



- Check the bunker barge for its compressed-air-blowing arrangements. Ensure these are closed off during the operation to prevent the chances of a 'cappuccino effect'.
- If time allows, upon completion of bunkering give the fuel oil tanks time to settle before taking final soundings and ullages.
- Do not rely on attending independent bunker surveyors to carry out or replace the ship's staff's responsibilities.
- Be aware of local guidelines and regulations. For example, the Marine and Port Authority of Singapore issue standards and a code of practice for bunkering operations within port limits.

Testing during bunkering

The use during bunkering of on-board test kits for water content, density and viscosity can be invaluable for giving ship's staff an early warning of any problems with the fuel.

Strict adherence by crew members to the ship's safety management system, operations manual and proper use of bunker checklists will also go far in preventing bunker-related problems.



Photo courtesy of Kittiwake Developments Ltd



Indemnities for ship-to-ship operations

North is receiving an increasing number of enquiries from Members about requests for an indemnity before commencing ship-to-ship (STS) operations. These requests should be treated with great caution.

The most common requests come from STS organisers, who will generally have been appointed by cargo interests. The requests are usually presented to masters of the ships involved together with the STS organiser's instructions. The indemnities stress that responsibility remains with the master of each vessel and provides for an indemnity from each shipowner to the STS organiser for all claims, costs and expenses arising from the STS operation.

Rather surprisingly, the requests can also try to create a contract between shipowners and the STS organiser, under which the owners 'ask' for the services of the STS organiser, who then agrees to provide the services in exchange for an indemnity. This is a legal fiction because the STS organiser is generally appointed and paid by a third party, usually one of the cargo interests, and has no direct link to the owners. The STS organiser is thus already contracted to the operation and should look to its own contractual partner for any necessary indemnity. Members should therefore be suspicious of contractual indemnities which are based upon a legal fiction and are not even-handed or reciprocal.

Responding to requests

North understands Members can be under significant commercial pressure not to delay STS operations or raise unnecessary difficulties. To this end, the Club's advice to masters and Members on receiving a request for an STS indemnity is as follows.

- Whenever a request for an indemnity is received, the master or ship operator should refer the requestor to its own contractual partner.
- Alternatively, the request should be forwarded to the charterer, asking for instructions and authority to sign the indemnity on the charterer's behalf.
- If a Member and/or master is under urgent or commercial pressure, they should sign an indemnity 'for receipt only' and inform the charterer as soon as possible that they have done so pursuant to the charterer's instructions regarding the STS operation.



Eamon Moloney
Senior Executive (Claims)

- Members should not attempt to negotiate the terms of an indemnity with the requestor; to do so might suggest the requestor is entitled to it.
- Members should seek advice from the Club if they have any concerns.

Finally, the Club has also seen indemnities included in STS checklists exchanged between vessels. Such indemnities should never be agreed and, if necessary, the indemnity wording should be struck through with black ink before the checklist is signed and returned to the other ship.

Confusing liabilities

STS indemnities have no legal justification unless they are freely agreed and exchanged between concerned parties. Unilateral indemnities will only confuse the liability regime governing STS operations and should not be agreed. They may also confuse the express and implied indemnities that Members have already agreed in their charter party.

