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SAFETY MANAGEMENT MANUAL COMPANY POLICY <i>Reference: IMO Resolution A.741(18) as amended.</i>				F

HEALTH, SAFETY AND ENVIRONMENTAL POLICY

The scope of this Chapter is to set forth the Health, Safety and Environmental Protection Policy established by ELBANA DI NAVIGAZIONE SPA (hereinafter called the Company) as a mean to assure that its Management System conforms to the safety and environmental protection requirements of ISM Code and refer to all managed Vessels and Shore Offices.

The SMS Management System intends to comply with the requirements of International Safety Management (ISM) Code - Solas (IMO) Resolution A.741(18) as applicable to the Company's services.

The objective of the Company is to achieve zero accidents/incidents and zero pollution on board Ships. The Company aims to achieve these goals through continuous improvement.

In any case, as far as the ship operation is concerned, it is understood that the on-board Master who has the overriding authority, at all times, to make decisions, take actions and to act and give necessary orders for the safety of life, for the safety of the Ship and for the environment protection, even if they are in accordance or not with the procedure and instructions given by the Company and to request the company's assistance, as may be deemed necessary.

The Company, conscious and full aware of its responsibilities, pledges to follow its commitment to safety and environmental protection and establishes that all operations carried out by its personnel, both ashore and on board shall conform to the following:

1. COMPANY HEALTH AND SAFETY POLICY

It's Company's policy to conduct its business in a manner that protects the health and safety of employees, others involved in its operations, customers and the public.

Company strives to prevent all accidents, injuries, and occupational illnesses through the active participation of every employee.

Company is committed to continuous efforts to identify and eliminate or properly manage safety risks associated with its activities.

The Company provides that all on board and ashore operations, performed by its personnel, shall highlight the commitment /dedication so that the Company purposes are reached in accordance with the following priority order:

1. To avoid damages and accidents to people and life losses;
2. To avoid incident and pollution.
3. To protect the environment, and in particular the marine habitat;
4. To keep on at the maximum level the ship technical and operation efficiency;
5. To protect Crew Members and Ships from consequences of the illegal acts
6. To manage the Ships and handle the cargo in a safety and efficient way

THE COMPANY REQUIRES THAT IN THE EVENT OF CONFLICT AMONGST ECONOMIC OR COMMERCIAL REASONS AND THE ABOVE-MENTIONED POINTS, THE MASTER SHALL TO PROCEED GIVING PRIORITY TO THE LATTER POINTS AND IN ACCORDANCE WITH THE ABOVE SET OUT ORDER.

In order to reach the above-mentioned purposes, The Company will provide with the adequate resources and well trained personnel, by defining its organization, by identifying specific duties and responsibilities, by setting up training requirements and co-ordinating all activities in order:

- To ensure the safe ship operations and the environment protection comply with national, and international Laws, rule and regulations; To provide countermeasures against all identified risks;
- To constantly improve technical skill and the on board / ashore personnel operational efficiency;
- To keep on at the maximum level the managed Ship maintenance level;
- To be always ready, both on board and ashore, to face with emergency situations;

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- Where and how suitable for enforcing the industrial minimum standards;
- Design and maintain facilities, establish management systems, provide training and conduct operations in a manner that safeguards people and property;
- Respond quickly, effectively and with care to emergencies or accidents resulting from its operations and/or affecting its safe operations, in co-operation with industry organizations and authorized government agencies;
- Comply with all applicable laws and regulations, and apply responsible standards where laws and regulations do not exist or are not applicable;
- Conduct and support research to extend knowledge and awareness about the safety effects of its operations, and promptly apply significant findings and, as appropriate, share them with employees, contractors, and other personnel and/or organizations that might be affected;
- Undertake appropriate reviews and evaluations of its operations to measure progress and to foster compliance with this Policy.

The Company must inform all personnel about their particular duties and pretend their commitment in order to meet the above-mentioned purposes.

The Master also has the responsibility to immediately inform the Company about every accident or non-conformity that might jeopardize personnel and ship safety, or might cause environment pollution.

The real Policy Company application is regularly reviewed in order to ensure the provided purposes are met, and in addition, the procedures and instructions are adequate and efficacious.

2. COMPANY ENVIRONMENTAL POLICY

The Company, providing deep sea shipping for the transport of liquid and worldwide, is committed to consider environment protection in every action taken;

The Company is fully committed and feels its responsibility to drive up marine standards, encourage safer operational practices and fully respect the environment therefore has developed and implements an Environmental Policy Statement to direct its focal efforts on the three pillars of environmental protection as an integral part of its business: Regulatory Compliance, Pollution Prevention, Continual Improvement.

In view of this intent, the Company adopted a Management System which requires following targets to be met:

- comply with the applicable legal environmental requirements;
- strive to exceed all standards and objectives in every aspect of its activities related to environment protection;
- plan, develop and execute forward looking strategies and environmental plans to address environmental challenges;
- provide ships' commands and relevant office personnel with instructions and proper emergency plans with the aim of preventing or limiting pollution in case of accidents;
- provide adequate personnel and training to its employees to ensure that they have the tools and resources necessary to achieve environmental goals and demonstrate personal accountability for protecting the environment;

In order to reach the above-mentioned purposes, The Company will provide with the adequate resources and well trained personnel, by defining its organization, by identifying specific duties and responsibilities, by setting up training requirements and co-ordinating all activities. Cross Reference & Link Chapter 12.3 of this SMS Manual

3. COMPANY DRUG AND ALCOHOL POLICY

Drug and alcohol abuse and its adverse effects on safety is one of the most significant social problems of our time.

The Company in compliance to the National and International law, it prohibits on board of her Ships the use, the abuse and the sale of substance alcoholic of any kind and nature.

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Our health, safety and welfare can be seriously affected by consumption of alcohol and/or controlled drugs. The use, consumption, supply, possession, concealment, transportation, purchase, manufacture, promotion or sale of, or being under the influence of "Prohibited Substances" is forbidden.

The consumption of alcohol on board ship is forbidden, as is being sufficiently under the influence of alcohol so as to potentially compromise the safety of self or others.

This applies to all people who works, visit and/or perform services on vessels owned or managed by the Company.

A violation of this Policy by any individual of The Company is likely to result in the individual being summarily dismissed. A violation by third part personnel will result in the offending party or parties being removed from the vessel.

The Company is committed to promoting a safe and healthy and productive working environment for all employees The Company recognizes that drug and alcohol abuse may impair the personnel' ability to perform their duties.

The Company deems it important, therefore to establish that:

- ⇒ the possession, use, distribution or sale of alcohol and drug by employees is strictly prohibited and is grounds for immediate dismissal.
- ⇒ Personnel with alcohol or drug problems shall not permitted to perform duties which may be critical for the safety of the ship, health of the personnel and risk of pollution.
- ⇒ **Being unfit for work** because of drugs or alcohol abuse is strictly prohibited and is ground for **immediate dismissal**.
- ⇒ **Personnel found under alcohol or drug problems shall be immediately prohibited to perform any duty on board** in order to prevent any harm to the vessel and their crew, to prevent pollution and cause harm to himself.
- ⇒ **A positive test result or refusal to submit** to the drug and alcohol test are grounds for **disciplinary action including immediate dismissal**.
- ⇒ Pilots, office personnel, guests, passengers, crew relatives, contractors, vendors, and any other persons, shall be required to comply with the policy restrictions concerning use, possession, distribution and sale of alcohol and drugs and provisions regarding searches. Those who violate the policy shall be sent away from the vessel and may denied future access.
- ⇒ In compliance with the Company Rules regarding Alcohol policy on board all vessels must be **"DRY VESSELS"**

The Company's "Drug and alcohol policy" complies with the OCIMF "Guidelines for the control of Drug and Alcohol on board ships". Cross Reference & Link Chapter 12.8 of this SMS Manual.

4. COMPANY SMOKING POLICY (Cross Reference & Link Chapter 12.8.23 of this SMS MANUAL).

Smoking is known to present significant risks on board ships and therefore requires careful management.

Our health, safety and welfare can be seriously affected by the tobacco smoking. Employers have a general duty to provide a working environment for all employees that is, so far as is reasonably practicable, safe and without risks to health. This includes protecting all employees, contractors and visitors, from the harmful effects of passive smoking.

The Company encourages all personnel to promote a "No Smoking" culture and continues to offer information to help quit smoking.

In line with industry best practice the following shall apply:

SHORE OFFICE, SMOKING IS NOT PERMITTED

- Within any enclosed company premises including company office.

ONBOARD SHIP, SMOKING IS NOT PERMITTED

- Inside the vessel's accommodation, this includes the Bridge, Messrom area and all cabins. However, Vessel Masters shall designate a specific room or an area on the Vessel where smoking is permitted.
- Outside the accommodation.

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The Criteria of designated smoking area are:

- ✦ Smoking places should be confined to locations within the accommodation.
- ✦ Smoking places must not have doors or ports that open directly on to open decks.
- ✦ Account should be taken of conditions that may suggest danger, such as an indication of unusually high petroleum gas concentrations, particularly in the absence of wind, and when there are operations on adjacent tankers or on the jetty berth.

In the designated smoking places, all ports should be kept closed and doors into passageways should be kept closed except when in use.

When the Vessel is in port the designated smoking, areas should be agreed between the responsible officer and the Terminal Representative before operations start. The responsible officer should ensure that all persons on board the tanker are informed of the selected places for smoking and that suitable notices, in addition to the tanker's permanent notices, are posted.

Certain criteria should be met in the selection of smoking places whenever petroleum cargoes are being handled or when ballasting into non-gas free cargo tanks, purging with inert gas, gas freeing or tank cleaning operations are taking place.

While the tanker is moored at the terminal, even when no operations are in progress, smoking can only be permitted in designated smoking places or, after there has been prior agreement in writing between the Responsible Officer and the Terminal Representative, in any other closed accommodation.

When stern loading/discharge connections are being used, particular care must be taken to ensure that no smoking is allowed in any accommodation or space, the door or ports of which open onto the deck where the stern loading/discharge manifold is located.

Safety matches must be provided in approved smoking locations. All matches used on board tankers MUST be of the safety type. Matches should not be carried on the tank deck or in any other place where petroleum gas may be encountered. The restrictions of the use of 'E-cigarettes' MUST be the same as for normal cigarettes.

The use of all mechanical lighters and portable lighters with electrical ignition sources should be prohibited on-board tankers. Disposable lighters present a significant risk as an uncontrolled ignition source. The unprotected nature of their spark producing mechanism allows them to be easily activated accidentally.

The carriage of matches and lighters through terminals should be prohibited. Severe penalties may be levied under local regulations for non-compliance.

Master, or his delegate, must teach the Crew about the dedicated instruction that specifies the smoking on board and that is part of the Company Management System.

All crew member must be always alerted for this issuing, reporting any eventual discrepancy to the O.O.W.

Any infringement of the above should be reported to the DPA. Disciplinary Procedures will be followed if there is noncompliance from any employee. Non-compliance by Contractors personnel, Visitors or Technician is likely to result in removal from the Vessel.

The Company Policy is approved and authorized by the Managing Director. The Policy shall be put into practice, preserved and delivered to all Company's personnel, including those working on behalf of the Company, shall be placed in prominent locations in both Shore Offices and Vessels.

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