STANDARD PILOTAGE CONDITIONS

(Revised on 1st January 2009)

THE TOKYO BAY LICENCED PILOTS' ASSOCIATION

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Chapter I General Conditions

(Scope of these conditions)

- Article 1 This contract for the provision of pilotage services entered into by and between a pilot and the contracting party, shall be governed by these conditions hereinafter set forth.
- 2. Any matter not explicitly provided for in these conditions shall be governed by law and common custom.

(Status of pilot)

Article 2 The pilot shall provide pilotage services in the capacity of an adviser to the master of a vessel for the purpose of enhancing the safety of traffic at sea, as well as contributing to the efficient operation of the vessel. The master's responsibility and authority for safe navigation shall not be affected by the presence of a pilot on board.

Chapter II Undertaking of Pilotage Services

(Application deadline)

Article 3 Those who require a pilotage service shall, in principle, make an application at least 24 hours before the estimated time of commencement of such service. As to harbor pilotage services provided only inside the Tokyo Port, the application shall, in principle, be submitted before noon of the day prior to the day of such estimated time.

(Method of application)

Article 4 Those who require pilotage services shall apply to the appropriate office of the Tokyo Bay Licensed Pilots' Association, in writing, or by telephone, or by any other reliable means.

When applying for harbor pilotage services within each of the following ports, applicants shall make such application to the following offices:

(1) Yokohama Port: Yokohama Office of the Tokyo Bay Licensed Pilots' Association via Port and Harbor Bureau, City of Yokohama

- (2) Kawasaki Port: Yokohama Office of the Tokyo Bay Licensed Pilots' Association via Port and Harbor Bureau, City of Kawasaki
- (3) Chiba Port: Chiba Branch Office under Yokohama Office of the Tokyo Bay Licensed Pilots' Association
- (4) Kisarazu Port: Kisarazu Branch Office under Yokohama Office of the Tokyo Bay Licensed Pilots' Association via Kohwan Kanrishitsu, Nippon Steel Logistics Co., Ltd.
- When making an application referred to in the preceding paragraph, the applicant shall provide the relevant office with the following particulars: Vessel's name, gross tonnage, length overall, draughts, description as to whether or not the vessel is a multiple-deck ship, the name or tradename and address of the owner (as defined in Article 3 of the Pilotage Law), whether the exemption from export tax (under the Consumption Tax Law) is applicable or not, ship's speeds, kinds of cargo, the estimated time of commencement of the pilotage service, ship's berth and sailing route for which the pilotage service is required, whether or not quarantine is required, and any other items

However, in respect of a vessel of a dual tonnage system or of a nation which is a non-contracting party to the inter-governmental agreement on tonnage measurement of ships, having a tonnage certificate showing a set of tonnages and the indication of her tonnage varies at the Shipper's/Consignee's or Owner's convenience, the greater tonnage shall be deemed as the gross tonnage of the vessel provided for in the Pilotage Law.

3. If the vessel is in an unusual condition, the applicant shall submit all the relevant particulars at least 3 days in advance, regardless of the provisions in the preceding article.

(Alteration or cancellation of application)

considered necessary for pilotage.

- Article 5 When altering or canceling an application for a pilotage service, the applicant must notify the relevant pilot office at least 6 hours before the estimated time of commencement of such pilotage service. Provided, however, for harbor pilotage services provided only inside the following ports, such notification shall be given, at least, by the respective times, shown below, in advance of such estimated time:
 - (1) Yokohama Port: 1 hour

(2) Kawasaki: 2 hours(3) Chiba Port: 2 hours(4) Kisarazu Port: 2 hours

(Refusal to perform pilotage services)

Article 6 The pilot shall have the right to refuse a pilotage service in the following cases:

- (1) if the vessel is considered unseaworthy;
- (2) if the weather, the condition of the vessel, the kind of cargo, or the conditions of fairways, etc. are considered likely to jeopardize the vessel's safe navigation;
- (3) if the safe navigation of the pilot boat is likely to be threatened;
- (4) if the pilot boarding facilities on board the vessel are not considered reliable;
- (5) if there exists any danger of loss of life or injury to the pilot in the performance of his duty;
- (6) if the Harbor Master does not permit the vessel to enter or leave the port or shift within the harbor;
- (7) if the pilotage service is requested by the owner of a vessel or his agent who has failed to pay any outstanding pilotage fees without any justifiable reason; or
- (8) if there is any other reasonable and justifiable cause to do so.

(Provision of pilotage services to a large-sized vessel)

- Article 7 In order to ensure safe navigation, the pilot may provide pilotage services together with another pilot, after agreement with the master or owner of a vessel, if she is:
- (1) an LNG carrier of 80,000 gross tons or more, or has a cargo tank capacity of 130,000 m³ or more, and planned to navigate within Tokyo Bay but not within the confines of a port area;
- (2) 70,000 gross tons or more and planned to navigate within the confines of a port area (excluding departure from port);
- (3) in special circumstances for navigation either in or outside the confines of a port area.

(Provision of pilotage services by a newly qualified pilot)

Article 8 When a pilot still in his training period as specified by the relevant pilot association, provides pilotage services, he may take a more experienced pilot on board a vessel and jointly pilot her—after agreement with the master or

owner—for the purpose of improving his knowledge and skills, and enhancing safety.

(Cancellation of pilotage services)

- Article 9 The pilot may cancel this contract of pilotage services by giving a notice to the master or owner of a vessel in any case which comes under one of the following events:
- (1) if a pilotage service to be provided for another user is affected by the alteration of the estimated time of commencement of the relevant pilotage service;
- (2) if the weather or sea conditions, or the circumstances of the pilotage area have remarkably changed since the time of the application;
- (3) if the pilot has become ill or become involved in an accident;
- (4) if the pilot is required to attend to urgent work for the Tokyo Bay Licensed Pilots' Association or the Japan Federation of Pilots' Associations; or
- (5) if any other circumstances which prevent the provision of the pilotage service have arisen.

Chapter III Pilotage

(Location of transfer of piloting duties)

Article 10 When a pilot provides a pilotage service for districts listed on a separate sheet, he may transfer his piloting duties to another pilot at the location specified on the same sheet.

(Safe means of embarkation and disembarkation)

- Article 10-2 When a pilot embarks or disembarks, the master of the vessel shall take every precaution for the safety of the pilot and pilot boat, by providing a good lee, and reducing the vessel's speed to a proper one or stopping the engine.
- 2. The master shall ensure that the pilot ladder and other related pieces of equipment conform to the requirements of Regulation 23, Chapter V of the International Convention for the Safety of Life at Sea, 1974. The master shall also ensure that the pilot ladder is so rigged that its lowest step will reach the pilot boat, but not become awash with sea water because of its excessive length.
- 3. Where a pilot is involved in an accident, such as a fall, during embarkation or disembarkation, the master of the vessel shall exert himself/herself to take every step necessary to rescue, and/or give medical aid to, the pilot; and, in

addition, accede to a request from the said pilot or his/her representative, to prepare documents certifying the accident.

(Master's duty to notify)

Article 11 The master of a vessel shall notify the pilot of his/her vessel's gross tonnage, drafts, length, type of engine, speeds, complement and functional status of nautical instruments, steering capability, and other particulars affecting her maneuverability.

(Master's obligations to cooperate)

- Article 12 The master shall exercise supervision to ensure that the pilot's advice on maneuvers is put into practice promptly and exactly.
- 2. The master shall keep a sharp lookout and, while proceeding through special waters or within a harbor, post lookouts at suitable places (using radar, if fitted, properly as well) and report anything unusual to the pilot immediately.
- 3. The master shall keep engines and anchors ready for use at any time.
- 4. The master shall cooperate with the pilot in the use of tugboats and in other matters required for the safe provision of pilotage services.

(Facilities to be provided by master)

- Article 13 The master shall provide facilities for resting or for other needs as requested by the pilot.
- 2. When the pilot brings one or more apprentice pilots on board, the master shall provide them with similar facilities.

(Taking pilot out of specified pilotage district)

Article 14 The master may not take a pilot out of the pilotage district, without any justifiable cause. When he is obliged to do so under unavoidable circumstances, the master shall immediately report the fact, together with reasons for it, to the appropriate office of the Tokyo Bay Licensed Pilots' Association and, in addition, provide suitable facilities and treatment for the pilot.

Chapter IV Pilotage Fees

(Certification of Pilotage Service)

Article 15 Following the completion of pilotage services, the master of the vessel shall fill out and sign a certificate of pilotage as presented to the master by the pilot.

(Pilotage Rates)

Article 16 Pilotage rates shall be in accordance with those submitted by each member of this association to the Minister of Land, Infrastructure, Transport and Tourism, pursuant to Article 46, Paragraph 4, of the Pilotage Law.

(Payment of Pilotage Fees)

- Article 17 Pilotage fees shall be paid in cash or by check, within one month counting from the day the invoice is presented.
- 2. If he has not received payments of his pilotage services within the specified period and without any justifiable reason, the pilot is entitled to:
- (1) send a reminder for the payment of the outstanding pilotage fees to the owner and/or his agent.
- (2) demand payment of pilotage fees—including those that remain outstanding, despite receipt of the above reminder—immediately after his/her provision of services, on the next occasion that the pilot is requested to provide said services.
- (3) demand, upon requesting the above-mentioned immediate payment, that the owner or his agent make necessary arrangements to guarantee payment, such as issuance of a letter of guarantee pledging the payment, or provision of proper security.
- (4) refuse to provide pilotage services in accordance with the provisions in (7) of Article 6 of these conditions, if the owner and/or his agent do not comply with the requests of the pilot in (2) and (3) above.

Chapter V Compensation

(Cancellation Fee)

- Article 18 In one of the following events, the pilot shall be entitled to a cancellation fee corresponding to 105/100 of an amount of ¥21,600 (or ¥21,600 for a vessel which is exempted from consumption tax):
- (1) if a request for a pilotage service is cancelled, after a pilot has departed, in response to the request, from the appropriate office of the Tokyo Bay Licensed Pilots' Association;

- if, after the pilot has reported to a vessel in response to a request for a pilotage service, the master of that vessel refuses his/her service, without any justifiable reason:
- (3) if a request for a pilotage service scheduled to commence between 0000 hours and 0600 hours, is cancelled at or after 2300 hours on the previous day; and
- 2. In the event of either (1) or (2) in the preceding paragraph, if the departure time of the pilot from the appropriate office of the Tokyo Bay Licensed Pilots' Association is between 1700 hours and 0800 hours on the following day, the cancellation fee shall be increased to such an amount equivalent to 150/100 of the one specified in the preceding paragraph.

(Compensation for taking pilot out of pilotage district)

Article 19 When a pilot has been taken out of the pilotage district, he shall be entitled to reasonable compensation in an amount equivalent to 105/100 of a sum total of travelling expenses for his return and other necessary costs (or a sum total of the travelling expenses for his return and other necessary costs, for a vessel exempted from consumption tax), excluding cases where the pilot is responsible for being taken out of the pilotage district.

(Other compensations)

- Article 20 The master and owner of a vessel shall compensate for the loss of or damage to a pilot boat or any other property; or the loss of life or personal injury, or loss of or damage to personal effects, of a pilot, apprentice pilot or any other person concerned in a pilotage service; arising from any cause attributable to any of those interested in the vessel.
- 2. If a pilot is detained on board a vessel or in a quarantine office, as a result of the quarantine of the vessel, the master and/or owner of the vessel shall compensate in an amount corresponding to 105/100 of the necessary expenses (or the necessary expenses if the vessel is exempted from consumption tax).

(Exemption)

Article 21 The master or owner of a vessel shall undertake not to assert any liability or responsibility against the pilot for any loss or damage sustained by the vessel, the master or crew, or any third party, arising or resulting from the negligence of the pilot in the performance of his/her service. In this case, the pilot may not

- claim payment of any pilotage fees due in respect of such vessel against her master or owner.
- The master or owner of the vessel shall indemnify the pilot for the portion, of the pilot's liability arising from any action or any other claim brought by any third party directly against the pilot, by reason of his/her negligence in the performance of his/her service, which exceeds the total pilotage fees paid or payable to him/her in respect of such vessel. However in case where the master or owner of such vessel is found liable to pay compensation to such third party and entitled to limit his/her liability for claims by such third party, in accordance with applicable law, he/she may limit his/her liability for the above-mentioned indemnification, either to the applicable limitation amount or, if he/she has paid any compensation to the third party directly, to such amount of limitation after deduction of such payment of compensation to the third party.
- 3. The provisions of the preceding two paragraphs shall not apply to such personal liability of the pilot as may arise by reason of his/her intent or gross negligence.

Separate sheet (in relation to Article 10)

- Locations where the transfer of pilotage duties from one pilot to another takes place for vessels entering berths in various ports inside Tokyo Bay.
 - (1) Tokyo Port
 - Waters within a radius of 1.5 nautical miles from a point (pilot boarding station) 0°, 1.0 nautical mile from the Tokyo offing light buoy.
 - (2) Kawasaki Port (Entrance to Kawasaki Passage and Ogishima East Fairway) Waters within a radius of 1.0 nautical mile from a point 125°, 1.0 nautical mile from Kawasaki Passage No. 1 light beacon.
 - For large-sized vessels, waters within a radius of 1.0 nautical mile from a point 170°, 2.5 nautical miles from Kawasaki Passage No. 1 light beacon.
 - (3) Kawasaki Port (Entrance to Ogishima Fairway)
 Waters within a radius of 1.0 nautical mile from a point 125°, 1.0 nautical mile from Ogishima Fairway No. 1 light buoy.
 - (4) Yokohama Port (Entrance to Tsurumi Passage)
 Waters within a radius of 1 nautical mile from a point 120°, 2.0 nautical miles from Yokohama Daikoku Breakwater East lighthouse.
 - (5) Yokohama Port (Entrance to Yokohama Passage and berths around Nissan Honmoku Wharf)
 - Waters within a radius of 1 nautical mile from a point 145°, 1.5 nautical miles from Yokohama Passage No. 1 light beacon.
 - (6) Yokohama Port (Entrance to Negishi Fairway and Section 5)
 Waters within a radius of 1 nautical mile from a point 125°, 1 nautical mile from Negishi Fairway No. 1 light buoy.
 - (7) Chiba Port (Entrance to Chiba, Ichihara, Anegasaki and Shiizu Passages) Waters within a radius of 1 nautical mile from Chiba Fairway No. 1 light beacon.
 - (8) Chiba Port (Entrance to Funabashi Fairway)
 Waters within a radius of 1 nautical mile from a point 220°, 1 nautical mile from Funabashi Fairway No. 1 light buoy.
 - (9) Chiba Port (Entrance to Kitasode and Minamisode Fairways and Tokyo Gas LNG berth)
 - Waters within a radius of 1 nautical mile from a point 250°, 1.5 nautical miles from the southwestern end of the Keiyo Seaberth.
- (10) Chiba Port (Keiyo Seaberth)

 Waters within a radius of 1 nautical mile from a point 250°, 2 nautical miles from the

southwestern end of the Keiyo Seaberth.

- (11) Kisarazu Port (Entrance to Kisarazu Passage and Kimitsu Fairway)
 Waters within a radius of 1 nautical mile from Klsarazu Fairway No. 2 light beacon,
 excluding the Nakanose Traffic Route and Kisarazu Passage.
- (12) Kisarazu Port (Entrance to Futtsu Passage)
 Eastern portion of the waters within a radius of 1 nautical mile from the Naka-no-Se
 Traffic Route No. 6 light beacon, excluding the Naka-no-Se Traffic Route.
- 2. Locations where the transfer of pilotage duties from one pilot to another takes place for vessels sailing out of berths in various ports inside Tokyo Bay are: point in the vicinity of the exit of a passage or fairway from each port.
- 3. The standard locations specified in 1 and 2 above are subject to change, depending on such matters as the situation of vessels at anchor, or maritime traffic encountered, in the vicinity of the passage or fairway, the size of the vessel, depth of her draft, and the weather conditions.