

petroEDGE

4th run in Asia!

OSV Chartering & Contract Management with Essential Elements of Maritime Law



**For Offshore Support Vessel (OSV) Owners and Operators
from the Petroleum & Marine Industries**

28 February – 4 March 2011, Kuala Lumpur, Malaysia

(Includes a Customised Session for Review of Most Common Charter Party Disputes)

Expert Faculty



**Jayems Dhingra,
Principal Consultant**

FSIArb, FCI Arb, M.S.I.D, MBA, M. Tech (Knowledge Engineering),
M. Sc. (Maritime Studies) B. E. (Elect), 1st Class CoC (DOT, UK)

Specialist in the marine, offshore and onshore oil & gas construction
industry segments, with 33 years experience in Asia and Europe.

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OSV CHARTERING & CONTRACT MANAGEMENT

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- "The timely delivery of your projects is determined by the meticulous specification of your C/P clauses and Contract administration" -

In the Offshore Oil & Gas industry, field development, hook-up and production activities are dependent on the reliable availability of a fleet of Offshore Support Vessels (OSV). Not only is the availability of OSV's important, but expertise and "know how" in C/P and or contract management is equally crucial. Understanding the essential ingredients of contracts and mastering the applications of maritime law will equip you to identify vague or ambiguous terms, avoid dangerous and often unimagined consequences.

Petroedge has researched and developed a 5-day separately book-able intensive workshop, that is intended to assist you in enhancing the level of understanding for important topics, such as, using C/P forms or customised contracts, implied commitments, issues of indemnity and liability, guarantees, gaps/ loopholes and clauses to protect your interests. This course will enable you to identify key issues fast and demonstrate some easily implementable chartering practices / policies, to accomplish the desired goal.

This training course will take a practical approach to sharpen your negotiation skills when reviewing contracts. It is designed to help those who need a refresher on contractual issues or those who handle C/P on a daily basis and want to be more proficient in reviewing, administering or managing their contracts.

The 5 modules that will be covered during the course are the following:

1. Principles of Contract Laws, Maritime Laws and relevance to OSV Charters
2. Contents of C/P Agreement and Standard Forms for OSVs
3. Interpretation of Each Clause in the C/P Form
4. Post Fixture Challenges, Insurances and Liabilities
5. Dispute Resolution – Mediation, Litigation or Arbitration?

****Sign up today and equip yourself with the practical know-how and skills necessary to protect your organization's interest by understanding the key elements of C/P and Maritime law applicable to OSVs.***

By attending this 5-day, intensive course, you will be able to:

1. **Safeguard your interests** by understanding the basic principles of chartering in plain English and learning maritime law & contract language, as risk mitigation techniques.
2. **Quickly identify dangerous words/phrases** in the contract documents, which could cost your company millions.
3. **Effectively manage risks of your projects and reduce disputes, with enforceable contract**, by learning the purpose and potential pitfalls of cardinal contract clauses.
4. **Learn the C/P secrets of owners and the claim techniques of Charterers** from a practitioner who has worked and consulted for major EPC contractors in Oil & Gas segments and Marine & Offshore operators.
5. **Effectively use your contract review time** by adopting the issue-spotting checklists and innovative tools introduced to each participant.

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DAY ONE : Module – 1: Principles of Contract Laws, Maritime Laws and relevance to OSV Charters

1. Introduction to Contracts and Purchase Orders

- Principles of Contract Formation
- Pre-requisites of Legally Enforceable Contracts
- Samples of Invalid Contracts
- Purchase Orders
- Terms and Conditions of Contracts

⚡→ **Should you consult legal professionals before drafting the Contract or before signing the Contract? Learn how to manage legal costs and ensure desired conditions of the Contract between the parties are maintained.**

2. Overview of State Laws and Maritime Laws

- ❖ Understanding legal system governing contracts
- ❖ Identification of Relevant Laws in Context
- ❖ How to define applicable laws?
- ❖ International Laws vs. National Laws
- ❖ Conventions and Maritime Laws for Contracts and Charter Party Agreements

⚡→ **Remember, laws are for maintaining harmonious relationships between parties and is not for training you to become a Lawyer!**

⚡→ **Learn to know the legal regimes, applicable to your business, without being a qualified lawyer!**

3. Breach of Terms of the Contracts

- ❖ Defining breaches of the terms as a “term of the contract”
- ❖ Legal interpretation of breach
- ❖ Remedies for breach
- ❖ Fundamental breach
- ❖ When redress of breaches are non-enforceable

The root cause of any dispute begins with the breach of the terms of the Contract, but how different state laws, interpret breaches? Who decides?

4. Channels of Maritime Disputes Resolution

- ❖ Forum Shopping
- ❖ What is the present day function of “Admiralty Courts”?
- ❖ Multi-party disputes
- ❖ Arbitration and its benefits

Customized workshop: We have not learned unless we apply to a real life situation and see the effectiveness of lessons learned! A hands-on workshop will empower you to start practicing, immediately after this module and set the stage for subsequent sessions in this course.

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DAY TWO : Module – 2: Contents of C/P Agreement and Standard Forms for OSVs

1. GETTING READY FOR A CHARTER of OSV

Contracts and Documentation

- ❖ OSV Specifications and Functional Requirements
- ❖ Structure of Parties to the Contract And Network of Relationships
- ❖ A brief recap of the Law of Contracts: Implications of Maritime Law, When do I have an enforceable contract? When does my contract exception become binding?
- ❖ How to select between Standard C/P Forms and Client Specific Forms of the Charter / Contract?
- ❖ Awareness of the Implied and Explicit Terms of the Contract

Before The Contract Breach: How To Use The Contract As A Risk Mitigation Tool And Ensure The Terms Remain Enforceable?

- ❖ The Risks & Benefits of Oral Agreements: Working Without a Net!
- ❖ Notice And Communication Obligations: Ensuring Your Practice is Conforming to The C/P
- ❖ Actual Authority Vs. Apparent Authority: Liability For Seemingly Unauthorized Acts Of Your People
- ❖ Liabilities Arising From Pre-Contract And Post Contract Communications: Formal Vs. Informal
- ❖ Resolving Conflicting or Ambiguous Contract Terms

2. Overview of the "FORMS OF C/P AND CONTRACT CLAUSES"

- ❖ "SUPPLYTIME 89" Uniform Time C/P for OSV
- ❖ "SUPPLYTIME 2005" and Comparisons with SUPPLYTIME 89
- ❖ "TOWCON" (Lump sum)
- ❖ "TOWCON" (Daily Rate)
- ❖ "TOWHIRE" (Daily Hire)
- ❖ Client Designed Contracts

3. Five Clauses Critical To Keep the C/P Active

- ❖ Scope of the Services
- ❖ Payment Terms: Maintaining Neutral Cash Flow
- ❖ Schedule / Delivery / NOR / Variable Rates during Standby, Breakdown or Harsh Weather: Knowing When it is Supposed to Be Applicable
- ❖ Functional Performance and Acceptance Criteria / Key Performance Measures
- ❖ Change of Instructions / Additional Exposures: The In-Scope or Out-of-Scope Disputes

4. Limiting Your Liability: Five Clauses That Could Break Your Company

- i) Indemnity: The Basics, Indemnity Types, Allocating Risk with Indemnities, and Words to Watch Out for in the Clause
- ii) Limitation of Liability Clauses
 - Overall Contract Limitations: How to Address Exclusions
 - Liquidated Damages vs. Penalties
 - Mutual Waiver of Consequential Damages
- iii) Insurance: Typical Insurance Programs, Limits of Insurance and Words to Watch Out for in the Clause
- iv) Maritime Risks: Types, Responsibility Allocation; What They are and Who bears the cost of indemnity?
 - Collision
 - Pollution
 - Rescue Operations and Fire Fighting – Standby Duty
 - Safety of Client's Personnel in Living Quarters of OSV
 - Salvage
- v) Warranties and Guarantees
 - Agreeing to the Standard of Performance
 - Term of the Warranty
 - Words and Phrases to Watch Out for in the Clause

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4. Interactive Workshop: Negotiating and Signing a C/P between AHTS Owner and the Charterer

Theme: Successful and unsuccessful call on deviations from the "Performance Criteria" –

Case notes from the real life events shall be presented for the participants to analyze and present their arguments in favour and against the actual judgments/awards with reasons.

References for Day – 2

- ❖ Sample C/P Forms
- ❖ Contracts Derived from Printed Terms & Conditions on Face and Reverse of C/P
- ❖ UN Convention on "Law of the Sea" (UNCLOS 1982)

DAY THREE: Module – 3: Interpretation of Each Clause in the C/P Form

This session will take the participants through each word and phrase of the clauses in the commonly used C/P Form known as "TOWCON" (Lump Sum).

1 Structure of the C/P Form

- ❖ Purpose of each clause
- ❖ Review appropriateness of the Clause in context
- ❖ Drawbacks if any, inherent in the clause
- ❖ When to edit and when not to edit
- ❖ History and experience with critical clauses

2. Interpretation Session

- ❖ Whose interpretation to accept
- ❖ Which interpretation is valid
- ❖ Lessons learned from Case law reports for critical clauses
- ❖ What makes the agreed clause in the C/P, a disputed clause afterwards?
- ❖ How to overcome language barriers in international C/P agreements??

3. New OSV Shipbuilding Contract Clauses:

- ❖ How to negotiate terms of Rigid Contracts of Shipbuilding Yards?
- ❖ How to safeguard against delay in delivery?
- ❖ How Minor Alterations/Missing Words Can Have Disastrous Effects?
- ❖ Change Order Management
- ❖ Potential Clauses for Termination due to change in economic environment

4. Five Other Clauses You Never Cared About But Should!

The Discussions Will Include Contract Clauses Regarding:

- ❖ Actual Clauses and Phrases Imposed by well-known Oil & Gas Majors, Contractors and Subcontractors in Asia
- ❖ What to do when you have no Choice: How to Mitigate the Effect of such Clauses and Phrases?
- ❖ Alternative Clauses/ Language: Finding the Middle Ground
- ❖ Learn Whether You Will Get What the Clause Seems to Say
- ❖ Documentation: Delivery is incomplete and can lead to breach of Contract without proper documentation.

5. Group Discussion on Case submitted by Participants

In this session, actual problems faced by the participants on their specific cases, will be discussed. This is a unique opportunity for the managers to seek clarifications and participate in brainstorming session without incurring high costs of advisory services.

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DAY FOUR: Module – 4: Post Fixture Challenges, Insurances and Liabilities

1. Mitigating Delays and Claims

- ❖ Interpretation of Clause where “Time is of Essence”
- ❖ Delay: Avoiding it and What you Can/Cannot do when it Happens
- ❖ Extensions of Time: When to Request Them
- ❖ Concurrent Delay: Who Takes the Blame and How Much? When consequential damages due to delays can be claimed under negligence?
- ❖ Preparation of Claims: Timeliness, Documentation, Causation and Pricing: How to Keep Your Claim from Being Denied?

2. Interactive Workshop: Application of C/P Terms

Theme: Defend the claims due to a delay, when the deadline for “NOR” has passed.

Case study notes of an Offshore Rig Charter and a Drilling project shall be provided for participants to argue their case in two teams, one representing the Claimants and second representing the Defendants.

3. Five Clauses That Will Protect You When Things Really Get Out Of Control

- i) Applicable Legal Regime: Differences in Laws, Protecting Yourself from Host Country's conflicting or discriminating Legal Terms
- ii) Force Majeure: Protecting Yourself from the Unexpected
- iii) Violations of Law: Protecting Yourself from Bribery and Corruption and Other Illegal Acts
- iv) Dispute Resolution by Litigation or Arbitration
 - Dispute Resolution Methods and Forums
 - Litigation, Arbitration and Other Techniques
 - The Importance of Venue and Governing Law: Where To Arbitrate and Under Whose Rules
 - Forum Shopping
 - Admiralty Courts
- v) Termination
 - When to Terminate: The Right Time and the Wrong Time
 - When You are the Terminator: How to Terminate
 - When You are the Party About to be Terminated: Avoiding Termination

4. Drafting Claims

- ❖ Guidelines for drafting routine claims and invoices
- ❖ Claims to be Contractually enforceable
- ❖ Substantiation of additional claims
- ❖ Claims for unexpected events
- ❖ Defending your claim



The Post Fixture Executives are the key for successful conclusion of the contracts as well as can be termed as prime source of disputes! How you could avoid negative perceptions?

5. Insurance Claims and Uncertainties

- ❖ Commonly Available Insurance Covers and Standard Clauses
- ❖ Which Insurance Cover will protect you when?
- ❖ Uncertainties in validity of claims
- ❖ Substantiation of Claims
- ❖ Claim against whose insurance policy Charterer or Shipowner?

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DAY FIVE: Module – 5: Dispute Resolution – Mediation, Litigation or Arbitration?

Interactive Workshop – 3: Most Commonly Observed Causes of Disputes

Theme: Contract Issue-Spotting for Offshore Services Sub-Contract

- a. Using the tips learned during the sessions, participants form teams to review draft contract clauses and spot unacceptable clauses, risky phrases, ambiguities and conflicting interpretations.
- b. Learn contract search techniques and how to use pocket guides to quickly identify dangerous words and phrases in contracts.

1. Arbitration Process

- ❖ Drafting and Interpreting Arbitration Clause
- ❖ Commencement of Arbitration
- ❖ Arbitration Proceedings
- ❖ Role of Parties and Counsels
- ❖ Enforcement of Arbitration Award

2. Dispute Management as an extension of the Project Management

This is a consultative session for participants, who would submit their case for deliberations and developing a dispute resolution management strategy.

3 Managing Costs of Arbitration

- ❖ Types of Costs and who pays first
- ❖ How the award for Costs is determined
- ❖ Which costs are non-recoverable
- ❖ Can the costs be fixed?
- ❖ What happens when costs exceeds the amount in dispute?

✎→ **Share your experiences with the practitioner and get answers to your burning questions of the daily life.**

References – 2

- ❖ Model Law on Arbitration
- ❖ UNCITRAL Arbitration Rules
- ❖ Malaysian Contracts Act 1950
- ❖ Malaysian Arbitration Act 2005
- ❖ Thai Arbitration Act B.E. 2545 (2002)
- ❖ TAI Rules
- ❖ CIETAC Rules 2005
- ❖ Singapore International Arbitration Act 2002, (NYC 1958) UN Convention on Enforcement of International Arbitration Awards
- ❖ Time Limitation Convention for Maritime Claims

Course registration begins at 8:30am on Day 1. The course will commence at 9am on both days. There will be breaks for mid-morning refreshments, lunch, and mid-afternoon refreshments. The course will end by 5pm on both days.

About your expert facilitator: Jayems Dhingra



Jayems Dhingra is the principal consultant, specialising in the marine, offshore and onshore oil & gas construction industry segments. Over a 33-year period, Jayems has worked and consulted among other industries; longest with heavy engineering & construction industries encompassing major oil and gas engineering construction yards and shipyards engaged in Offshore Modules fabrications & Ship Repairs in Asia and Europe.

In the recent past Jayems has been associated with development of a “Heavy Engineering Yard” from within a traditional Shipyard. He played a lead role in development of Project Management Systems, Marketing Plans, Supply Chain Management, Subcontractor administration, employee development and new products development related initiatives besides expansion to be a recognized FPS conversion yard and LNG Tankers repairs specialist yard.

Jayems also held positions of Managing Director, General Manager, Senior Manager with companies from construction industry (M & E segment), heavy engineering fabrications, manufacturing, and marine & offshore services, where he was responsible for projects related to works on Offshore Vessels refurbishment, FPSO Conversions, Gas Tanker Repairs, Process Modules engineering, Lateral Gas/Oil Pipelines’ and other construction related works. As a result of the wide exposure to complex and multiple mega projects, Jayems has developed special programs in managing geographically dispersed international projects.

Jayems graduated with a Bachelor’s degree in Electrical Engineering, MBA in General Management, Master of Technology in Knowledge Engineering and Master of Science in Maritime Studies. He holds professional qualifications in marine, including the Chief Engineer’s First Class Certificate of Competency.

Jayems is further qualified for appointment as Arbitrator and undertakes assignments of contract reviews, dispute resolutions and ADR matters. He is registered as Fellow, Singapore Institute of Arbitrators ‘Fellow’, Chartered Institute of Arbitrators, UK (‘FCI Arb’) and Member, Singapore Institute of Directors (M.S.I.D.).

About **petroEDGE**

The core competencies of professionals in the Oil & Gas industry are constantly evolving. To meet this ever growing gap, PetroEdge in-house training provide targeted up-to-date, practical and technically sound training solutions that enable engineers to be continuously relevant in industry.

To learn more about us, visit www.petroedgeasia.net

REGISTRATION FORM

Kuala Lumpur, Malaysia	Early Bird Price	✓	Normal Price	✓	
OSV Chartering and Contract Management with Essential Elements of Contract Law	S\$ 4500		S\$ 4700		TEAM DISCOUNTS PetroEdge recognises the value of leaning in teams. Group bookings at the same time from the same company receive the following: 3 or more at 5% off 5 or more at 7% off 8 of more at 10%
<p>petroEDGE On-site Solutions</p> <p>{ } Yes, I would like to organise this training on-site and save over 25% of total course fees!</p> <p>For further information about On-site Solutions, please +65 67419927 or email info@asiaedge.net</p>					

DELEGATE DETAILS

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Delegate 1: -----

Mr Mrs Ms Dr Other

Telephone: ----- Email: -----

Job Title: -----

Department: -----

Delegate 2: -----

Mr Mrs Ms Dr Other

Telephone: ----- Email: -----

Job Title: -----

Department: -----

Head of Department: -----

Company: -----

Address: -----

Country: -----

Postcode: -----

Attention Invoice to: -----

Telephone: -----

Fax: -----

Email: -----

4 Easy Ways to Register

Online: www.asiaedge.net

Email: info@asiaedge.net

Phone: (65) 67478737

Fax: (65) 67478737

Please note:

- indicate if you have already registered by Phone Fax Email Web
- if you have not received an acknowledgement before the training course, please call us to confirm your booking.
- photocopy this form to register multiple delegates.

Payment Methods

By Cheque/ Bank Draft: Make Payable to Asia Edge Pte. Ltd.

By Direct Transfer: Please quote AE1 with the remittance advise

Account Name: **Asia Edge Pte. Ltd.**

Bank Number: 508 Account Number: 762903-001 Swift Code: **OCBCSGSG**

All bank charges to be borne by payer. Please ensure that Asia Edge Pte Ltd receive the full invoiced amount.

PAYMENT POLICY: Payment is due in full at the time of registration. Full payment is mandatory for event attendance. I agree to Asia Edge Pte Ltd. payment terms

CANCELLATIONS & SUBSTITUTIONS: You may substitute delegates at any time. ASIA EDGE PTE LTD does not provide refunds for cancellations. For cancellations received in writing more than seven (7) days prior to the training course you will receive a 100% credit to be used at another ASIA EDGE PTE LTD training course for up to one year from the date of issuance. For cancellations received seven (7) days or less prior to an event (including day 7), no credits will be issued. In the event that ASIA EDGE PTE LTD cancels an event, delegate payments at the date of cancellation will be credited to a future ASIA EDGE PTE LTD event. This credit will be available for up to one year from the date of issuance. In the event that ASIA EDGE PTE LTD postpones an event, delegate payments at the postponement date will be credited towards the rescheduled date. If the delegate is unable to attend the rescheduled event, the delegate will

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ASIA EDGE PTE LTD is not responsible for any loss or damage as a result of a substitution, alteration or cancellation/postponement of an event. ASIA EDGE PTE LTD shall assume no liability whatsoever in the event this training course is cancelled, rescheduled or postponed due to a fortuitous event, Act of God, unforeseen occurrence or any other event that renders performance of this training course impracticable or impossible. For purposes of this clause, a fortuitous event shall include, but not be limited to: war, fire, labor strike, extreme weather or other emergency.

PROGRAM CHANGE POLICY: Please note that speakers and topics were confirmed at the time of publishing; however, circumstances beyond the control of the organizers may necessitate substitutions, alterations or cancellations of the speakers and/or topics. As such, ASIA EDGE PTE LTD reserves the right to alter or modify the advertised speakers and/or topics if necessary. Any substitutions or alterations will be updated on our web page as soon as possible.

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