

**AGREEMENT GOVERNING THE DELEGATION OF STATUTORY CERTIFICATION
SERVICES FOR VESSELS REGISTERED IN THE REPUBLIC OF AZERBAIJAN**
between
STATE MARITIME ADMINISTRATION OF THE REPUBLIC OF AZERBAIJAN
and
TURK LOYDU VAKFI

This Agreement pursuant to the GOVERNMENT OF THE REPUBLIC OF AZERBAIJAN, and in compliance with the "Guidelines for the authorization of organizations acting on behalf of the Administration", Assembly Resolution A.739(18) and the Annexes thereto, is between STATE MARITIME ADMINISTRATION OF THE REPUBLIC OF AZERBAIJAN, hereinafter referred to as "the Administration" and TURK LOYDU VAKFI hereinafter referred to as "TL" with respect to the performance of marine statutory surveys and issuance of relevant certificates.

1. Purpose

- 1.1 The purpose of this Agreement is to delegate authority to perform statutory certification services and to define the scope, terms, conditions and requirements of that delegation.

2. General Conditions

- 2.1 Statutory certification services comprise the assessment of THE REPUBLIC OF AZERBAIJAN registered vessels in order to determine the compliance of such vessels with the applicable requirements of the international conventions, codes and national requirements (hereinafter referred to as "applicable instruments") and the issue of relevant certificates as set out in appendix 1 hereto. Additionally, in case of ISM CODE and/or ISPS CODE certification TL is authorized to perform such duties also on ships classed by another Recognized Organization (RO) if the ship owner so desires.
- 2.2 In so far as the certification services covered by this Agreement are concerned, TL agrees to co-operate with port State control officers to facilitate the rectification of reported deficiencies on behalf of the Administration when so requested, and report to the Administration.
- 2.3 Statutory services rendered and statutory certificates issued by TL will be accepted as services rendered by or certificates issued by the Administration provided that TL maintains compliance with the provisions of Appendix 1 of the Annex to Assembly resolution A.739(18).
- 2.4 Authorizations for services outside the scope of Appendix 1 to this Agreement will be dealt with as mutually agreed on a case-by-case basis.
- 2.5 TL shall endeavor to avoid undertaking activities which may result in a conflict of interest.

3. Interpretations, Equivalents and Exemptions

- 3.1 While interpretations of the applicable instruments, as well as the determination of equivalents or the acceptance of substitutes to the requirements of the applicable instruments are the prerogative of the Administration, TL may interpret the technical requirements of the international instruments and accept equivalents within the limits of those instruments and in accordance with their technical standard.
- 3.2 Exemptions from the requirements of the applicable instruments are the prerogative of the Administration and must be approved by the Administration prior to issuance.
- 3.3 In instances where, temporarily, the requirements of an applicable instrument cannot be met under particular circumstances, the TL surveyor will specify such measures or supplementary equipment as may be available to permit the vessel to proceed to a suitable port where permanent repairs or rectifications can be effected or replacement equipment fitted.

4. Information and Liaison

- 4.1 TL will report to the Administration such information at such frequency as agreed between TL and the Administration, as delineated in Appendix 2 to this agreement.
- 4.2 The Administration shall be granted access to all plans and documents including reports on surveys on the basis of which certificates are issued or endorsed by TL.
- 4.3 The Administration will provide TL with all necessary documentation for the purpose of TL's provision of statutory certification services without any cost. TL in return, will provide all necessary documentation related to his rules and regulations.

In case of a ship class entry to TL, which was previously classed by another RO, TL will ascertain that all information about survey status and recommendations including structural and navigational restrictions of the previous RO are provided and adhere and control them. Recommendations given by the previous RO, will be monitored by TL within the time limitations of the previous RO. This process will be completed before class entry of a non-classed ship or change of class, and all relevant information will be presented to the Administration. In case of change of class to a new RO from TL, TL shall provide the same information to the new RO.

- 4.4 TL and the Administration, recognizing the importance of technical liaison, agree to cooperate toward this end and maintain an effective dialogue.
- 4.5 Regulations, rules, instructions and report forms shall be written in English or Turkish/English language.

5. Supervision

- 5.1 The Administration will be given the opportunity to satisfy itself that TL's quality system continues to comply with the requirements of Appendix 1 of the Annex to Assembly resolution A.739(18).
- 5.2 The Administration may choose to recognize audits performed on TL by an independent audit group effectively representing the interests of the Administration or IMO.
- 5.3 Administration has the right to conduct unscheduled Audits on TL classed ships and TL shall obtain necessary assistance in this respect.

6. Other Conditions

6.1 Remuneration

Remuneration for statutory certification services carried out by TL on behalf of the Administration will be charged by TL directly to the party requesting such services.

6.2 Confidentiality

In so far as activities related to this Agreement are concerned, both TL and the Administration shall be bound by confidentiality provisions to be agreed between them.

6.3 Surveyors

Normally, surveys shall be carried out by surveyors working exclusively for TL. TL may use exclusive surveyors of another organization with which TL has a bilateral agreement provided that the other organization is recognized by the Administration. However, TL may use non-exclusive surveyors provided such surveyors and all services and functions performed by such personnel relevant to this agreement, are subject to the quality assurance system of the TL. These provisions apply to subcontractors and to all other suppliers of support services being relevant to statutory survey and certification.

6.4 Amendments

Amendments to this Agreement and appendixes will become effective only after consultation and written agreement between the Administration and TL.

6.5 Governing Law and settlement of Disputes

- 6.5.1 The Agreement shall be governed by and construed in accordance with AZERBAYCAN law. Any dispute arising in connection with this Agreement which cannot be settled by private negotiations between the parties shall be settled finally by arbitration in accordance with AZERBAYCAN law.

6.5.2 In the performance of statutory certification services hereunder, TL, its officers, employees and other acting on its behalf are entitled to all the protection of law and the same defenses and/or counterclaims as would be available to the Administration and its own staff surveyors or employees if the latter had conducted the statutory certification services in question.

6.6 Liability

6.6.1 In the context of this Agreement, if a liability is finally and definitively imposed on the State of the Administration for loss or damage which is proved in a court of law to have been caused by any negligent act or omission by TL, its officers, employees or others who act on behalf of TL under this Agreement, the Administration is entitled to seek from TL compensation up to but not exceeding the amount of financial liability as defined in the standard terms and conditions of TL.

6.6.2 While acting for the Administration under this Agreement TL shall be free to create contracts direct with its clients and such contracts may contain TL's normal contractual conditions for limiting its legal liability.

6.7 Termination

6.7.1 If this Agreement is breached by one of the parties, the other party will notify the violating party of its breach in writing to allow the notified party the opportunity to remedy the breach within 60 days, failing which the notifying party has the right to terminate the Agreement immediately.

6.7.2 This Agreement may be terminated by either party by giving the other party 6 months written notice.

7 This Agreement commences on _____

IN WITNESS WHEREOF the undersigned, duly authorized by the parties, have on the 15 MAY 2008 in the city of Baku (Fifteen May Two Thousand Eight) signed this Agreement in two originals, in Azerbaijani and English languages, each version being equally authentic.

In case of any divergence of interpretation, the English text shall prevail.



For STATE MARITIME ADMINISTRATION
OF THE REPUBLIC OF AZERBAIJAN



For TURK LOYDU VAKFI



Appendix 1

To the AGREEMENT GOVERNING THE DELEGATION OF STATUTORY CERTIFICATION SERVICES FOR VESSELS REGISTERED IN OF THE REPUBLIC OF AZERBAIJAN

between

**STATE MARITIME ADMINISTRATION OF THE REPUBLIC OF AZERBAIJAN and
TURK LOYDU VAKFI Dated 15 May 2008 with effect from _____ covering the:**

APPLICABLE INSTRUMENTS and DEGREE OF AUTHORIZATION

1. TL is hereby authorized as listed below to carry out statutory certification services on behalf of the Administration with respect to vessels and mobile offshore units, registered in AZERBAIJAN.

The following three types of authorizations apply as noted:

F: Full authorization to perform plan review, carry out surveys and issue and/or revoke necessary interim and full term certificates.

P: Partial Authorization to perform plan review, carry out surveys and possible issue of interim certificates.
(Specific guidance to be provided by the Administration and full term Certificate is to be issued by the Administration).

L: Limited Authorization to account for other special categories not covered by the above, such as case-by-case authorization or geographical limitations.

2. The scope of authorization for statutory surveys and certification regarding the applicable instruments are listed in Table-1

3. Surveys and Certification

- 3.1 TL is authorized to perform statutory surveys and issue certificates required by conventions and other instruments listed in Table-1. This process will be performed in accordance to applicable parts of IMO Resolution A 746 (18) related to harmonized survey and

certification system and IMO Resolution A 789 (19) related to survey and certification functions of RO acting on behalf of Administration.

4. Corrective Actions

- 4.1 Where the general condition of a ship or its equipment in important respect does not correspond substantially with the particulars of any of the certificates issued by TL, or of its condition is found to be such that, in the opinion of TL, the ship is not fit to proceed to sea without danger to the ships, persons on board or presenting an unreasonable threat of harm to the environment, and if corrective action is not taken to the satisfaction of TL, than TL shall take necessary actions to withhold or withdraw the relevant certificates and notify the Administration.
- 4.2 In case of withdrawal of a certificate, TL shall give a letter to the Master of the vessel stating that the certificate is withdrawn from the date of signature of the letter, and request that the certificate in question be surrendered.
- 4.3 A copy of the letter shall be sent by the most expedient means to the Administration.
- 4.4 If the ship is in other foreign state port, TL is responsible to send that report to Port Authority too.

5. Withdrawal of Certificates

- 5.1 TL is authorized and responsible to issue or withdraw the relevant certificates when fully authorized.
- 5.2 If the corrective actions specified in item 4 above, are not performed in time the relevant certificates shall be considered as invalid.
- 5.3 In case of withdrawal of any certificate, the Master should be informed in writing that the relevant certificate is not valid from the moment the message is handed and should be requested to submit the certificates.
- 5.4 One copy of the message mentioned in 5.3 should be sent to Administration at once, and if the vessel is in the port of another State, the Port State Authorities should be informed too.

Appendix 2

To the AGREEMENT GOVERNING THE DELEGATION OF STATUTORY CERTIFICATION SERVICES FOR VESSELS REGISTERED IN OF THE REPUBLIC OF AZERBAIJAN

between

**STATE MARITIME ADMINISTRATION OF THE REPUBLIC OF AZERBAIJAN and
TURK LOYDU VAKFI Dated 15 May 2008 with effect from _____ covering the:**

REPORTING TO THE ADMINISTRATION

TL agrees to report to the Administration information pertaining to services performed pursuant to this agreement as follows:

1. Reporting in the case of general authorization

TL will inform the Administration about the activities within the scope of authorization continuously.

As soon as initial survey or audits of a vessel completed successfully by TL, TL should inform the Administration by a message that the vessel meet the relevant requirements and this is documented by relevant survey reports and controlled by TL Head Office.

Table – 1

**TO THE AGREEMENT 15 MAY 2008 GOVERNING THE DELEGATION OF
STATUTORY CERTIFICATION SERVICES FOR THE VESSELS REGISTERED
IN THE REPUBLIC OF AZERBAIJAN**

between

STATE MARITIME ADMINISTRATION OF THE REPUBLIC OF AZERBAIJAN

and

TURK LOYDU VAKFI

Applicable Instruments and Degree of Authorization

TURK LOYDU is hereby authorized as listed below to carry out statutory certification services on behalf of STATE MARITIME ADMINISTRATION OF THE REPUBLIC OF AZERBAIJAN; with respect to vessels registered in the REPUBLIC OF AZERBAIJAN.

INSTRUMENT / CERTIFICATE		AUTHORIZATION*					
		(see below key)					
		IS/A	RS/ A	INS/ A	PS/A	AS/ A	AP
1.	SOLAS Convention 74 as amended						
1.1	Passenger Ship Safety Certificate	F	F				
1.2	Cargo Ship Safety Construction Certificate	F	F	F		F	
1.3	Cargo Ship Safety Equipment Certificate	F	F		F	F	
1.4	Cargo Ship Safety Radio Certificate	F	F		F		
1.5	International Certificate for the Carriage of Dangerous Chemicals in Bulk	F	F	F		F	
1.6	International Certificate for the Carriage of Liquefied Gases in Bulk	F	F	F		F	
1.7	Certificate for the Carriage of Grain	F					F
1.8	Document of Compliance with the Special Requirements for Ships Carrying Dangerous Goods	F	F			F	
1.9	Document of Compliance according to the ISM Code	L	L			L	
1.10	Safety Management Certificate according to the ISM Code	L	L	L			
1.11	Ship Security Plan/Certificate according to ISPS Code	L	L	L		L	L
1.12	Safety Certificate for High Speed Craft according to the HSC Code	F	F			F	
1.13	Safety Certificate for Dynamically Supported Craft according to the DSC Code	F	F			F	
1.14	Search and Rescue Co-operation Plan						F
1.15	Cargo Securing Manual						F

1.16	Stability Sheets						F
1.17	Issuing Exemption Certificate						P
2.	Load Line Convention 1966						
2.1	International Load Line Certificate	F	F			F	
3.	Tonnage Convention 1969						
3.1	International Tonnage Certificate	F					F
3.2	Tonnage Calculation						F
4.	MARPOL 1973 / Protocol 1978 and Amendments						
4.1	International Oil Pollution Prevention Certificate (Annex I)	F	F	F		F	
4.2	International Pollution Prevention Certificate for the Carriage of Noxious Liquid Substances in Bulk (NLS) (Annex II)	F	F	F		F	
4.3	Certificate for the Carriage of Dangerous Chemicals in Bulk according to the BCH Code	F	F	F		F	
4.4	International Sewage Pollution Prevention Certificate (Annex IV)	F	F				
4.5	Shipboard Oil Pollution Emergency Plan						F
4.6	Garbage Management Plan (Annex V)						F
4.7	International Air Pollution Prevention Certificate (Annex VI)	F		F	F	F	
4.8	Issuing Exemption Certificate						P
5.	COLREG Convention 1972						
5.1	Plans						F
6.	STCW 1995 Convention						
6.1	Certificate of Compliance with the requirements of STCW relevant to ships not yet subject to the ISM Code						L
7.	Other IMO Codes						
7.1	Certificate for Carriage of Liquefied Gases in Bulk, according to the Code for Ships Carrying Liquefied Gases in Bulk, for ships delivered on or before 31 October 1976	F	F	F		F	
7.2	Certificate for Carriage of Liquefied Gases in Bulk, according to the GC Code for ships built after 31 October 1976 but before 1 July 1986	F	F	F		F	
7.3	Document of Compliance with the Code of Safe Practice for Solid Bulk Cargoes	F	F	F		F	
7.4	Document of Compliance with the Code of Safe Practice for Cargo Stowage and Securing	F	F	F		F	
7.5	Document of Compliance with the Code of Safe Practice for Ship Carrying Timber Deck Cargoes	F	F	F		F	
7.6	Special Purpose Ship Safety Certificate according to Resolution A.534(13)	F	F	F		F	
7.7	Safety Certificate for Mobile Offshore Drilling	F	F	F		F	

	Units according to resolution A.414(XI) or resolution A.649(16)						
8.	ILO Conventions						
8.1	Crew accommodations (92,153)						
8.2	Cargo Gear (152)						
8.3	Minimum standarts in merchant ships (147)						
9.	Other Authorizations						
9.1	Type Approval of Life Saving Equipment according to LSA Code						F
9.2	Certification of Existing Life Saving Equipment according to LSA Code						F

IS/A : Initial Survey / Audit

RS/A : Renewal Survey / Audit

INS/A :Intermediate Survey / Audit

PS/A : Periodical Survey / Audit

AS/A : Annual Survey / Audit

AP : Approval

ADDENDUM 1

to the

**AGREEMENT GOVERNING THE DELEGATION OF STATUTORY
CERTIFICATION SERVICES FOR VESSELS REGISTERED IN THE REPUBLIC
OF AZERBAIJAN**

between

STATE MARITIME ADMINISTRATION OF THE REPUBLIC OF AZERBAIJAN

and

TURK LOYDU

GENERAL

This Addendum is an integral part of the above-mentioned Agreement dated 15 MAY 2008.

DEFINITION

This addendum is prepared in order to clarify the scope of application of the clause 6.3

REVISIONS


Clause 6.3 should be amended as follows:

“6.3 Surveyors

Surveys and audits that have to be performed for statutory certification and services must be carried out by exclusive surveyors and auditors, being solely employed by Turk Loydu. Turk Loydu may subcontract radio surveys to non-exclusive surveyors in accordance with the relevant provisions of resolution A.789(19)”.

In witness whereof, the Parties hereto signed this ADDENDUM 1 in two original counterparts by their duly authorized representatives as of 05 November 2014 Each Party acknowledges having received one original copy.

For **STATE MARITIME ADMINISTRATION
OF THE REPUBLIC OF AZERBAIJAN**



[Handwritten signature]

For

TURK LOYDU

