2.3 DRUG AND ALCOHOL POLICY

2.3.1 PREAMBLE

The Company is committed to promote a safe operation of the vessels under its management and as such maintains a safe working environment for the shipboard personnel.

Drug and Alcohol Abuse and their effects have grave consequences in the safety of the ship, the personnel and the environment and the Company has instituted measures to control the drug and alcohol abuse onboard its managed vessels.

The said policy meets the overall standards of the Oil Companies International Marine Forum (OCIMF) "Guidelines for the Control of Drugs and Alcohol Onboard Ships".

2.3.2 Prohibitions

- No Master, Officer or Rating shall be intoxicated at any time.
- No Master, Officer or Rating shall navigate or assist in the navigation of the ship or operate its equipment or perform any scheduled duties while impaired by the use of drugs or alcohol.
- The misuse of legitimate drugs or the use, possession, distribution or sale of illicit or unprescribed drugs onboard the Company managed vessels is strictly prohibited.
- Any crewmember using prescription drugs, must declare details of said drugs to the
- Master upon joining the vessel.
- Any crewmember using medicines, which can cause or can contribute to unacceptable job performance or unusual job behaviour, shall report the fact to the Master who will take action appropriate to the situation.
- The use of other substances, which alone or in combination can cause or contribute to unacceptable job performance or unusual job behaviour is prohibited on all vessels managed by the Company.
- The purchase, delivery or consumption of the beverages with the alcohol content above 15% is prohibited.

2.3.3 Responsibilities

It is the personal responsibility of the Master, Officers and Ratings to observe that under no circumstances will they consume alcoholic beverages or use substances that cause intoxication.

Their responsibility is to be able to carry out both routine and emergency duties in a competent and capable manner, unimpaired by the effects of alcohol or drugs.

Seafarers must always bear in mind that their actions not only ensure their own safety, but also the safety of others and the vessel and the protection of the environment.

The Master is overall responsible for the implementation of the policy.

2.3.4 Control

The Company ensures that recruitment agencies abide to the Company´s Drug and Alcohol Policy and have seafarers tested for drugs and alcohol abuse as and when requested by the Company.

The Master is responsible for the control of the consumption of alcohol and the use of prescribed drugs on board and is authorised to take the measures necessary to safeguard such control.

Masters, Officers and Ratings are required to observe a period of abstinence from alcohol, prior to commencement of a watch or duty.

- The blood alcohol content shall never exceed 0.04%, which corresponds to 4 units of alcohol
- Crewmember shall not consume alcohol up to 4 hours prior to commencing a watch or duty
- There should be no distribution of alcohol and the slop chest shall be closed 48 hours prior to arrival port.

The table here below is a guidance for converting volumes of various alcoholic beverages to Alcohol Units:

Beers, Ciders and Lagers	Volume	Units
Extra Strength	10oz.	2,5
(4-6% Alc. by Vol.)	30cl.	2,5
Ordinary Strength	10oz.	1,0
(1-4% Alc. by Vol.)	30cl.	1,0
Low Alcohol	10oz.	0,5
(0,05-1% Alc. by Vol.)	30cl.	0,5
Table Wines, Others	10cl.	1,0
(6-12% Alc. by Vol.)	1 ltr bottle	10,0
Sherry, Fortified Wines, Others	6cl.	1,0
(12-16% Alc. by Vol.)	1 ltr bottle	16,0
Spirits, Liquor, Liqueurs, Others	1oz.	1,0
(16-40% Alc. by Vol.)	3cl.	1,0
Any Other Low Alcohol Beverage	10oz.	0,5
(0,05-1% Alc. by Vol.)	30cl.	0,5

2.3.5 Chemical specific medical checks & blood tests

In case, any vessel is carrying any of the following, cargoes continuously on board which are:

- Carcinogenic
- Mutagenic
- Toxic
- Or any cargo which can cause damage to central nervous system, lines, kidneys and blood disorders due to prolonged exposure.

Then the Company will provide medical checks and blood tests for all crew members signing off and if necessary more frequently. These medical checks, blood tests including any specific tests will be carried out as soon as the crewmember arrives at his home country and will be arranged by the crew managers.

1.3.6 Drug and Alcohol testing

The Company is using recognised testing companies to carry out random tests for Alcohol & Drugs on board the vessels minimum once a year.

The Master shall on three monthly basis conduct an unannounced alcohol test (HP124 – Three Monthly Unannounced Alcohol test) on the entire crew in order to ensure compliance with the D&A policy. If an alcohol test indicates that a person is under the influence of alcohol the person may request for a new test immediately thereafter. If the test is still showing that the person is under the influence of alcohol (More than 0.04%) this will result in dismissal from the vessel and the person concerned will not be reemployed on any vessels of the Company.

In case of any serious or major incident / accident the master shall, within 30 minutes of the incident, conduct following tests on the persons involved in the incident / accident. Any third parties involved in the incident (e.g. Pilots, stevedores, etc.) shall also be tested along with the ship's crew. The tests for master shall be carried out by the OH&S officer:

- Alcohol test by the Alcometer available on board
- Drug test by the onboard drug testing kit (Drug testing kit only provided on tank vessels)

Additionally the company will arrange an independent Drug and Alcohol test by a shore based testing facility soonest possible.

The alcohol test equipment shall be calibrated in accordance with the maker instruction before any test. The results of the alcohol tests shall be filed on board in the "alcohol test log".

The Master shall carry out training in operation of Alcohol Test equipment for all officers on quarterly basis (every three months).

2.3.7 Measures

Any crewmember or Master found misusing legitimate drugs or found in possession of or using, trafficking, distribution or smuggling illicit or unprescribed drugs, will be dismissed from the vessel and may face prosecution.

Signed: Peter Harren / President of the Board

2.0 COMPANY OBJECTIVES AND POLICY

2.1 QUALITY, HEALTH, SAFETY, ENVIRONMENT & POLLUTION PREVENTION (QHSEP) POLICY STATEMENT

It is the Company's policy to:

- Provide healthy and safe working conditions;
- Maintain a safe and pollution-free operating practice;
- Protect property against loss and destruction;
- Protect the environment;
- Protect the health of its shipboard staff.

Company objectives are to:

- Demonstrate evident and active leadership;
- Provide for safe practices in ship operation and a safe working environment to prevent injuries and ill health;
- Assess all identified risks and establish appropriate safeguards;
- Implement a proactive approach to continuously improve all areas of the Company's business and make best use of its management resources in all QHSEP matters, with a commitment to continually improve its QHSEP performance and skills;
- Be prepared for emergencies, related both to safety and environmental protection;
- Promote a No Blame Culture, to protect workers from reprisals when reporting incidents and hazards;
- Meet or exceed its quality, environment and OH&S objectives and targets;
- Prevent ill health, injuries and ensure well-being of their shipboard personnel;
- Take into account applicable codes, guidelines and standards mandatory by the International Maritime Organization, Administrations, classification societies and maritime industry organizations;
- Communicate its QHSEP objectives and targets and its performance against these objectives and targets throughout the Company and to interested parties;
- Ensures that all seafarers, prior to beginning work on a ship, are competent and medically fit to perform the duties that they are to carry out at sea;
- Meet our customers' needs and requirements;
- Achieve excellence in all spheres of its activities.

These objectives will be achieved by:

- Regular inspections and maintenance of equipment and reviews of procedures to ensure their compliance with experience gained, new technology, and alteration in demands of interested parties;
- Periodically reviewing its QHSE objectives and targets in order to ensure their continued suitability & relevance appropriate to its services;
- Periodically reviewing its environmental aspects and impacts and OH&S risks;

- Maintaining high standards of safety consciousness, personal discipline and individual accountability by adherence to a comprehensive and documented system of training;
- Providing employees with adequate resources, knowledge and capabilities to instil personal ownership and motivation to achieve QHSEP excellence;
- Promoting employee participation in measures aimed at improving their occupational health, safety and protecting the environment;
- Providing adequate training and drill programs to establish, maintain and improve the knowledge of the Quality, Health, Safety, Environment and Pollution Prevention System;
- Keeping all personnel fully informed of any known or potential hazards that may affect themselves, their colleagues, the ship or the environment by transmittal of pertinent documentation;
- Eliminating or reducing hazards and OH&S risks;
- Ensuring that all employees, associates, subcontractors, service providers understand that working safely is a condition of employment and that they are each responsible for their own safety and the safety of those around them;
- Ensuring adherence at all times to the documented operating procedures by a system of internal verification of procedures and activities;
- Complying with all applicable laws and regulations, customer requirements and any other requirements relating to QHSEP;
- Leadership by example. All senior ship staff and visiting office staff wear P.P.E's;
- Ensuring that all subcontractors service providers and associates are briefed / familiarised with the QHSEP requirements when working at our sites / assets;
- Making this policy available to the public;
- No using of asbestos on its vessels;
- Minimizing or eliminating waste wherever possible;
- Ensuring that unavoidable waste is disposed off or recycled in an environment friendly manner.

All employees are expected to comply with Quality, Occupational Health, Safety, Environment and Pollution Prevention Regulations and Procedures at all times and to take the necessary precautions to protect themselves, their colleagues, the ship, its cargo and the environment.

To assist the Company in achieving its safety, health, environmental and quality requirements, it is committed to documenting, operating and maintaining an Integrated Management System in a manner that sustains registration to International Standards ISM, ISO 9001, ISO 14001 and ISO 45001.

Signed: Peter Harren / President of the Board

- Crew shall ensure that they have any prescribed medication in sufficient quantity to see them through to the end of their contract; this medication – type and dosage - is to be reported to the Master upon signing on the vessel.

6.2.12.0 Other considerations

- The Company will not tolerate insobriety from any Officer or Rating when on board.
- The consequence of insobriety on duty is instant dismissal from the Company.
- No liquor, except that provided by the Company, is to be consumed onboard by the Company's staff. It is forbidden to bring onboard any private supplies of alcohol.
- The Company will not be responsible for the payment of fines incurred by individuals as a result of prosecutions arising from Customs offences.
- The Company cannot make any compensation for loss or theft of or damage to personal effects of employees, except as prescribed by National Agreements.
- Any doctor's attendance shall be recorded on Crewing Agency forms.

6.2.13 OH&S Committee

Each ship shall have an Occupational Health & Safety Committee.

The committee shall comprise of:

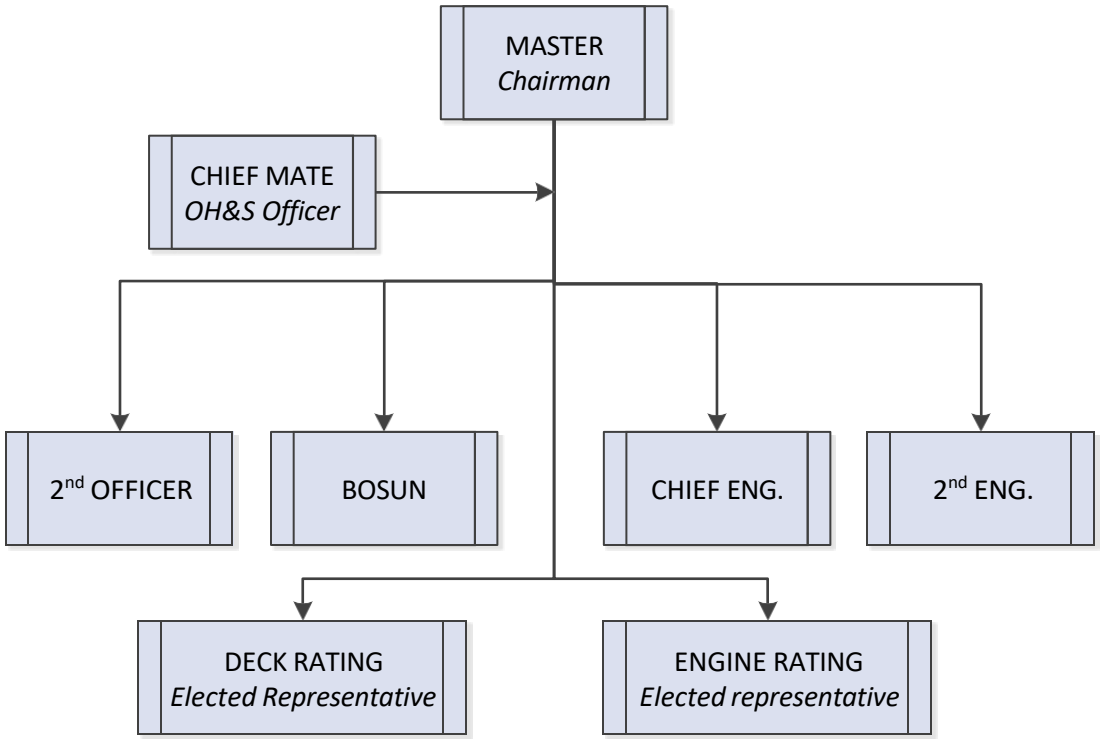


Figure 2: Occupational Health & Safety Committee

The OH&S officer is appointed by the company to assist the master to ensure that the company Objectives and Targets for Occupational Health, Safety and Environmental matters are met.

The OH&S Officers shall complete the Seagull training program for Safety Officers to enhance their knowledge and prepare them better for their role as OH&S Officer on board.

The elected representatives are elected by and represent the crew in all Occupational health, safety and environmental matters. They shall be more than 18 years of age and having more than 2 years' experience on that type of ship.

Elected representatives shall comprise of one supportive level rating from Deck and Engine.

The OH&S committee is a forum for consultation between the Master, Officers and other Crewmembers selected by Master concerning occupational health, safety and environmental matters. To ensure effectiveness the commitment of its members, in particular that of the Master is requested.

The frequency of meetings is based on circumstances but should be at least once a month. The meetings are also required to be convened soon after any serious or major accident or incident.

Each member is responsible to close corrective actions concluded in the meeting as assigned.

The Agenda plus relevant papers, plus previous minutes HP 201 have to be brought to the attention of the members prior to the meeting to ensure proper preparation.

The "Minutes of Meetings" should be filed in "File 37 – OH&S Committee – Meeting Protocol" together with a summary of recommendations recording conclusions achieved.

The company recommends that the OH&S officer should be the facilitator and take active part in organizing the OH&S committee meetings under guidance of master and shall include all crew.

Shore superintendents shall attend the OH&S committee meetings when held during their visits on board.

6.2.13.0 OH&S inspections (weekly and monthly):

The Master is responsible to carry out weekly OH&S inspections of the vessel, accommodation, galley, provision stores, mess rooms etc. This should be recorded in the log book.

Weekly detailed OH&S inspections shall be commissioned by the OH&S officer and if possible accompanied by the elected representatives. All accessible parts of the ship shall be covered, once every month.

The Master, Chief Engineer, Chief Officer / OH&S Officer are required to carry out their monthly safety and maintenance inspection of the vessel and their respective work areas responsibility (accommodation, deck and engine room), to have an overview of the OH&S and maintenance standards being maintained on board and improvements if any required.

The above inspections should be cross functional with a multidiscipline approach. E.g. Engine room personnel with deck personnel and deck personnel with Engine room personnel. This will foster teamwork, partnership, reliability and better identification of deficiencies.

The inspections are to focus on the work places, equipment, machinery, safety and health conditions.

The inspections shall identify any new risks developed and proper controls to mitigate them.

The OH&S inspections are to be carried out during crew normal working hours so as to observe the safety procedures and PPE compliance.

The details of above inspections should be recorded. For monthly inspections form HP903 should be used. For the maintenance only, the official H&P-forms must be used. The results shall be reported in the monthly