

**NR.2 TYPE SPECIFICATION/CONTRACT
FOR BULK SHIPMENTS BASED ON CIF**

CIF based bulk shipments of the products detailed below which are subject to export by the Eti Maden İşletmeleri Genel Müdürlüğü (Eti Mine Works General Management) shall be carried out from the loading ports/berths/terminals to unloading ports/berths/terminals by vessel(s) without a partial cargo and in the hold(s) of the vessel.

1. RESPONSIBILITY FOR THE WORK

The Bidder/Contractor agrees to the nature of the work; the state and terms of climate of seaways, canals, inland seas, ports/berths/terminals and agrees to the foundation works are the subject of the contract. The Bidder/Contractor agrees and undertakes to do the work without any objection right and without any right to execute the contract due to the commitment of the contractor under the contract.

2. PARTIES TO THE WORK

Eti Maden İşletmeleri Genel Müdürlüğü shall hereinafter be referred in this specification as the “**Eti Maden**”, the person or company who submits a bid shall hereinafter be called “**Bidder**”, the person or company who execute the work shall be hereinafter referred to as “**Contractor**”.

The companies that purchase Eti Maden’s exportable products shall hereinafter be called as the “**Buyer**” and the phrase “**Logistics Section**” in the specification shall mean Bandırma Logistics Section.

3. Duration and amount of the work, product details, packing dimension and bale weight are indicated at the enclosed “Bid Submission Form”.

The products of Eti Maden are harmless, NON-DANGEROUS and outside the class of “Hazardous Materials for International Maritime Transport” (NON IMCO CLASSED). The products that are not on these properties are indicated at “**Bid Submission Form**”.

4. THE DEADLINE FOR BIDDING is notified by Bid Submission Form.

5. WORK SCHEDULE IS NOTIFIED BY Bid Submission Form.

6. DETAILS OF VESSELPING AND TRANSPORTING

BASIS OF TRANSPORTATION is notified by Bid Submission Form.

This present Specification shall be the principal basis in the shipment/transports. For the issues not covered by the tender document, Gencon Charter (as revised in 1922, 1976 and 1994) regulations shall prevail.

The shipment/transports shall be made directly and shall be made in one voyage via a single vessel.

Contractor shall notify vessel’s estimated time of arrival (ETA) of loading and discharging ports at intervals indicated at Bid Submission Form.

The vessel shall report her estimated time of arrival (ETA) to loading and unloading ports reported day intervals as stated in **The Bid Submission Form**.

The vessel which is suitable to the loading port/berth/terminal and to the discharging port/berth/terminal shall be obliged to make available at loading port in LAYCAN period by Contractor following his reception of the shipping instructions from the Eti Maden. Otherwise, bidder/contractor’s contract will be terminated and bidder/contractor does not claim any rights about shipment/transport.

Loading works and operations together with the conveyors and/or shore cranes shall belong to the Eti Maden. Unloading works and operations together with the conveyors and/or shore cranes shall belong to the Buyer.

7. VESSEL DETAIL AND CONDITIONS

- 7.1. The vessel(s) shall be convenient into sea(seaworthy), cargo, port/berth, canal, river, seaways and the vessel(s) should not be twin-deck.
- 7.2. The holds, hatch covers and interior and exterior walls of the holds of the vessel(s) must be free of rust, dirt and waste prior cargo.
- 7.3. All holds must be scraped, washed and painted before come to port for loading.
- 7.4. Contractor undertakes that the vessel(s) is/are fully suitable for safe shipment/transport and cargo stowing.
- 7.5. The stowing shall be performed under the supervision and responsibility of the vessel's master.
- 7.6. Contractor is obliged to precautions to identify existing and potential limitations in the loading and unloading ports, and to take measures against them.
- 7.7. The vessel(s) shall not have any previous history of such events as collision, fire, accident, riots, armed conflicts and others during the last 12 (twelve) months.
- 7.8. The vessel(s) must possess all the requirements and certificates set by international treaties, conventions, laws and conventions.
- 7.9. The ship owners and vessel(s) should be IACS members or TURK LOYDU members (and with _____ FLAG).
- 7.10. (Vessel's master and crew should be of _____ Nationality).
- 7.11. The vessel(s) must have a financial liability insurance (P&I) included general average and particular average clauses and must maintain such insurance during the chartering period.
- 7.12. The class of the vessel(s) should be General Cargo (GENERAL CARGO - GCC) class.
- 7.13. The last 3 (three) cargoes of the vessel(s) should be only dry cargos such as steel sheet, wheat, paper etc., and this should be notified to the Eti Maden in order to take confirmation its suitability.
- 7.14. It is an essential requirement that the vessel(s) has not carried any cargo of coal, chromium, ferrochrome, iron ore and iron concentrate at last 4 (four) cargoes.
- 7.15. The vessel(s) must comply with grapple, dredging grapple, bucket, crane, slings to the loading/unloading operations.
- 7.16. If any cranes on the vessel, cranes should be in fully functional and the Contractor shall allow free of charge usage of the vessel cranes upon Eti Maden's request or upon the Buyer's request.
- 7.17. Contractor shall allow, as and when necessary, the usage of forklift truck, bob-cat and similar loading / unloading equipment on the vessel(s).
- 7.18. Protection of the tops of the holds, tunnel shafts and pipelines shall be under the responsibility of the Contractor.
- 7.19. Water holes at the hatch coamings shall be securely closed and water ingress to the holds must be prevented.
- 7.20. The age of the vessel(s) shall be maximum _____ years.
- 7.21. The holds of the vessel(s) shall be double-skinned and box-shaped type. The holds shall have steel floors.
- 7.22. The holds should be at the same size with the hatches, in "OPEN HATCH" form and '**Macgregor type**' or '**Pontoon type/ hydraulic operated lifting gantry crane**' ets. with an automatic opening and closing feature.
- 7.23. The vessel(s) should meet the qualifications required to freely berth to the loading /unloading port(s)/berth(s)/terminal(s).
- 7.24. The crew of the vessel(s) should possess all the necessary administrative and technical certificates.
- 7.25. The wages, overtime and other remunerations of all kinds under any name of the vessel's master and crew of the vessel shall not be responsible by Eti Maden.
- 7.26. Contractor shall be responsible for occupational accidents that may occur in the vessel(s).
- 7.27. In the event that the vessel(s) fails to meet any one or part or all of the required conditions and as a result the cargo cannot be transported and/or cannot be loaded and/or cannot be discharged then all kinds of expenses, fees, losses and damages incurred by the Eti Maden as well as those incurred and claimed by the Buyer shall be paid by the Contractor.
- 7.28. The vessel(s) must be free of any international embargos, restrictions, mortgages and pledges.

7.29. The Contractor, with the signing of the contract, is deemed to have committed that the vessel(s) which he offers to the service of the Eti Maden meet all the requirements stated in Article 7 of this contract.

7.30. Unsuitable vessel(s) explained in Type 2 Spec/Cont. and bid submission form should be refused by Logistics Section. Bidder/Contractor does not claim any rights from refusing.

7.31. Blanks (...) and other subjects are **notified by Bid Submission Form.**

8.DETAILS OF THE LOADING AND UNLOADING PORTS ARE NOTIFIED BY THE BID SUBMISSION FORM.

The loading berth/terminal at the loading port shall be determined by the contractor's agency, then it shall be taken confirmation and approval of Logistics Section for performing the loading.

9. SUPERVISION

The supervision company of the Eti Maden at the port of loading and the supervision company of the Buyer at the discharging port shall perform supervision on the cleanness of the holds, during cargo reception and draft survey procedures during the loading and unloading operations.

Loading shall be commenced after supervision's confirmation of the vessel's hold(s) is clean.

The hatches of holds could be subjected to ultrasonic or similar water-tightness test by the supervision company of the Eti Maden. If any water leakage is detected, Contractor shall immediately take measures to ensure required sealing.

The supervision company is authorized to loading and unloading of the vessel pursuant to the provisions contained in the Specification. The decision of the supervision company to load the cargo to the vessel unconditionally binds the Contractor.

10. DETAILS OF THE AGENCY

Agency of the Loading Port shall be determined by the Contractor in a way that does not disrupt port operations and it is notified to the ETİ and the person written in shipping instruction within writing (by e-mail or fax) together with first notice of ETA (estimated time of arrival).

Contractor's authorized agency person should be contacted Logistics Section during the loading.

Contractor's agency is responsible for following up the delivery of cargo at loading port, missing and excess of cargo and accelerates the loading operation besides actual and preventive agency serving. The necessary measures are taken by Contractor for this subject.

Contractor agency shall send the loading photos as before loading, during loading and after loading.

Any fees, expenses, losses or damages that may occur in the loading docks as a result of delays or omissions or disorganizations due to agency operations shall be charged to and collected from the Contractor by Eti Maden.

Agent of the discharging port is **notified by Bid Submission Form or Contractor will be informed by Eti Maden within e-mail or fax.**

11. NOTICE OF READINESS, LAYTIME, DISPATCH-DEMURRAGE

11.1. NOTICE OF READINESS (NOR) shall be presented when the vessel berths to the loading and unloading port/berth/terminal.

11.2. Notice of Readiness (NOR) may not be presented verbally, but it should be send by fax, telex and in writing.

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- 11.3.** If the vessel is not ready to take cargo due to such reasons as hold pollution, dirt and hatch cover failure, water leakage to the holds, then the submitted Notice of Readiness (NOR) shall be deemed invalid.
- 11.4.** The Notice of Readiness (NOR) at the loading and unloading ports shall be presented only during the weekdays (*Monday, Tuesday, Wednesday, Thursday and Friday*) between 8:00 to 17:00 hours. The submission dates and times of Notice of Readiness (NOR) shall be indicated. If the Notice of Readiness is submitted between 08:00 to 12:00 hrs (12:00 included), then time counting shall start at 14:00 pm on the same day. If the Notice of Readiness is submitted after 12:00 hrs [(between 12:00 – 17.00 hrs (17.00 included))], then time counting shall start at 08:00 hrs of the next official working day.
- 11.5.** The period between 17:00 hrs on Friday to 08:00 hrs on Monday shall not be included in the time counting at the loading and unloading ports. In addition, official and local holidays are not included in the time counting either and the time counting shall start at 08:00 hrs on the working day following the holiday. If work is carried out during holidays or before the start of time counting, then half of the worked period shall be counted.
- 11.6.** The loading and discharging operations always weather permitting, loading/discharging is not allowed during the raining and/or snowing, laytime not to count during bad weather, holidays and strikes or other force majeure circumstances, which ever they may be.
[WWD (weather working day) & SSHEX (saturday, sunday, holiday excluded)].
- 11.7.** The dispatch, demurrage, detention and similar fees and expenses at the loading and discharging ports shall be paid by Contractor.
- 11.8.** Time losses that may occur at the loading and discharging **Ports/Terminals** for border control shall not be considered as the laytime.
- 11.9.** Before presentation of the Notice of Readiness (NOR), the vessel shall be inspected in terms of cleanliness of the holds and suitability of goods by the Supervision Company to be assigned by Eti Maden. If the vessel is not considered appropriate for the loading operations and/or is rejected by the Supervision Company and/or is refused by Logistics Section, in addition, if the allocated vessel breaks down before taking the cargo, then the Contractor, by obtaining the confirmation and approval of the Eti Maden, shall prepare another vessel and make it ready to take cargo **no later than 3 (three) days** under the same principles and requirements and without changing the freight cost. Otherwise, the contract would be terminated and it is not claimed any rights and loses for this shipment by Bidder/Contractor.
- 11.10.** The opening and closing of the vessel's holds shall be on the account of the vessel-owner and shall not be counted as laytime.
- 11.11.** Interruption of the loading and the unloading for such reasons as accidents at work or other similar events shall not be counted as laytime.
- 11.12.** Following the completion of the loading, the preparation and presentation of BILL OF LADING, MASTER RECEIPT, MATE'S RECEIPT, CARGO MANIFEST, CARGO PLAN and similar documents shall not be counted as laytime.
- 11.13.** If the loading location of the vessel is changed by the port authorities, the relocation costs shall be borne by the Contractor, but this relocation period shall be counted as laytime.

12. OBLIGATIONS OF THE ETİ MADEN AND THE CONTRACTOR

- 12.1.** Contractor is the sole responsible person of the shipment/transport.
- 12.2.** Contractor has all necessary official and similar documents as like as official certificates in order to carry out the shipping.
- 12.3.** The Contractor is responsible for the tonnages and number of cargo written in the Bill of Lading.
- 12.4.** Contractor is responsible for arriving to discharging port without products' damage and contamination.
- 12.5.** When the damaged cargo is notified by Buyer, P&I Club could be invited by Contractor. At same time independent supervision can be invited by Buyer. Contractor should accept to give working possibility to supervision of Buyer on vessel(s).
- 12.6.** All taxes on the vessel and freight, and all kinds of taxes and duties as dock dues, lighting, pilotage, wharfage, other charges and fees etc. at the loading and discharging ports shall be paid by the Contractor.
- 12.7.** Our shipments shall be made on CIF basis and the Eti Maden shall provide the insurance transactions of the product constituting the subject of the shipment.
- 12.8.** The vessel shall not take any fresh water and ballast water until it has completed the unloading operations.

- 12.9. The holds will be reinforced with hatch cover marine tape by the Contractor in order to minimize water leakage after the loading has been completed.
- 12.10. During the voyage, the holds of the vessel shall not be ventilated, all fans shall be kept turned off, and the ingress of fresh air to the cargo shall definitely be prevented.
- 12.11. The vessel shall provide free lighting on the deck at the loading and unloading ports.
- 12.12. Contractor shall permit the Eti Maden to freely use such items as dunnages, lashing materials and similar binding/securing materials on the board and in holds.
- 12.13. Contractor shall support to the Eti Maden to use dunnage and to cover sharp and pointed edges and corners in order to avoid damage to the product and its packing.
- 12.14. The vessel shall not be sold, assigned, or foreclosed from the voyage during the period from the moment she is nominated to carry the Eti Maden's cargo (after the vessel's name defined) until her cargo has been completely unloaded by the Buyer and the cargo shall not be transferred to another vessel without the approval and confirmation of the Eti Maden.
- 12.15. The hold(s) of the vessel(s) shall be convenient for loading and unloading operations and the necessary measures shall be taken by Contractor for loading and unloading jobs and operations.
- 12.16. The vessel's port and voyage costs, subsistence costs, fuel and other costs shall be borne by the Contractor.
- 12.17. Unloading expenses at the discharging port shall be borne by "Buyer" and/or by its Representative and/or by its Agent.
- 12.18. Contractor, after receiving the Shipping Instruction sent by Eti Maden, shall immediately (within 48 hours at most) send the information and details (name of vessel, vessel departure date, estimated date of arrival in discharging port, vessel class, certificates, etc.) that will constitute the basis for the insurance policy to Logistics Section who is responsible from the loading port and to Eti Maden.
- 12.19. Contractor shall make the empty vessel ready at the loading port where the loading shall be made, at the date indicated in the Shipping Instruction. If the vessel does not comply with the given laycan due to any reason and delays to loading port, Contractor has to require an extension before 24 hours prior to the start date of the given laycan.
- 12.20. Eti Maden and Contractor are respectively responsible for their share of administrative and customs procedures. Logistics Section shall perform these operations on behalf of the Eti Maden.
- 12.21. The Bill of Ladings shall be prepared as "Clean On Board" and "Freight Prepaid". Contractor, following the completion of the loading, shall present at least 3 (Three) originals and at least 3 (Three) copies of the Bill of Lading at the latest within 24 (twenty four) hours after receiving the confirmation of the draft.
- 12.22. The details of the vessel-owner as "Carrier Name" shall be included on the Bill of Lading.
- 12.23. One (1) original copy of the Bill of Lading shall be left to the Master and this original Bill of Lading shall be handed to the representative of the Buyer by Master. Upon the approval of the Bill of Lading by the representative of the Buyer, the cargo shall be unloaded from the vessel. Following this, the remaining 2 (two) original copies shall be null and void.
- 12.24. If necessary, the required Bills of Lading and documents for domestic seaways, canals, rivers, shall be provided by the Contractor, and the rights of the Eti Maden and the Buyer Company shall be protected on these Bills of Lading and documents. Otherwise, any fees, expenses, losses and damages incurred as a result of disorganization shall be compensated and paid by Contractor.
- 12.25. The Contractor undertakes that he shall navigate with the most appropriate speed and sea route in order to deliver the cargo within the shortest period to the discharging Port/Berth/Terminal from the date when the vessel leaves the loading Port/Berth/Terminal together with her cargo.
- 12.26. Any costs, penalties or other similar duties, charges and taxes that may occur shall be borne by Contractor due to confinement, detention or captivity of the vessel at sea and / or in any of seaways and/or and/or channels and/or rivers and/or in any of the ports/berths/terminal. This situation is never concerned Eti Maden.
- 12.27. All the losses and damages, fees and expenses that may be incurred by Eti Maden or by the Buyer in situations where the shipment has failed, where the vessel discharges her cargo in a different port, where the vessel is detained for any legal or administrative order, where the cargo has been lost, where the seamen damage the cargo during unloading operations, where the vessel or the vessel equipment are not convenient for the cargo, or in similar situations shall be compensated and paid by the Contractor, except for the force majeure events that have been reported by the Contractor within 24 (twenty four) hours and confirmed by the Eti Maden.

12.28.In cases of missing tonnage is loaded on the vessel and loading is not performed due to reasons attributable to the Contractor and/or to the vessel, dead freight or financial losses or any other charges under any name shall be not demanded from the Eti Maden.

12.29.Any taxes and duties that may be imposed on the vessel, crew, flag, port, sea, seaways, canals, rivers, etc. shall be borne by the Contractor.

13. BIDDING PROCEDURE

The bids shall be filled in the “the bid submission form” and shall be sent in signed form (the name of the company shall be indicated or company seal shall be affixed). The bids that do not comply with this requirement shall not be considered for evaluation.

The method of bidding is indicated at Bid Submission Form.

The technical prospectus, holds’ photos, certificates of P&I and Class shall be given with the bid by Bidder.

The freight billed shall be clearly indicated and no price difference shall be given for this work. The different fees and expenses shall not be considered to Eti Maden without freight.

Eti Maden shall not claim any address commission or any other commission whatsoever under a different name.

The bids shall be submitted for (all / part of the work) in this tendering procedure.

The bids shall be given on 'ALL IN' basis on requested currency at Bid Submission Form the exclusive of Value Added Tax (VAT).

In the bids, the fee for the sea freight to be invoiced shall be clearly stated, and no changes shall be in the prices for the duration of the work. Any fees other than sea freight charges on the invoice shall not be taken into account.

The bids that are not prepared and submitted in accordance with the principles in the bid invitation letter shall not be consider.

14. INVOICING AND PAYMENTS

14.1. The freight shall be earned by Contractor upon the signing of B/L after faultless loading of goods to hold(s) of vessel.

14.2. The Contractor shall forward his freight invoice in foreign currency is given within bid submission form and the invoice is prepared according to the bid unit price and the loading tonnages. However, the total value of invoice does not exceed the bid unit price.

14.3. Following the arrival of confirmed invoice with the annexed photocopy of the latest and confirmed Bill of Lading for that shipment, 95% (ninety five percent) of the invoice(s) for that shipment shall be paid to the account indicated by the awarded Contractor, at the latest in 5 (five) day after the invoice is received by the Financial Affairs’ Department of the Eti Maden and making financial deductions if there are any as well as collecting the debts due to the Eti Maden if there are any. The balance of 5% (five percent) shall be released upon the notification (by fax or e-mail) to be given by Contractor to the Eti Maden after the shipped cargo has arrived to the last unloading port and after that Contractor’s and Buyer’s ‘undamaged delivery’ announcement will be verified.

14.4. The explanation section of the invoice shall definitely contain the information on the shipment made (shipping information in the Bill of Lading annexed to the invoice), and in case it is not consistent with the invoice contents, absolutely no payment shall be made and the invoice shall be returned.

14.5. It is a legal obligation (V.U.K. 215/2) to show TL equivalent on while invoices are prepared in foreign currency excluded foreign companies. Therefore, it must be used the exchange buying rate of the Central Bank of The Republic Turkey on date of issue of invoice.

14.6. The invoice issued by the Contractor shall be drawn up in 1 (one) original form to the name of “Eti Mine Works General Management, Ayvalı Mah. Halil Sezai Erkut Cad. Afra Sk. No: 1/A 06010 Etilik-Keçiören / Ankara”.

14.7. No price difference shall be given for this work.

15. PENALTIES

15.1. In the event that the Contractor fails to provide the vessel and/or miss the LAYCAN in accordance with the shipping instructions and as defined in Article 5 and Article 6 of this Specification and/or refusal of vessel or refusal contractor’s request for extension, Eti Maden shall terminate the contract without any notification. It shall not be required any bids of bidder/contractor during six months whose contract is terminated two times in one year.

15.2. Penalty shall not be applied if the Contractor fails to fulfill his obligations in case of contrary weather condition, loading port suggestion included passage ports and force majeure events or delays attributable to Eti Maden.

15.3. If the Contractor fails to fulfill his obligation within the period referred to in Article 12.21 of the Specification, a delay penalty of 0.3% (three thousandth) of the contract value for that shipment shall be deducted from the payments due to the Contractor for each day the Bill of Lading for that shipment has not been submitted to the Eti Maden. No delay penalty shall be applied due to force majeure events or delays attributable to Eti Maden.

16. Stamp tax, levies and fees shall be paid by Contractor.

17. FORCE MAJEURE AND TIME EXTENSION

Situations to be considered as force majeure shall be as follows:

- 17.1. Import or export restrictions by the authorities,
- 17.2. Natural disasters such as fire, flood, earthquakes,
- 17.3. Partial or general mobilization,
- 17.4. Strikes,
- 17.5. General spread of infectious diseases,
- 17.6. Introduction of the embargo,
- 17.7. Occurrence of an extraordinary situation which cannot be unforeseen and at a scale that cannot be eliminated, and acceptance of the same by the Administration as a force majeure event.

In case of the vessel determined by the Contractor and approved by the Eti Maden may not perform the shipment in force majeure reason, then the Contractor shall be ready another vessel with at least the same properties, at least 3 (three) days before the CANCELLATION DATE with the LAYCAN and conditions as desired with the approval of the Eti Maden.

18. This Nr.2 Type Specification/Contract has been prepared in Turkish and English. Nevertheless, The Nr.2 Type Specification/Contract in Turkish shall be valid in case of disagreement.

19. ANKARA Courts and Ankara Courts’ Bailiff Offices shall be authorized to settle any disputes arising from the application of the provisions of this Contract.

20. This contract contains 20(twenty) articles.

Enc: Bid Submission Form


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