable for Cepsa business during a physical inspection by Cepsa.
 - c) Have a good inspection history during past Cepsa inspections.
 - d) No PSC detentions with present Technical Managers in the last 5 years.

For this purpose Heavy Fuel oil means that having either a density at 15°C higher than 900 kg/m³ or a kinematic viscosity at 50°C higher than 180 mm²/s.

VESSELS BETWEEN 20 AND 24 YEARS OF AGE

In addition to previous requirements, it is compulsory for such vessels to be inspected by Cepsa or being under re-inspection period from a previous inspection before fixing any commercial operation.

All Vessels over 20 years of age need at least a CAP 2 rated for Hull, Machinery and Cargo Systems. Vessels older than twenty years of age and having a Summer Dead Weight (SDWT) of over 40,000 MT are not suitable for Cepsa.

VESSELS OLDER THAN 25 YEARS OF AGE

Vessels older than 25 years of age are not suitable for Cepsa business.

DRY CARGO VESSELS

They will be evaluated before every voyage and be considered suitable once we receive an updated Crew Matrix, Listing of Survey Conditions of Class and Memoranda and certificate of P&I Full entry.

Vessels regularly operating in Cepsa Terminals will be subject to physical inspection.

NOTIFICATIONS

Cepsa shall be advised immediately and without undue delay if there is any change in the Ownership, management, flag or class of the vessel and any incident or "near miss" which could have led to a serious incident, threat to the security of the vessel or any other

matter that may affect or jeopardize the full and efficient use of the vessel. Details shall in addition to any requirements contained in voyage orders or instructions to Master be reported to Cepsa Vetting (vetting@cepsa.com).

INCIDENT REPORT

In the event that the Vessel is involved in an incident or emergency, Cepsa Vetting Notification system must be applied.

Such incidents or emergencies may include but are not limited to the following:

- Fatality or serious injury/illness (requiring immediate medical evacuation).
- Collision or allision.
- Grounding or stranding.
- An occurrence that affects the vessels seaworthiness such as fire, explosion or flooding.
- Loss of steering or propulsion.
- Spills or the threat of a spill, specifically:
 - Liquid hydrocarbon, if greater than one barrel, which escapes primary containment or any volume, which reaches the environment (ice, land or water).
 - Hazardous chemical, any volume which reaches the environment (release to atmosphere, ice, land or water) or poses a serious risk to people.
 - Uncontrolled venting or release of cargo from an LNG/LPG vessel.
- Security issue
- Responding to a request for assistance to be rendered to a vessel or person.
- Situations that seriously threaten the immediate or future safety of

people, the environment, property or business.

- Port State Control detention.

NOTIFICATION PROCESS

The notification must be send to **vetting@cepsa.com**.

These notifications should be made as early as is practical and when safe to do so.

The communication must to be send by Email to including at least the following information:
Subject – INCIDENT REPORT

- A) Vessel's name, IMO number and contact number or Email
- B) Date and time.
- C) Position/Operation (Latitude/ Longitude, Port, sailing, loading, discharging, etc).
- D) Cargo type and quantity on board.
- E) Nature of the incident or emergency (Collision, fire, spill, etc.).
- F) Brief description and extent of the incident or emergency.
- G) Actions taken to minimize/close the incident.
- H) In case of spill if is contained on board or reach the water and approximate quantities.
- I) Any other relevant comments.

CEPSA RESERVES THE RIGHT TO MAKE ANY CHANGES TO THE AFORESAID VETTING REQUIREMENTS AT ANY TIME WITHOUT PRIOR NOTICE.

