

shall be off-hire from the commencement of such loss of time until she is again ready and in an efficient state to resume her service from a position not less favorable to Charterers than that at which such loss of time commenced; provided, however, that any service given or distance made good by the vessel whilst off-hire shall be taken into account in assessing the amount to be deducted from hire.

(B) Further and without prejudice to the foregoing, in the event of the vessel deviating (which expression includes without limitation putting back, or putting into any port other than that to which she is bound under the instructions of Charterers) for any cause or purpose mentioned in Clause 21(A), the vessel shall be off-hire from the commencement of such deviation until the time when she is again ready and in an efficient state to resume her service from a position not less favorable to Charterers than that at which the deviation commenced, provided, however, that any service given or distance made good by the vessel whilst so off-hire shall be taken into account in assessing the amount to be deducted from hire. If the vessel, for any cause or purpose mentioned in Clause 21(A), puts into any port other than the port to which she is bound on the instructions of Charterers, the port charges, pilotage and other expenses at such port shall be borne by Owners. Should the vessel be driven into any port or anchorage by stress of weather hire shall continue to be due and payable during any time lost thereby.

(C) If the vessel's flag state becomes engaged in hostilities, and Charterers in consequence of such hostilities find it commercially impracticable to employ the vessel and have given Owners written notice thereof then from the date of receipt by Owners of such notice until the termination of such commercial impracticability the vessel shall be off-hire and Owners shall have the right to employ the vessel on their own account.

(D) Time during which the vessel is off-hire under this Charter shall count as part of the Charter period.

(E) If any LNG is lost as Boil-off during periods of off-hire Owners shall reimburse Charterers for the LNG lost to the extent such off-hire situation was caused by Owners' lack of due diligence. The price to be paid shall be that paid by Charterers' LNG buyers at the next port of sale.

Where accurate measurement of LNG lost as Boil-off during any such off-hire period is impossible for whatever reason, the LNG lost as Boil-off shall be assumed to have occurred at a constant rate equal to that obtained by measurement between official gaugings of the cargo in question in accordance with Clause 24(D)(i)(b). Where, due to the off-hire occurring during a ballast

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passage, all LNG Heel is lost as Boil-off prior to the vessel next commencing to load, such Boil-off shall be deemed to have occurred at a rate equal to the quantity of the heel divided by the interval between gaugings or at a rate equal to that which occurred during the preceding ballast sea passage, whichever is the lesser.

22. PERIODICAL DRYDOCKING

(A) The vessel shall be drydocked at regular intervals of not less than 2 years but always in accordance with the vessel's classification society requirements and/or the discharge ports' regulatory requirements.

Owners shall give Charterers at least six months notice of the need to drydock the vessel pursuant to this Clause, and subject to the remainder of this Clause 22, Owners shall decide on an acceptable drydocking date in consultation with Charterers bearing in mind Charterers' scheduling needs and Owners' classification society's requirements and the need to stem drydock accommodation not less than 4 months in advance.

Charterers shall offer a port for the periodical drydocking and shall take all reasonable steps to make the vessel available as near as practicable to the time agreed as aforesaid. Owners shall put the vessel in drydock at their expense as soon as practicable after Charterers place the vessel at Owners' disposal clear of cargo.

(B) If a periodical drydocking is carried out in the port offered by Charterers (which must have suitable expertise and accommodation for the purpose), the vessel shall be off-hire from the time she arrives at such port until drydocking is completed and she is in every way ready to resume Charterers' service and is at the position at which she went off-hire or a position no less favorable to Charterers, whichever she first attains. However,

(i) provided that Owners exercise due diligence in gas-freeing, any time lost in gas-freeing to the standard required for entry into drydock for cleaning and painting the hull shall not count as off-hire, whether lost on passage to the drydocking port or after arrival there (notwithstanding Clause 21), and

(ii) any additional time lost in further gas-freeing to meet the standard required for hot work or entry to cargo tanks shall count as off-hire, whether lost on passage to the drydocking port or after arrival there.

Any time which, but for sub-Clause 22(B)(i) above, would be off-hire, shall not be included in any calculation under Clause 24.

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(C) If Owners require the vessel, instead of proceeding to the offered port, to carry out periodical drydocking at a special port selected by them, the vessel shall be off-hire from the time when she is released to proceed to the special port until she next presents for loading in accordance with Charterers' instructions, provided, however, that Charterers shall credit Owners with the time which would have been taken on passage at the service speed had the vessel not proceeded to drydock. All fuel consumed shall be paid for by Owners but Charterers shall credit Owners with the value of the fuel which would have been used on such notional passage calculated at the guaranteed daily consumption for the service speed, and shall further credit Owners with any benefit they may gain in purchasing bunkers at the special port.

(D) The expenses of gas-freeing, including without limitation the cost of bunkers and liquid nitrogen shall be for Owners account. Any product lost in gas-freeing for the purpose of drydocking shall be for Charterers account. Should the vessel be fitted with inert gas generators and Charterers instruct the master to inert the vessel's tanks prior to her next loading, the Owners will reimburse Charterers the cost of any bunkers thereby used.

(E) During each drydocking Owners shall arrange to paint the vessels' underwater hull with a self polishing copolymer paint, or equivalent substance having equal or superior smoothness and fineness, as permitted by applicable law.

23. SHIP INSPECTION

Charterers shall, at their own risk and expense, have the right at any time during the Charter period to make such inspection of the vessel as they may consider necessary. This right may be exercised as often and at such intervals as Charterers in their absolute discretion may determine and whether the vessel is in port or on passage. Owners affording all necessary co-operation and accommodation on board provided, however,

(i) that neither the exercise nor the non-exercise, nor anything done or not done in the exercise or non-exercise, by Charterers of such right shall in any way reduce the master's or Owners' authority over, or responsibility to Charterers or third parties for, the vessel and every aspect of her operation, nor increase Charterers' responsibilities to Owners or third parties for the same; and

(ii) that Charterers shall not be liable to Owners for any act, neglect or default by themselves, their servants or agents in the exercise or non-exercise of the aforesaid right.

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24. PERFORMANCE

The provisions of Clause 24(A) through (E) shall apply throughout the Charter period:

(A) Speed Warranties

(i) Owners guarantee that the Service Speed shall not be less than ____ knots.

(ii) Charterers may order the vessel to steam at the Service Speed or at any lesser average speed (but not below ____ knots) but not at a greater average speed, except with the prior consent of the Owners, which consent shall not be unreasonably withheld. For the avoidance of doubt, it is agreed that Owners may decline orders to steam at any lesser average speed than ____ knots or at any greater average speed than ____ knots for operational reasons, but the onus shall be on Owners to show reasonable justification. If on Charterers' request, the vessel steams at an average speed greater than the Service Speed or at less than ____ knots, then Owners shall be deemed to comply with all warranties relating to speed and fuel consumption during the voyage or that part of the voyage affected by Charterers' request.

(iii) The provisions of Clause 24(B) shall apply where Owners choose to steam at above the Service Speed or slower than ____ knots for Owners' purposes.

(B) Timeliness

(i) At any time prior to each voyage, Charterers shall, subject to Clause 24(A)(ii), instruct the vessel to proceed so as to arrive at the pilot boarding station at each port at a given date and time (hereinafter referred to as the Scheduled Arrival Time - "S.A.T.").

Subject to Clause 4 and 24(A)(ii), Charterers may amend the S.A.T. from time to time during or prior to each voyage, to accommodate changes in circumstances concerning the voyage, or the readiness of the berth to receive the vessel (hereinafter referred to as "the amended S.A.T.").

(ii) Charterers shall compare the actual time of arrival of the vessel at the pilot boarding station at each port with the S.A.T. save that if the S.A.T. was amended solely for reasons not attributable to any failure in performance by the vessel, then such comparison shall be made with the amended S.A.T.

(iii) If the vessel arrives at a port at a time later than the S.A.T. or the amended S.A.T., as applicable, Charterers

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shall be entitled to make a deduction from hire in respect of any period by which the time of the vessel's arrival exceeds by one (1) hour the S.A.T. or the amended S.A.T.

(iv) Notwithstanding the foregoing, Charterers shall not be entitled to make any deduction from hire for arrival in excess of one (1) hour after the S.A.T. or the amended S.A.T. as applicable to the extent that such late arrival is caused by one or more of the following during the voyage:-

(a) The incidence of bad weather, being any day in which the vessel has to proceed in wind force in excess of Beaufort Force 8 for more than 12 hours noon to noon, or

(b) Poor visibility, or

(c) In congested waters, or

(d) Alterations in speed or course to avoid any areas of extreme bad weather, or

(e) Any period spent at a waiting area following arrival. Provided that any period when the vessel is off-hire at sea on any individual voyage shall be credited against the deduction from hire that would otherwise have been made under this Clause.

(v) The vessel shall be deemed to have arrived On Time if she arrives at the pilot station at the arrival port not later than one (1) hour after the S.A.T. or amended S.A.T., where applicable.

(C) Fuel Consumption

(i) General Provisions

(a) In this Clause 24(C) (and in Clause 24(D) where applicable):

(1) "E.O.P." means the time the vessel rings End of Passage on arrival after any voyage.

(2) "F.A.O.P." means the time the vessel proceeds full away on passage from her departure point on a voyage.

(3) "fuel" refers collectively to its two components, viz. fuel oil and Boil-off gas and is measured in tons of fuel oil equivalent, while "fuel oil" refers only to the oil component of the fuel.

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(b) The purpose of this Clause 24(C) is to establish a method to calculate the fuel saving made or excess fuel used (as the case may be) compared to the guaranteed fuel consumption for that voyage.

(c) Clause 24(C) does not apply to the period between the end of one voyage and the start of the next as established under Clause 24(C)(iii).

(d) As soon as practicable after receipt of the necessary voyage returns, Charterers shall furnish Owners with their calculations determining fuel consumption on each voyage.

(ii) Basis of Clause

(a) For each voyage the guaranteed fuel consumption shall be calculated by multiplying the duration of the voyage by the maximum daily fuel consumption as determined pursuant to Clause 24(C)(iv). The actual fuel used on that voyage shall be calculated under the provisions of Clause 24(C)(v). There shall be a saving of fuel for that voyage equal to the amount by which the guaranteed fuel consumption exceeds the actual fuel consumption. There shall be excess consumption for that voyage equal to the amount by which the actual fuel consumption exceeds the guaranteed fuel consumption for the voyage in question.

(b) (1) If the vessel arrives On Time then any periods that would have counted as off-hire periods under Clause 21 shall for the purpose of this Clause 24(C) be deemed not to be off-hire periods.

(2) If there is any off-hire period(s) on any voyage, then the provisions of Clause 24(C) shall apply mutatis mutandis to each on-hire period as if it was a separate voyage. The start of an off-hire period shall be treated as if it was the timely end of the on-hire voyage immediately preceding it and the end of an off-hire period shall be treated as if it is the start of the on-hire voyage immediately following it.

(3) If during any voyage Charterers amend the S.A.T. a separate calculation shall be made for each part of such voyage subject to different instructions as if each part voyage was a complete voyage.

(c) The quantities of excess fuel used and the quantities of fuel saved on all voyages in each successive period of 12 calendar months or any portion thereof commencing with delivery of the vessel hereunder shall each be added up. The total of fuel saved for any such period shall then be subtracted from the total of excess fuel used for the same period and if the balance is

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positive Charterers shall deduct from hire due under Clause 9 an amount calculated by multiplying the net excess quantity of fuel consumed for that period by the weighted average price paid by the Charterers for fuel oil for the vessel over the period in question. If the balance is zero or negative, Owners shall be deemed to have complied with their obligations under Clause 24(C).

(d) If the vessel on any voyage has to steam faster than the Service Speed pursuant to Charterers' orders or because it is necessary to do so to recover time lost for one of the reasons specified in Clause 24(B)(iv)(a), (b), (c) and (d) then adjustments shall be made pursuant to Clause 24(C)(vi) to ensure that Owners are not penalized for steaming at such a speed for any such reasons.

(iii) Duration of Voyage For Fuel Consumption Calculations

(a) A voyage shall be deemed to have started either:

- (1) at "F.A.O.P." or
- (2) immediately after an off-hire period, or
- (3) at the time the vessel alters speed to comply with an amended S.A.T. as the case may be.

(b) A voyage shall be deemed to have ended either:-

- (1) at E.O.P., or
- (2) immediately before an off-hire period, or
- (3) at the time the vessel alters speed to comply with an amended S.A.T. as the case may be.

(c) The duration of a voyage shall be the elapsed time between its start and its end pursuant to Clause 24(C)(iii).

(iv) Table for Guaranteed Daily Fuel Consumption

Owners guarantee that subject to the other provisions of this Clause 24(C), the maximum daily fuel consumption of the vessel, for all purposes shall not exceed the quantities in the following table and shall be prorated between the speeds shown:-

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Average Speed
in Knots

Maximum Average Consumption per day
in tons of fuel

The average speed in knots on any voyage shall be calculated by reference to the observed distance steamed and the duration of the voyage pursuant to Clause 24(C)(iii), but excluding from the calculation of average speed the duration of all off-hire periods and distance covered in such periods and excluding the distance covered during any deviation which is not an off-hire period because the vessel arrives on time.

(v) Actual Fuel Consumption on a Voyage

(a) The total fuel consumption on a voyage shall, subject to Clause 24(C)(v)(b), be the sum of,

(1) the fuel oil consumed during the voyage (expressed in tons) and excluding any fuel oil used in any off-hire period on that voyage; and

(2) the fuel equivalent of the total volume of cargo lost as Boil-off during the voyage (expressed in tons of fuel oil equivalent) excluding any Boil-off in any off-hire period on that voyage and excluding any Boil-off in excess of guaranteed maximum Boil-off under the provisions of Clause 24(D)(ii).

(b) (1) For the purpose of this Clause the fuel oil equivalent of the LNG lost as Boil-off which is available as fuel during the voyage shall be assumed to be the total volumetric loss of the cargo, measured in cubic meters, as determined from the difference between gaugings at the loading and discharging ports (in accordance with Clause 24(D)(v), less the volumetric loss of nitrogen from the cargo between gaugings, pro-rated for the difference between the on-hire voyage and gauging times and multiplied by a fuel equivalent factor of zero point five four five (0.545) metric ton fuel oil equals one (1) cubic meter of LNG lost as Boil-off after deduction of nitrogen).

(2) On ballast voyages, all nitrogen contained in the heel after discharge shall be assumed to be lost as Boil-off during the ballast voyage.

(3) Owners may appoint an independent surveyor to verify the composition of cargoes at loading and discharge ports.

(vi) Fuel Consumption during excluded periods

On any voyage for which there is either a reduction of speed for one of the reasons mentioned in Clause 24(B)(iv)(a), (b), (c) and (d) followed by an increase in speed above the Service

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Speed to make up lost time or an increase to above the Service Speed for one of the other reasons set out in Clause 24(C)(ii)(d), then

(a) the distance covered in any period of twenty-four hours (noon to noon) on which there is either a period of such altered speed and the said twenty-four hours shall be deleted from the calculation of the average speed on that voyage, and

(b) the quantity of fuel oil used in any such period of twenty-four hours shall be deleted from the calculation of fuel used on that voyage, and

(c) a quantity of Boil-off equal to the average daily rate of Boil-off calculated pursuant to Clause 24(D) or equal to the guaranteed daily boil-off rate (whichever is the lesser) multiplied by the number of such periods of twenty-four hours shall be deleted from the calculation of fuel used on that voyage.

(D) Boil-Off

(i) Boil-off excess

(a) The Boil-off excess or saving on any sea passage shall be calculated by comparing the guaranteed Boil-off for the sea passage (i.e. the daily guaranteed Boil-off multiplied by the time between gaugings) with the actual Boil-off.

(b) The actual amount of Boil-off on a sea passage shall be calculated by subtracting the volume of LNG contained in the Vessel's tanks at gauging after the sea passage from the volume therein at gauging before the sea passage.

(c) If the vessel was off-hire during any sea passage the excess or saving shall be pro-rated so that the excess or saving whilst on-hire is in the same proportion to the excess or saving for the sea passage as the time on-hire is to the total time between gaugings.

(d) The quantities of excess Boil-off and the quantities of Boil-off saved on all voyages in each successive period of 12 calendar months or any portion thereof commencing with delivery of the vessel hereunder shall each be added up. The total Boil-off saved in any such period shall then be subtracted from the total excess Boil-off in the same period and if the balance is positive Charterers may deduct from hire due under Clause 9 an amount calculated by multiplying the said balance by the weighted average price paid by their buyers to Charterers for LNG during the said period. If the balance is zero or negative, then Owners shall be deemed to have complied with this Clause for that year.

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(ii) Guaranteed Maximum Boil-off

(a) Owners guarantee that Boil-off shall not exceed:

(1) 0.25% per day of the Cargo Capacity on fully laden sea passages (or pro-rated by the ratio of volumetric cargo loaded to Cargo Capacity if all tanks are not used); and

(2) on ballast passages 0.2% per day of the Cargo Capacity where the vessel spray cools for more than 50% of the duration of the sea passage and 0.1% per day where the vessel spray cools for up to 50% of the duration of the sea passage, where the previous sea passage was fully laden (or pro-rated by the ratio of the number of tanks previously used to the total number of cargo tanks if all tanks were not utilized for the carriage of cargo on the previous laden passage).

(b) If Charterers give orders that require the temperature or vapor pressure of a cargo to fall during a laden sea passage and that order is complied with, the Boil-off guarantee shall be deemed to have been complied with on that sea passage.

(iii) Spray Cooling and Forced Vaporization

(a) If Owners require or Charterers so request, the vessel shall spray cool as necessary in a manner consistent with Owners' or Charterers' requirements so as to maximize the use of the available Boil-off for propulsion, whilst using due diligence to avoid the generation of any excess Boil-off. If on any sea passage Charterers order the vessel to force vaporize LNG to eliminate or minimize the use of bunkers and the order is complied with, the Boil-off guarantee shall be deemed to have been complied with on that sea passage.

(b) The master shall notify Charterers if he feels the Vessel will not, on arrival at the loading port, be able to commence bulk loading within half an hour after cooling of the loading arms without spray cooling on the ballast sea passage.

(c) Without prejudice to any of Owners' or Charterers' obligations under this Clause 24(D)(iii) if Owners intend to order spray cooling at any time during the Charter Period, Owners agree, if requested by Charterers, to discuss the reasons and technical basis for spray cooling.

(iv) Use of Boil-off

Subject to the provisions of this Charter Owners shall have free use of boil-off. Except when otherwise required pursuant

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to Charterers' orders, Owners shall exercise due diligence to minimize any venting or steam dumping of boil-off during periods of low fuel demand. No fuel oil will be supplied to the boilers during these low fuel demand periods.

(v) Provisions for gauging

(a) The time at which any volume of LNG is determined under this Clause is referred to in this Charter as a gauging time.

(b) In relation to any laden sea passage the cargo volume on loading at the start of the laden sea passage shall be the volume of LNG contained in the vessel's cargo tanks measured shortly after the closing of the vessel's manifold vapor return valve in the loading port and on discharge at the end of the laden sea passage shall be the volume of LNG contained in the vessel's cargo tanks measured shortly before the opening of the vessel's manifold vapor return valve in the discharge port.

(c) In relation to any ballast sea passage the LNG Heel volume after discharge (i.e. at the start of the ballast sea passage) shall be the volume of LNG contained in the vessel's cargo tanks measured shortly after the closing of the manifold vapor return valve in the discharge port and the LNG Heel volume on loading (i.e. at the end of the ballast sea passage) shall be the volume of LNG contained in the vessel's cargo tanks measured shortly before the opening of the vessel's manifold vapor return valve in the loading port.

(E) Remedies

The remedies contained in this Clause 24 shall be the Charterers' exclusive remedies for breach of Owners' warranties or breach of any of Owners' obligations under Clause 24, provided that, in the event of material recurring breaches of Owners' said warranties and obligations Charterers may give notice thereof to Owners and Owners shall, within 30 days thereafter commence diligently to remedy such breach.

(F) Completion of Details

(i) Not later than 30 days after delivery of the vessel hereunder Owners shall provide to Charterers all available performance data for the vessel covering the period of the vessel's service following completion of refurbishment up to the date of delivery including but not limited to copies of the scrap and fair deck and engine room log books.

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(ii) Not later than 60 days after provision of the performance data pursuant to Clause 24(F)(i) Owners and Charterers shall meet together to agree and determine the speed and consumption figures to be included in Clauses 24(A), (B) and (C).

(iii) If so agreed, the data shall be included in the said Clauses but if no agreement is reached Owners and Charterers shall appoint a mutually agreed independent expert (hereinafter referred to as the "Performance Expert") to review the performance data. If agreement cannot be reached on the identity of the Performance Expert, such Performance Expert shall be appointed by then President from time to time of the American Bureau of Shipping, or if such President should fail so to act, the Performance Expert shall be appointed by the Society of Maritime Arbitrators.

(iv) The Performance Expert appointed pursuant to Clause 24(F)(iii) shall with 60 days of his appointment provide to Owners and Charterers jointly an assessment of the performance data and his Opinion as to the speed and consumption figures to be included in Clauses 24(A), (B) and (C), taking into account the vessels' experience in various sea and weather conditions and the duration of this Charter, which figures shall then be included in the said Clauses.

(v) The reference to the Performance Expert in this Clause 24(F) shall not be considered as a reference to arbitration for the purpose of this Charter or any statutory provision, and the opinion of the Performance Expert shall be final and binding on the parties with no right of either party to seek judicial review thereof or appeal therefrom.

(vi) The fees of the Performance Expert shall be borne by the parties jointly in equal proportions.

25. SALVAGE

Subject to the provisions of Clause 21 hereof, all loss of time and all expenses (excluding any damage to or loss of the vessel or tortious liabilities to third parties) incurred in saving or attempting to save life or in successful or unsuccessful attempts at salvage during the Charter term hereunder shall be borne equally by Owners and Charterers provided that Charterers shall not be liable to contribute towards any salvage payable by Owners arising in any way out of services rendered under this Clause. All salvage and all proceeds from derelicts earned during the Charter term hereunder shall be divided equally between Owners and Charterers after deducting the master's, officers' and crew's share.

26. LIEN

Owners shall have a lien upon all freights, sub-freights and demurrage for any amounts due under this Charter.

27. EXCEPTIONS

(A) The vessel, her master and Owners shall not, unless otherwise in this Charter expressly provided, be liable for any loss or damage or delay or failure arising or resulting from any act, neglect or default of the master, pilots, mariners or other servants of Owners in the navigation or management of the vessel; fire, unless caused by the actual fault or privity of Owners; collision or stranding; dangers and accidents of the sea; explosion, bursting of boilers, breakage of shafts or any latent defect in hull, equipment or machinery; provided, however, that Clauses 1, 2, 3 and 24 hereof shall be unaffected by the foregoing.

(B) Further, neither the vessel, her master or Owners, nor Charterers shall, unless otherwise in this Charter expressly provided, be liable for any loss or damage or delay or failure in performance hereunder arising or resulting from an Event of Force Majeure as defined in Clause 27(E).

(C) The vessel shall have liberty to sail with or without pilots, to tow or go to the assistance of vessels in distress and to deviate for the purpose of saving life or property.

(D) Clause 27(A) shall not apply to or affect any liability of Owners or the vessel or any other relevant person in respect of (i) loss or damage caused to any berth, jetty, dock, dolphin, buoy, mooring line, pipe or crane or other works or equipment whatsoever at or near any place to which the vessel may proceed under this Charter, whether or not such works or equipment belong to Charterers, or (ii) any claim (whether brought by Charterers or any other person) arising out of any loss of or damage to or in connection with cargo. All such claims shall be subject to the Hague-Visby Rules or the Hague Rules, as the case may be, which ought pursuant to Clause 38 hereof to have been incorporated in the relevant bill of lading (whether or not such Rules were so incorporated) or, if no such bill of lading is issued, to the Hague-Visby Rules, which are deemed incorporated into this Charter.

(E) "Event of Force Majeure" means acts of princes or rulers, acts of governments, war, blockage, interdiction, revolution, insurrection, mobilization, civil commotions, riots, sabotage, Acts of God or the public enemy, plague or other epidemics, quarantines, prolonged failure or restriction of electric current from an outside source, freight embargoes, earthquakes, tidal waves, floods, typhoons, hurricanes or named storms, strikes, lockouts and

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other labor disputes or other similar causes beyond control of Owners or Charterers by fire, explosion, flood or other causes beyond the control of Owners or Charterers, or by damage to or destruction or delay in completion or testing of onshore facilities for production, transportation, treatment, liquefaction, storage, loading, unloading, receiving, compression, regasification, transmission or distribution of natural gas or other causes beyond the control of Owners or Charterers as the case may be.

(F) In the event that performance by either Owners or Charterers hereunder shall be prevented or delayed in whole or in part by an Event of Force Majeure, the party whose performance is so affected shall give prompt notice in writing of the Event of Force Majeure to the other party. Following such notice, the parties shall take all reasonable and appropriate measures insofar as they are able to do so to bring about conditions which would permit the resumption of normal performance under the Charter as soon as possible.

(G) In particular and without limitation, Clauses 27(A) through (F) shall not apply to or in any way affect any provision in this Charter relating to off-hire or to deduction from hire.

28. INJURIOUS CARGOES

No acids, explosives or cargoes injurious to the vessel shall be shipped and without prejudice to the foregoing any damage to the vessel caused by the shipment of any such cargo, and the time taken to repair such damage, shall be for Charterers' account. No voyage shall be undertaken, nor any goods or cargoes loaded, that would expose the vessel to capture or seizure by rulers or governments. Without prejudice to the foregoing, the Charterers shall not order the vessel on any laden passage of such duration that having regard to the estimated rate of Boil-off, the surface level of cargo in each tank (save Tank 4 in respect of which the following limitations shall not apply) would be likely to fall before commencement of discharge below 90% of the height of each cargo tank and, further, the Charterers shall not order the vessel on any ballast passage where the surface level of cargo in any tank is greater than 10% of the height of that tank.

29. GRADE OF BUNKERS

Charterers shall supply bunkers in accordance with the specification below (being ISO draft standard RMH35) for main propulsion and marine diesel oil for the auxiliaries provided, however, that Charterers shall supply fuel with a sulfur content not higher than that permitted by applicable law and regulation at any port to which Charterers shall order the vessel. If Owners

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require the vessel to be supplied with more expensive bunkers they shall be liable for the extra cost thereof.

	<u>Maximum Value</u>
Density at 15 degrees Celsius:	1010 kg/m ³
Kinematic viscosity at 100 degrees Celsius:	35 cSt
Kinematic viscosity at 50 degrees Celsius:	380 cSt
Pour point:	30 degrees C
Carbon residue (conradson):	22%
Ash:	0.20%
Water:	1.0%
Sulfur:	3.0%
Vanadium:	600 mg/kg
Aluminum:	30 mg/kg

In addition, the bunkers shall have a minimum higher heating value (HHV) of 42,000 kJ/kg (18,056 BTU/lb) and a minimum flash point of 60 degrees C.

30. DISBURSEMENTS AND SUPERNUMERARIES

(a) Should the master require advances for ordinary disbursements at any port, Charterers or their agents shall make such advances to him, in consideration of which Owners shall pay a commission of two and a half percent, and all such advances and commission shall be deducted from hire.

(b) Charterers may send representatives in the vessel's available accommodation upon any voyage made under this Charter. Owners finding provisions and all requisites as supplied to officers, except liquors. Charterers paying at the rate of US \$25 per day for each representative while on board the vessel.

31. CAPITAL EXPENDITURES

(A) In the event that (i) any of the regulatory bodies having jurisdiction over the vessel or the vessel's classification society shall promulgate any requirement entailing structural alteration or addition to the vessel (not covered by the provision of Clause 4(A)(vii)) in respect of which Owners have been unable to obtain a dispensation, or (ii) any alteration, addition or repair, in each case, necessary (other than as a result of Owners' negligence and excluding ordinary repairs and maintenance and any alteration, addition or repair which is of the type that would ordinarily be covered by the type of insurance required to be maintained by Clause 19) for the vessel to maintain the standards of Clauses 1, 2, and 3, or the performance requirements of Clause 24, Owners shall as soon as reasonably practicable thereafter advise

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Charterers by notice (hereinafter referred to as "Owner's Notice") as to:

(i) the extent of the alteration or addition (hereinafter referred to as "the Work");

(ii) the latest date (taking into account, with respect to regulatory or classification society requirements, any extension available to Owners) by which compliance with the said requirement will be necessary (hereinafter referred to as the "Required Date");

(iii) the estimated time which will be required for carrying out the Work; and

(iv) the estimated cost which will be incurred in carrying out the Work (hereinafter referred to as the "Estimated Cost").

(B) Except as provided in subclause (C) below, should the Estimated Cost (after deducting any applicable insurance proceeds) exceed U.S. \$500,000 cumulatively in any Operating Year or U.S. \$1,500,000 cumulatively over the entire term of this Charter, as indicated in the Owners' Notice, then:

(i) the parties shall consult as to the time and place at which the Work should be carried out so as to cause minimum disruption to the scheduled service;

(ii) the parties shall each bear one half of the final cost of the Work (including all expenses of whatsoever nature arising directly or indirectly in relation to the Work) in excess of U.S. \$500,000 (after deducting any applicable insurance proceeds) cumulatively in the Operating Year in which the applicable Owners' Notice is given and in excess of U.S. \$1,500,000 (after deducting any applicable insurance proceeds) cumulatively over the entire term of this Charter (hereinafter referred to as the "Excess");

(iii) Charterers shall pay to Owners one-half of the amount of such Excess as payments in respect of the Work become due;

(iv) the vessel shall be off-hire during the period occupied in carrying out the Work;

(v) as soon as is reasonably practicable following completion of the Work, Owners shall advise Charterers of the final cost of the Work, whereupon such financial adjustment shall be made between the parties as is necessary to give effect to subparagraph (ii) of this subclause (B);

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(C) Should the Required Date be after January 1, 2006 then:

(i) the parties shall seek to agree in what proportions the amount by which the Excess shall be borne, provided that Charterers' proportion shall not exceed one-half of the Excess;

(ii) in the event that within 28 days after the date of the Owners' Notice, agreement is reached as to the proportions in which the Excess is to be borne, the provisions of subclause (B) of this Clause shall (mutatis mutandis) apply;

(iii) in the event that agreement is not reached as aforesaid as to the proportions in which the Excess is to be borne, either party shall be entitled by notice given within 35 days after the date of the Owners' Notice to advise the other that it is prepared to bear the amount of the Excess, whereupon the provisions of subclause (B) of this Clause shall (mutatis mutandis) apply;

(iv) in the event that neither party has given notice as aforesaid that it is prepared to bear the amount of the Excess, either party may elect within 42 days after the date of the Owners' Notice by notice in writing to have the proportions in which the Excess is to be borne by the parties decided by arbitration in accordance with Clause 42. In any such arbitration, the arbitrators shall be instructed to determine Charterers's proportion of such Excess by taking into account the relative value of the Work to shippers of LNG on the vessel prior to and after termination of this Charter, having due regard for the remaining economically useful life of the vessel as of the anticipated date of expiration of this Charter, provided that the Charterers' proportion shall not exceed one-half of the Excess;

(v) If neither party elects arbitration under subclause (C)(iv) above, either party thereafter may elect to terminate this Charter by giving the other party notice thereof.

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(D) Should Charterers give notice of its intention to cancel this Charter, then:

(i) the effective date of cancellation shall be the Required Date;

(ii) until the effective date of cancellation, the vessel shall remain in service pursuant to the terms of this Charter and hire shall be paid accordingly;

(iii) such cancellation shall be without prejudice to any outstanding obligation of either party to the other; and

(iv) save as aforesaid neither party shall have any further liability to the other.

(E) Any amounts payable by Charterers under this Clause 31 shall be paid without deduction of any kind.

(F) (i) If the vessel is redelivered to Owners pursuant to Clause 4(C), Owners shall reimburse Charterers for that portion of the Excess paid by Charterers.

(ii) If the vessel is sold to Charterers pursuant to the Vessel Sale Agreement, all Excess paid by Charterers shall be deducted from the Fair Market Value of the vessel in the determination of whether any excess over outstanding claims is owing to Owners pursuant to Clause 2(ii) of the Vessel Sale agreement.

(G) Notwithstanding the foregoing provisions of this Clause, Owners may elect not to proceed with the Work and to cancel this Charter without liability and without prejudice to any outstanding obligation of either party to the other, provided that Cabot shall have delivered to Charterers an enforceable undertaking reconfirming its obligations under the Cabot Guarantee as if Cabot had elected to cause Owners to deliver the vessel hereunder and had failed so to deliver.

32. REQUISITION

(A) Should the vessel be requisitioned for hire by any government, de facto or de jure, during the period of this Charter, the vessel shall be off-hire during the period of such requisition, and any hire paid by such government in respect of such requisition period shall be for Owners' account. Any such requisition period shall count as part of the Charter period.

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(B) In the event of the vessel being requisitioned for title by any government, de facto or de jure, during the period of this Charter, the Charter shall be deemed to be terminated.

33. NO FRUSTRATION

The parties agree that in construing this Charter, the doctrine of frustration as applied to charter parties shall not be applied to relieve the Owner of the obligations hereunder, subject always to Clause 27 hereof, and provided that if the vessel is in all respects ready and available in accordance with this Charter to Charterers for service she shall be on hire so long as Charterers shall not have cancelled this Charter.

34. ADDITIONAL WAR EXPENSES

If the vessel is ordered to trade in areas where there is war (de facto or de jure) or threat of war, Charterers shall reimburse Owners for any additional insurance premia, crew bonuses and other expenses which are reasonably incurred by Owners as a consequence of such orders, provided that Charterers are given notice of such expenses as soon as practicable and in any event before such expenses are incurred, and provided further that Owners obtain from their insurers a waiver of any subrogated rights against Charterers in respect of any claims by Owners under their war risk insurance arising out of compliance with such orders.

35. WAR RISKS

(A) The master shall not be required or bound to sign bills of lading for any place which in his or Owners' reasonable opinion is dangerous or impossible for the vessel to enter or reach owing to any blockade, war, hostilities, warlike operations, civil war, civil commotions or revolutions.

(B) If in the reasonable opinion of the master or Owners it becomes, for any of the reasons set out in Clause 35(A) or by the operation of international law, dangerous, impossible or prohibited for the vessel to reach or enter, or to load or discharge cargo at, any place to which the vessel has been ordered pursuant to this Charter (hereinafter referred to as a "place of peril"), then Charterers or their agents shall be immediately notified by telex or radio messages, and Charterers shall thereupon have the right to order the cargo, or such part of it as may be affected, to be loaded or discharged, as the case may be, at any other place within the trading limits of this Charter (provided such other place is not itself a place of peril). If any place of discharge is or becomes a place of peril, and no orders have been received from Charterers or their agents within 48 hours after dispatch of such messages, then Owners shall be at liberty to discharge the cargo or

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such part of it as may be affected at any place which they or the master may in their or his discretion select within the trading limits of this Charter and such discharge shall be deemed to be due fulfillment of Owners' obligations under this Charter so far as cargo so discharged is concerned.

(C) The vessel shall have the liberty to comply with any directions or recommendations as to departure, arrival, routes, ports of call, stoppages, destinations, zones, waters, delivery or in any other wise whatsoever given by the government of the state under whose flag the vessel sails or any other government or local authority or by any person or body acting or purporting to act as or with the authority of any such government or local authority including any de facto government or local authority or by any person or body acting or purporting to act as or with the authority of any such government or local authority or by any committee or person having under the terms of the war risks insurance on the vessel the right to give any such directions or recommendations. If by reason of or in compliance with any such directions or recommendations anything is done or is not done, such shall not be deemed a deviation. If by reason of or in compliance with any such direction or recommendation the vessel does not proceed to any place of discharge to which she has been ordered pursuant to this Charter, the vessel may proceed to any place which the master or Owners in his or their discretion select and there discharge the cargo or such part of it as may be affected. Such discharge shall be deemed to be due fulfillment of Owners' obligations under this Charter so far as cargo so discharged is concerned.

Charterers shall procure that all bills of lading issued under this Charter shall contain the Chamber of Shipping War Risks Clause 1952.

36. BOTH TO BLAME COLLISION CLAUSE

If the liability for any collision in which the vessel is involved while performing this Charter falls to be determined in accordance with the laws of the U.S., the following provision shall apply:

"If the ship comes into collision with another ship as a result of the negligence of the other ship and any act, neglect or default of the master, mariner, pilot or the servants of the carrier in the navigation or in the management of the ship, the owners of the cargo carried hereunder will indemnify the carrier against all loss, or liability to the other or non-carrying ship or her owners in so far as such loss or liability represents loss

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of, or damage to, or any claim whatsoever of the owners of the said cargo, paid or payable by the other or non-carrying ship or her owners to the owners of the said cargo and set off, recouped or recovered by the other or non-carrying ship or her owners as part of their claim against the carrying ship or carrier.

The foregoing provisions shall also apply where the owners, operators or those in charge of any ship or ships or objects other than, or in addition to, the colliding ships or objects are at fault in respect of a collision or contact".

Charterers shall procure that all bills of lading under this Charter shall contain a provision in the foregoing terms to be applicable where the liability for any collision in which the vessel is involved falls to be determined in accordance with the laws of the U.S.

37. NEW JASON CLAUSE

General average contributions shall be payable according to the York/Antwerp Rules, 1974, and shall be adjusted in New York in accordance with such Rules and the laws and usages at the port of New York as regards matters not provided for by such Rules, in which case the following provision shall apply:

"In the event of accident, danger, damage or disaster before or after the commencement of the voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequence of which, the carrier is not responsible by statute, contract or otherwise, the cargo, shippers, consignees or owners of the cargo shall contribute with the carrier in general average to the payment of any sacrifices, losses or expenses of a general average nature that may be made or incurred and shall pay salvage and special charges incurred in respect of the cargo".

"If a salving ship is owned or operated by the carrier, salvage shall be paid for as fully as if the said salving ship or ships belonged to strangers. Such deposit as the carrier or his agents may deem sufficient to cover the

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estimated contribution of the cargo and any salvage and special charges thereon shall, if required, be made by the cargo, shippers, consignees or owners of the cargo to the carrier before delivery".

Charterers shall procure that all bills of lading issued under this Charter shall contain a provision in the foregoing terms, to be applicable where adjustment of general average is made in accordance with the laws and practice of the U.S.

38. CLAUSE PARAMOUNT

Charterers shall procure that all bills of lading issued pursuant to this Charter shall contain the following Clause:

"(1) Subject to sub-clause (2) hereof, this bill of lading shall be governed by, and have effect subject to, the rules contained in the International Convention for the Unification of Certain Rules relating to Bills of Lading signed at Brussels on 25th August 1924 (hereafter the "Hague Rules") as amended by the Protocol signed at Brussels on 23rd February 1968 (hereafter the "Hague-Visby Rules"). Nothing contained herein shall be deemed to be either a surrender by the carrier of any of his rights or immunities or any increase of any of his responsibilities or liabilities under the Hague-Visby Rules."

"(2) If there is governing legislation which applies the Hague Rules compulsorily to this bill of lading, to the exclusion of the Hague-Visby Rules, then this bill of lading shall have effect subject to the Hague Rules. Nothing herein contained shall be deemed to be either a surrender by the carrier of any of his rights or immunities or an increase of any of his responsibilities or liabilities under the Hague Rules."

"(3) If any term of this bill of lading is repugnant to the Hague-Visby Rules, or Hague Rules if applicable, such term shall be void to that extent but no further."

"(4) Nothing in this bill of lading shall be construed as in any way restricting, excluding or waiving the right of any relevant party or

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person to limit his liability under any available legislation and/or law."

39. POLLUTION

Owners undertake that during the currency of this Charter the vessel shall be entered in a Shipowners Mutual Protection and Indemnity Association and that they will comply fully with the United States Water Quality Improvement Act of 1970 and any amendment thereto including the U.S. Federal Water Pollution Control Act Amendments of 1972 and the Oil Pollution Act of 1990 and any rules and/or regulations issued thereunder but only as in force as at the date of this Charter. Should any delay to the vessel or any extension of any voyage occur from failure to comply with the said Acts, rules or regulations, the vessel shall be off-hire for the period of such delay or extension, but no longer.

Save as aforesaid Owners shall not be required to establish or maintain financial security or responsibility in respect of oil or other pollution damage in excess of Protection & Indemnity (P & I) cover of the type customarily available in London to enable the vessel lawfully to enter, remain in or leave any port, place, territorial or contiguous waters of any Country or State or territory to which the vessel may be ordered pursuant to this Charter. Further if the vessel, having been ordered to any such port, place, territorial or contiguous waters, is unable to proceed thereto because the financial security or responsibility required by such port, place, country or state exceeds such P & I cover, then the vessel shall not be obliged to proceed thereto and Owners shall be entitled to require Charterers to give alternative orders unless Charterers themselves elect to establish the required financial security or responsibility in which case Owners shall cooperate in all ways necessary to facilitate this but any costs so incurred shall be solely for Charterers' account.

40. EXPORT RESTRICTIONS

The master shall not be required or bound to sign bills of lading for the carriage of cargo to any place to which export of such cargo is prohibited under the laws, rules or regulations of the country in which the cargo was produced and/or shipped.

Charterers shall procure that all bills of lading issued under this Charter shall contain the following Clause:

"If any laws rules or regulations applied by the government of the country in which the cargo was produced and/or shipped, or any relevant agency thereof, impose a prohibition on export of the cargo to the place of dis-

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charge designated in or ordered under this bill of lading, carriers shall be entitled to require cargo owners forthwith to nominate an alternative discharge place for the discharge of the cargo, or such part of it as may be affected, which alternative place shall not be subject to the prohibition, and carriers shall be entitled to accept orders from cargo owners to proceed to and discharge at such alternative place. If cargo owners fail to nominate an alternative place within 72 hours after they or their agents have received from carriers notice of such prohibition, carriers shall be at liberty to discharge the cargo or such part of it as may be affected by the prohibition at any safe place on which they or the master may in their or his absolute discretion decide and which is not subject to the prohibition, and such discharge shall constitute due performance of the contract contained in this bill of lading so far as the cargo so discharged is concerned".

The foregoing provision shall apply mutatis mutandis to this Charter, the references to a bill of lading being deemed to be references to this Charter.

41. WHOLE AGREEMENT; ASSIGNMENT

(A) Subject to the express provisions hereof both Owners and Charterers acknowledge and agree that they have not relied on any covenant, undertaking, representation or warranty, including but without limitation any information or material supplied in connection with any of the Appendices hereto, given or made by or on behalf of the other party in entering into this Charter or agreeing to any provision hereof.

(B) No modification, waiver or discharge of any term in this Charter shall be valid or effective unless it is reduced to writing and executed by the parties hereto and approved by MARAD, where such approval is required. This Charter including the Appendices attached hereto and any other documents executed by the parties hereto contemporaneously herewith and the Arbitration Agreement referred to in Clause 42 constitute the entire agreement among the parties hereto with respect to the matters covered herein and supersedes all prior agreements and understandings with respect thereto.

(C) Charterers shall be entitled to assign its rights, interests and benefits in or under this Charter to any subsidiary

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of Charterers and Charterers or such subsidiary may assign, charge or mortgage or pledge all or any of its rights, interests and benefits in or under this Charter as security for indebtedness incurred by Charterers or such subsidiary. In either case, Charterers or such subsidiary, as the case may be, shall provide notice to Owners of such assignment, and Owners shall provide to the persons to whom such indebtedness is owed such assurances and undertakings as they may reasonably require in connection with such assignment so long as such assurances and undertakings in no way diminish Owner's rights or expand, extend or amend the Owners' representations, warranties, obligations and other responsibilities otherwise set forth herein.

42. LAW AND ARBITRATION

(A) This Charter shall be governed by and construed in accordance with the laws of the U.S. applicable to maritime contracts, and otherwise by the internal laws of the State of New York excluding any principle of law that would refer any dispute to the law of a jurisdiction other than New York.

Any dispute, controversy or claim (whether based on contract, tort or any other legal doctrine) directly or indirectly arising out of, relating to or connected with this Guarantee or the breach, termination or validity thereof, shall be settled by arbitration in accordance with the Arbitration Agreement dated 15th June 1992 between Nigeria LNG Limited and Distrigas Corporation as amended or supplemented from time to time.

43. CONSTRUCTION

(A) The headings have been included in this Charter for convenience of reference and shall in no way affect the construction hereof.

(B) No provision of this Charter shall be interpreted as constituting a demise of the vessel by the Owner to the Charterers.

44. NOTICES

(A) Whenever written notices are required to be given by either party to the other party, such notices shall be sent by telex or telegraph or telecopier or registered mail or airmail to the following addresses:

Notice to Owners: Cabot LNG Shipping Corporation
200 State Street
Boston, Massachusetts 02109
United States of America
Attention: President

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Notice to Charterers: Nigeria LNG Limited
Stallion House
2 Adjose Adeogun Street
PMB 12774 Marina
Victoria Island
Lagos, Nigeria
Attention: Managing Director and
Chief Executive

or to such other addresses as the parties may respectively from time to time designate by notice in writing.

(B) Any notice required under this Charter shall be given in writing in English and shall be deemed to be duly received only when delivered, if such time is within normal business hours on a working day at the place of delivery, otherwise at the commencement of normal business hours on the next working day there.

45. DEFINITIONS

In this Charter, save where the context otherwise requires, the following words and expressions shall have the meanings respectively assigned to them in this Clause:

"Boil-off" means the vapor, which results from vaporization of LNG in the cargo tanks.

"Cargo Capacity" means 98.5% of the total cargo tank capacity.

"LNG" means natural gas liquefied by cooling and which is in a liquid state at or near atmospheric pressure, with a minimum temperature of minus 162° and maximum specific gravity at atmospheric pressure 0.50.

"LNG Heel" means cargo intentionally retained in the cargo tanks on completion of discharge.

"Operator" means the vessel operator as appointed from time to time by the Owners.

Terms defined in the Sale Agreement or Cabot Guarantee but not herein shall have the meaning set forth in the Sale Agreement or the Cabot Guarantee unless the context of this Charter requires otherwise.

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IN WITNESS WHEREOF, the parties hereto have caused this Time Charterparty to be signed on the date first above written.

CABOT LNG SHIPPING CORPORATION

By: _____
Name:
Title:

NIGERIA LNG LIMITED

By: _____
Name:
Title:

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APPENDIX 1 OF CHARTER

FORM B

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FORM B

PARTICULARS OF VESSEL

(a) Ships Name	GAMMA
(b) Yard No.	610 C
(c) Year built	1979
1. <u>Principal Dimensions</u>	
(a) Length overall	289.10 m
(b) Length b.p.	276.15 m
(c) Breadth moulded	41.15 m
(d) Depth moulded to main deck	25.9 m
(e) Maximum draft on summer freeboard	11.9 m
(f) Maximum air draft (with full ballast and half bunkers)	51.35 m
2. <u>Operating Draft and Deadweight</u>	
(a) Draft filling to 98% (3,630 LT F.O.)	11.04 m
(b) Deadweight filling to 98%	65,079 LT
3. <u>Does Vessel Comply with the Following Rules and Regulations?</u>	
(a) International Convention for Safety of Life at Sea 1974	Yes
(b) International Loadline Convention 1966	Yes
(c) International Tel-communications Radio Regulations	Yes
(d) International Tonnage Regulations or other regulations to the vessel's Nationality	Yes
(e) International Convention for the Prevention of Pollution from Ships 1973	Yes
(f) Rules and Regulations of Suez Canal Authorities	Yes
(g) IMO Code for Gas Carriers	Yes
(h) US Coast Guard Letter of Compliance for Gas Carrier (letter advising plan review is completed)	Yes

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(i) Classification nomination

American Bureau of Shipping: + A1 [E] Liquefied Gas
Carrier + AMS + ACC T -265 F SG=0.500

4. Ballast System

- (a) Total capacity of ballast water tanks
is double bottom/double hull/
double deck 59,057 m3
- (b) No. of pumps for handling ballast
as in (a) 2
- (c) Design rated capacity of each pump
and design head at this capacity 10,000 GPM
@ 50 psi

5. Propulsion

- (a) Type of propulsion plant and make Steam Turbine
Delaval
- (b) Maximum rated power and RPM 40,000 SHP
@ 105 RPM
- (c) Proposed service BHP and RPM 36,000 SHP
@ 102 RPM

6. Boilers and Steam Capacity

- (a) Number and type of boilers 2 * Foster Wheeler
"D" Type
- (b) Maximum steam output available 2 * 153,000 lbs/hr
- (c) Normal service output corresponding
to (5c) 2 * 133,000 lbs/hr

7. Bunkers

- (a) Capacity of bunker tanks @ 98% 5,383 LT
- (b) Maximum rate at which vessel will
receive bunkers 600 t/h

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8. Cargo Tanks

- | | |
|---|------------|
| (a) Number of tanks | 6 |
| (b) Number of products can segregate | N/A |
| (c) Cargo Capacity (100%) | |
| No. 1 Tank | 12,560 m3 |
| No. 2 Tank | 24,857 m3 |
| No. 3 Tank | 27,623 m3 |
| No. 4 Tank | 6,247 m3 |
| No. 5 Tank | 27,635 m3 |
| No. 6 Tank | 27,616 m3 |
| Total Capacity | 126,538 m3 |
| (d) Is each tank provided with an inspection hatch (for inspection when empty and gas free) | Yes |

9. Cargo Discharging and Gas Freeing

- | | |
|---|--|
| (a) Number of pumps per tank | 2 main + 1 strip
except No. 4 Tk: 1 main + 1 strip + 1 cooldown |
| (b) Make and type of pump | JC Carter, Electric,
Submersible |
| (c) Designed rated capacity of each main pump and corresponding discharge head | 8 off 1,317 m3/h @ 4.8 bar
3 off 591 m3/h @ 4.8 bar |
| (d) Is the LNG heating and vaporizing equipment of sufficient capacity to allow discharge of cargo at maximum rate in the absence of return boil-off vapour from the shore receiving terminal | Yes |
| (e) Number of stripping pumps per tank | One |
| (f) Design capacity of each stripping pump and discharge head at pump | 136 m3/h @ 6.9 bar |

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- (g) Number, Make and Capacity of 1 off Auxiliary (emergency) pump
JC Carter, Portable, Submersible, Electric
500 m³/h @ 4.8 bar
10. Cryogenic Services
- (a) Type of LNG containment system
Technigas Mark 1
- (b) Design temperature
- 165 C
- (c) Maximum consumption of boil-off vapours in steam dump system when vessel berthed but flanged to receiving terminal
meets USCG
- (d) With a discharge pressure of 1.75 bar abs. can vessel's shore return compressor return all LNG vapour into terminal vapour lines whilst vessel is loading at an average rate of 10,000 m³/h
No. The vessel is not fitted with a vapor return compressor or piped for forced return of vapor to shore.
- (e) Is vessel's cryogenic system capable of inerting and purging tanks by shore facilities (barges) for inspection.
Yes
11. Cargo Measurement and Tank Calibration
- (a) Are all tanks calibrated and certified by a qualified supervising agency
Yes
Specify Agency
Moore, Barrett & Redwood Ltd.
- (b) State system installed for measuring liquid volume LNG in the vessel also pressure and temperature
Foxboro/Trans Sonic
- (c) Are sampling points provided on pump discharge lines from each tank
No; only Tank 1 and 6 and at Manifolds
- (d) Are the following safety devices to prevent overflow or unloading beyond minimum acceptable LNG heel; low level/high level/high

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- high level/manifold shut-off alarms Yes
- (e) Is a secondary system for measuring LNG liquid volume fitted Yes
12. Manifolds
- (a) What is the distance of centre of manifolds from amidships 24.7 m Fwd
13. General Equipment Fitted Currently
- (a) Type of Echo Sounder fitted Raytheon, DE 740
- (b) Type and number of Radar sets and aerials fitted
1 * Krupp Atlas 3 cm
1 * Krupp Atlas 10 cm
1 * Sperry CAS
- (c) Type of satellite Navigation system fitted Navidyne ESZ 4000
- (d) Is submerged log fitted Sperry SRD 301 Doppler
- (e) Is Suez Canal projector fitted No
- (f) State capacity of USA approved sewage treatment plant fitted Holding Capacity 57.8 LT
- (g) Size of International Fire connection to ashore ID 64 mm
- (h) Holding power of each Mooring Winch 53.5 LT
- (i) Total capacity of nitrogen storage tanks 34.18 LT
- (j) Is vessel equipped with distilling and sterilization equipment where necessary sufficient to meet all needs of boilers washing and potable purposes Yes

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APPENDIX 2 OF CHARTERLETTERS OF INDEMNITY

- (A) Change of destination named in bill(s) of lading
- (B) Delivery of cargo by Owners without production of original bill(s) of lading

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APPENDIX 2A OF CHARTER

LETTER OF INDEMNITY FOR CHANGE OF DESTINATION NAMED IN BILL(S) OF LADING

To: CABOT LNG SHIPPING CORPORATION
(Address)

the Owners of the " "

Dear Sirs,

Vessel:
Cargo and Quantity:
<u>Port and Date of Shipment:</u>
Port of Discharge:
<u>Date of Charter</u>

The above Vessel which is under Charter to us by virtue of the above charter-party has loaded a cargo ofat the Port(s) of..... for delivery atand Bills of Lading have been issued accordingly.

In consequence of a change in our arrangements we hereby request that you order the vessel (which is now at) to proceed to and there deliver the cargo to the holders of the said Bills of Lading (or toor to his or their order) instead of proceeding to and delivering the cargo at the port(s) named in the Bills of Lading.

In consideration of your complying with our above request we hereby agree as follows:-

1. To indemnify you and hold you harmless in respect of any liability loss or damage of whatsoever nature which you may sustain by reason of your causing the Vessel to proceed to the port(s) named above instead of to the port(s) named in the Bills of Lading and causing the Vessel to deliver the cargo at such port(s); further (if we have requested you above to deliver the cargo to a person or persons other than the holders of the Bills of Lading) to indemnify you and hold you harmless in respect of any loss or damage of whatsoever nature which you may sustain by reason of your so doing.

2. To pay you on demand the amount of any loss or damage of whatsoever nature which the Master and/or Agent of the Vessel

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and/or any other of your servants or agents whatsoever may incur as a result of the vessel proceeding and delivering the cargo as set out in paragraph 1 hereof.

3. In the event of any proceedings being commenced against you or any of your servants or agents in connection with the Vessel having proceeded as aforesaid or having delivered the cargo in accordance with our said request, to provide you or them from time to time on demand with sufficient funds to defend the said proceedings.

4. If the Vessel or any other Vessel or property belonging to you should be arrested or detained or if the arrest or detention thereof should be threatened, to provide on demand such bail or other security as may be required to prevent such arrest or detention or to secure the release of such vessel or property and to indemnify you in respect of any loss, damage or expenses caused by such arrest or detention whether or not the same may be justified.

5. If called upon to do so at any time while the goods are in our possession, custody or control to redeliver the same to you.

6. To produce and deliver up to you, duly discharged, all of the Bills of Lading for this cargo signed by the Master or on his or her behalf.

7. This indemnity shall be construed in accordance with English Law and each and every person liable under this indemnity shall at your request submit to the jurisdiction of the High Court of Justice of England.

Yours faithfully,

for and on behalf of

.....
Charterers

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APPENDIX 2B OF CHARTER

LETTER OF INDEMNITY FOR DELIVERY OF CARGO BY OWNERS WITHOUT PRODUCTION OF ORIGINAL BILL(S) OF LADING

To: CABOT LNG SHIPPING CORPORATION
(address)

the Owners of the " "

Dear Sirs,

Vessel:
Cargo and quantity:
Port and Date of Shipment:
Port of Discharge:

The above cargo was shipped on the above vessel by(and consigned to us) but the relevant bill(s) of lading have not yet arrived.

We hereby request you to deliver such cargo to (us) without production of the bill(s) of lading.

In consideration of your complying with our above request we hereby agree as follows:-

1. To indemnify you, your servants and agents and to hold all of you harmless in respect of any liability, loss or damage of whatsoever nature which you may sustain by reason of delivering the cargo to(us) in accordance with our request.

2. In the event of any proceedings being commenced against you or any of your servants or agents in connection with the delivery of the cargo as aforesaid to provide you or them from time to time with sufficient funds to defend the same.

3. If vessel or any other vessel or property belonging to you should be arrested or detained or if the arrest or detention thereof should be threatened as a consequence of your complying with our request as set out above, to provide such bail or other security as may be required to prevent such arrest or detention or to secure the release of such vessel or property and to indemnify you in respect of any loss, damage or expenses caused by such arrest or detention whether or not the same may be justified.

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4. As soon as all original bill(s) of lading for the above goods shall have arrived and/or come into our possession, to provide and deliver the same to you whereupon subject to Clauses 1, 2 & 3 above our liability hereunder shall cease.

5. The liability of each and every person under this indemnity shall be joint and several and shall not be conditional upon your proceeding first against any person, whether or not such person is party to or liable under this indemnity.

6. This indemnity shall be construed in accordance with English Law and each and every person liable under this indemnity shall at your request submit to the jurisdiction of the High Court of Justice of England.

Yours faithfully,

For and on behalf of
NIGERIA LNG LIMITED
Authorized signatory.

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APPENDIX TWO OF THE GUARANTEE

VESSEL SALE AND CHARTER AGREEMENT

vessel "GAMMA"

DATED _____

B E T W E E N

CABOT LNG SHIPPING CORPORATION

AND

NIGERIA LNG LIMITED

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VESSEL SALE AND CHARTER AGREEMENT

VESSEL SALE AND CHARTER AGREEMENT dated _____, 19__ made by and between CABOT LNG SHIPPING CORPORATION, a Delaware corporation whose address is 200 State Street, Boston, Massachusetts 02109 (hereinafter referred to as "Owners"), and NIGERIA LNG LIMITED, a Nigerian limited liability company whose registered office is situate at Stallion House, 2 Adjose Adeogun Street, PMB 12774 Marina, Victoria Island, Lagos, Nigeria (hereinafter referred to as "Charterers" or "Sellers").

WITNESSETH

WHEREAS, Owners own the U.S. flag liquified natural gas ("LNG") tanker "GAMMA" (O.N. 598730) (the "Vessel");

WHEREAS, Charterers have entered into a contract with Distrigas Corporation, a Delaware corporation and an affiliate of Owners ("Distrigas"), dated _____, 1992, which provides for the sale by Charterers to Distrigas of LNG (the "Sale Agreement");

WHEREAS, Cabot Corporation ("Cabot"), a Delaware corporation and the corporate parent of both Distrigas and Owners has executed a Deed of Guarantee dated _____ 1992, in favour of Charterers (the "Cabot Guarantee");

WHEREAS, Owners are also party to the Cabot Guarantee and have given certain undertakings thereunder, including their agreement to execute this Agreement upon service of a Delivery Notice as provided in the Cabot Guarantee.

WHEREAS, the Cabot Guarantee also provides that, under certain circumstances, Cabot will cause Owner to execute and perform the time charter between Owners and Charterers, in the form annexed to the Cabot Guarantee (the "Charter") and to execute and perform this Vessel Sale and Charter Agreement (this "Agreement") and, pursuant to the Cabot Guarantee, Cabot has guaranteed the obligations of Owners under the Charter and this Agreement;

WHEREAS, the Cabot Guarantee provides that, under certain circumstances, Cabot will cause all of Owners' right, title and interest in and to the Vessel to be transferred to Charterers.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree as follows:

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1. Delivery Under Charter. Owners agree to execute the Charter and to deliver the Vessel to Charterers, as provided in the Charter, after receipt by Owners of a notice from either Cabot or Charterers (the "Delivery Notice") stating that, pursuant to Clause 3.03 of the Cabot Guarantee, Cabot is obligated to cause Owners to deliver the Vessel to Charterers. Owners obligation to deliver the Vessel under this Clause 1 shall not be suspended or otherwise affected in any way whatsoever by the existence of any arbitration or other proceeding by or among the parties, Distrigas or Cabot or any of them, including arbitration or other proceedings (hereinafter referred to as a "Disputed Termination Proceeding") disputing the validity of the Final Notice, the Delivery Notice, the Notice of Final Demand or the existence of breaches of the Sale Agreement.

2. Sale of Vessel on Failure to Seek or Prosecute Arbitration. If (i) Charterers have delivered a Notice of Final Demand and a notice of arbitration asserting Cabot's liability under the Guarantee in accordance with the rules applicable to disputes under this Agreement and Cabot has elected pursuant to Clause 3.03(a) of the Guarantee to deliver the Vessel or NLNG has elected to take delivery of the Vessel pursuant to Clause 3.03(b) of the Guarantee (hereinafter in either case referred to as a "Delivery Election"), and if Cabot does not deliver, within 30 days after delivery of the later of such notices to be delivered, to Charterers a statement of intention to defend against the assertion of liability under the Cabot Guarantee (whether or not such a statement of intent is required pursuant to the said rules) or (ii) having commenced a Disputed Termination Proceeding Cabot fails to prosecute such proceeding, Owners shall sell all of Owners' right, title and interest in and to the Vessel to Charterers and simultaneously with such sale deliver possession of the Vessel to Charterers or, if required under U.S. law, a U.S. citizen designated by Charterers and qualified to own and operate the Vessel (such sale and delivery is hereinafter referred to as the "Default Sale"):

(A) as soon as practicable following the 31st day after delivery to Cabot of the Notice of Final Demand, in the case of (i) above, but not later than sixty (60) days from the date of delivery of the Notice of Final Demand; or

(B) as soon as practicable after the date on which Cabot has failed to prosecute its dispute with Charterers, in the case of (ii) above, but not later than thirty (30) days from such date.

Except as provided in Clause 4(B) hereof, Owners' obligation to effect the Default Sale shall not be satisfied until all conditions to such sale have been met by Owners or waived by Charterers.

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3. Sale of the Vessel After Arbitration Award to Charterers.

(A) If (i) a Delivery Election has been made, (ii) a Disputed Termination Proceeding has been commenced by other than Charterers and not abandoned or a notice of intent to defend has been delivered by Cabot and, (iii) the arbitrators therein (the "Arbitrators") enter a final award holding that Charterers were entitled to serve the Notice of Final Demand by reason of the occurrence of a Threshold Event, Owners shall, as soon thereafter as practicable but not later than thirty (30) days from the date of such decision, sell all of Owners' right, title, and interest in and to the Vessel to Charterers and simultaneously with such sale deliver possession of the Vessel to Charterers or, if required under U.S. law, a U.S. citizen designated by Charterers and qualified to own and operate the Vessel (such sale and delivery is hereinafter referred to as the "Award Sale" and, together with the Default Sale, a "Sale"). Except as provided in clause 4(B) hereof, Owners' obligation to effect the Award Sale shall not be satisfied until all conditions to such sale have been met by Owners or waived by Charterers.

4. Vessel Condition at Sale; Place of Sale.

(A) Upon any Sale of the Vessel under Clause 2 or 3 hereof, the Vessel shall be (i) free and clear of all liens and encumbrances, (ii) in class at the highest standard applicable for an LNG carrier of similar type and age with the American Bureau of Shipping or other classification society having jurisdiction over the Vessel, with no recommendations outstanding, (iii) with all operating certificates and documents required for operation of the Vessel in the LNG trade in which it last operated in force, and (iv) in the condition stipulated in Sub-clauses 1(D) and 1(G) of the Charter. Sale of the Vessel under Clauses 2 or 3 hereof shall be evidenced by a full warranty bill of sale covering the Vessel in a form recordable with the Vessel's registry.

(B) Upon the Vessel's arrival at the port of delivery, Owners and Charterers shall each cause a surveyor appointed by it to conduct a joint survey (the "Joint Survey") of the Vessel to identify any items or conditions which would cause the Vessel to fail to be in the condition required by this Agreement (each such item or condition is hereinafter called a "Deficiency" and collectively "Deficiencies"). The surveyors shall have access to the Vessel's Deck and Engine logs and any other Vessel documents they deem relevant. The surveyors shall prepare a report identifying each Deficiency. If the surveyors do not agree as to any item, the question shall be referred to the Chief Surveyor of the Vessels classification society for resolution. If the aggregate effect of such Deficiencies does not impair the present

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