

**A Guide
to
North Sea Shipping Operations**



**Consilience Energy Advisory
Group Limited**



Who Can Benefit from Reading the Guide?

The objective of this guide is to provide detailed procedures on Shipping Operations issues for personnel who are new to the oil industry or to the job of shipping operations. It is also useful for lawyers and finance personnel to understand the constraints with which operators have to comply. It explains shipping documentation, managing the operational aspects of a sale and purchase agreement and ensuring payment by the precise implementation of credit security provisions.

Contents

The guide is separated into three sections:

- *Shipping Documentation;*
- *Implementing and managing a sale and purchase contract, and,*
- *Credit Terms: Managing Documents to ensure payment.*

Each section is written as a stand-alone document and can be purchased separately for £100. All three sections can be purchased for a total price of £250. If all three sections are purchased, a case study of an operational problem will be included free of charge.

Training

On application, the guide can be delivered as a tailored training course or as one-on-one coaching by experienced CEAG personnel.



SECTION ONE: TABLE OF CONTENTS

The preparation of Shipping Documentation:

- Vessel
- Laycan, Loading Range or Date Range
- Grade or Quality
- Quantity
- Parcels
- Co-Loads
- Destination
- ETA (Estimated Time of Arrival)
- Inspector
- Agent
- Consignor / Consignee
- Other

Bills of Lading and Associated Documents

Endorsing Documents

The Importance of Accuracy

Example of Nomination / Documentation



SECTION TWO: TABLE OF CONTENTS

Contract Generation

Term Contracts

Spot Contracts

Processing the Contract

Agreeing Contract Amendments

Deeming of Pricing Dates

Contract Compliance

Key Contract Clauses:

- Pricing and Payment including credit provisions
- Shipping Requirements and Regulations
- Ship Inspection
- Ship Vetting
- Vessel Nomination
- Vessel Acceptance
- Requests for Substitution
- Outturn Losses
- ROB / OBQ (Remains On Board / On Board Quantity)
- Cargo Inspection and Documents
- Laytime and Demurrage

AN EXAMPLE OF A FORTIES CONTRACT



SECTION THREE: TABLE OF CONTENTS

Credit Terms

Irrevocable Documentary Letter of Credit (LC)

Stand-By Letter of Credit (LC)

Letters of Indemnity

Parent Company Guarantee

Open Credit with a Credit Limit

SECTION FOUR: CASE STUDY

An in-depth look at a typical operational problem with:

- An analysis of the questions raised;
- A discussion of where to find the answers; and,
- A suggested approach to finding a solution.

ORDER FORM



A Guide to North Sea Shipping Operations

SECTION	TITLE	NO.OF COPIES	PRICE (£)	AMOUNT (£)
ONE	The Preparation of Shipping Documentation		100.00	
TWO	Implementing and Managing a Sale and Purchase contract		100.00	
THREE	Credit Terms and Getting Paid		100.00	
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