

## **CIRCULAR MESSAGE**

The following amendments on ANEC contracts to be effective on March 01<sup>st</sup>, 2011:

### **1 - Buyer and Seller responsibilities at FOB contracts (INCOTERM terminology)**

For all contracts at quantity clause (changes in blue)

QUANTITY:.....(.....) metric tons of 1,000 kilograms each, exact quantity. Shipment per one or more vessels. **The Seller bears all costs, risks of loss and damage to the goods until they have passed ship's rail at the port of shipment when all costs, risks loss and damage to the goods are immediately transferred to the Buyer's responsibility.**

### **2- Nomination clause – update ETA**

For all contracts at Nomination clause (changes in blue)

NOMINATION OF VESSEL: Buyer to give nomination of vessel to Seller, together with vessel's ETA, flag, age and ownership, in writing, in time for Seller to receive with minimum 15 clear days notice of earliest readiness of tonnage at loading port. If clause 9.1 is opted, detention rate must also be declared, otherwise despatch / demurrage rates are to be shown if clause 9.2 is alternatively chosen.

Seller has the right to reject nomination of a vessel whenever any of the above information is not mentioned. Such rejection to be effected without delay. Loading obligation will be on the 16th day, at 08:00 hours, after nomination date, even if loading commences earlier. With minimum of 10 days prior estimated arrival of vessel at loading port, Buyer to give pertinent documentary instructions and vessel's destination.

Buyer to keep Seller informed of any delay in expected date of vessel's load readiness. **Buyer can update ETA whenever vessel's position demand. However, the range between original informed ETA at nomination and the updated one must be within 10 days. In case Buyer overpasses the 10 days limit period, Seller has the right to consider it as a new nomination and start counting a new preadvice. In case of ETA update of substituted vessel, the range between the ETA informed at the substitution notice and the updated one must be within 5 days. In case Buyer overpasses the 5 days limit period, Seller has the right to consider it as a new nomination and start counting a new preadvice.**

Nomination of vessel is irrevocable unless Buyer can prove "force majeure" or Seller agrees to the substitution or all the following conditions are fulfilled:

- a. The ETA of the substituting vessel must be 5 days earlier up to 5 days later than the last reported ETA of the substituted vessel. For substitution purposes, the valid ETA is the last one informed in writing by the Buyer to the Seller.
- b. If condition stated in item "a" above is fulfilled, then obligation date will remain the same of the original nomination. However if earlier than last reported ETA, substitution must reach shipper of the goods latest 3 business days prior to the new vessel's ETA. For laytime purposes, time used to customs clean documents not to count as laytime.
- c. In case of short shipped quantity, the obligation date will be in the 5th business day after substitution is received by Seller.
- d. Maximum 2 substitutions are allowed under this contract, however a third substitution is allowed only in case of short shipped quantity.
- e. If condition stated in above items are not fulfilled, the substitution will be considered as a new nomination and subsequently a new obligation date should be established.
- f. In case of a third substitution, Seller has the right to reject same or consider it as a new nomination with new obligation date.