

Navigating Ahead



MASTERMIND SHIPMANAGEMENT LTD

Navigating Ahead

15 April 2011



MASTERMIND TEAM

Back row: Marios Antoniou, Witek Sobisz, Antonis Ioannou, Andreas Potamitis, Capt. Adami, Zeljko Ivovic

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Letter from the MD

Dear Seafarers, Employees and friends,

The first quarter of 2011 started slow with the usual delays due to weather and many new buildings delivered from the shipyards. But all our Mastermind vessels have had full cargo holds at all times.

On the 11th of March we were all shocked by the sad news of the magnitude 9.0 seaquake setting off the devastating tsunami which hit the northeast coast of Japan swallowing swaths of coastal territory and fanned out across the Pacific Ocean, threatening everything in its path. More than 27,000 people in Japan have lost their lives or gone missing. Our thoughts are with our Japanese friends, their families and the entire great nation who is suffering so much from the aftermath of the tragedy, while the earth is still shaking since the aftershocks are still continuing.

The world economy has responded reasonably well while keeping the currencies and stock markets steady while billions of YEN and USD as well as stocks have changed hands after the news from Japan. The shipping industry is ready to take its share in the reconstruction of Japan's north east costal area. Ship-owners with sound technical expertise will be able to handle the radioactive threats and assist in the

necessary transportation of goods to those in need.

Here in Mastermind we have gone from strength to strength and presently employ a team of 12 friendly shipping experts, which are all at your fullest disposal on a 24/7/365 base.

Together with our key employees I have visited our main customers: Fednav International, Maestro Shipping, Oceania Pacific, Onego Shipping, Pool Carriers, Seaboard Marine and United Bulk Carriers during the last few weeks in order to introduce them to our new organisation. I am very proud to report that we have received overwhelming support from all of them. Our banks in Germany and Cyprus are also very supportive and have offered us all their assistance and expertise. We have been praised for having met all our loan and interest payments from delivery until today. According to our banks we belong to an exclusive club of only a few companies who have performed all obligations during these difficult times after the "Lehmann Shock". We all have to work now very hard and diligent in order to continue delivering the good services our customers and banks expect from us.

During the Digital Ship Cyprus 2011 conference Mastermind signed a groundbreaking contract worth USD 900,000 with

KVH Industries Inc. <http://www.kvh.com/> together with our valuable IT consultant Tototheo Group

<http://tototheo.com/> for the supply of 12 TracPhone V7 terminals type as well as the airtime. This contract was concluded after the successful testing of this V-Sat terminal and service on board of our ONEGO BURAN under the great support from our communication partner Dualog

<http://www.dualog.com/> and our MSM IT specialist Mrs. Elena Constantinou. I want to thank all of you including Capt. Bernasol for having done such a great job which will very soon result in bringing the internet on board of all our MSM vessels.

I would like to conclude my address with best wishes to all of you on board, at home and ashore. We all are ONE UNIT; The Crew on board, in the office at our agencies and partners together with the management. Jointly we shall "Navigate Ahead" into a bright future.

Best Regards,

Capt. E-H Adami



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MSM Don - Passing Piracy Area



Two days prior vessel leaving the shipyard in Shidao on the 21st of January myself and crew arrived o/b to bring our lady to Europe through the dangerous piracy areas. While passing Taiwan Strait we prepared for safe journey. Crew meetings, including continuous ISPS briefings and trainings were conducted regularly during passage through Suez Canal and I ordered to keep the vessel locked at all times with access to accommodations to be available once daily. Fire hoses were fixed around main deck and valves open to be ready in case of attack. For CITADEL we prepared one void space in tunnel where dry provisions, fresh water, first aid kit, drum toilet, oxygen was placed together with a set of tools. Crew took EPIRB, SART and GMDSS radios from the bridge and we established antipiracy watches. Daily reports from the Antipiracy Centre in Kuala Lumpur were received daily. We safely passed South China Sea, Singapore and Malacca Strait. When we arrived at Colombo anchorage for bunkering, there were already 10 accidents previous week. On the 13th February our Security Team (3 officers) from Drum-Cussac/London arrived on board. Together with crew the safest route for passage was established, since piracy activity were reported SW of Minicoy Island, in south Arabian Sea, in north Arabian Sea, others in Gulf of Aden and Bab El Mandeb Strait, we decided to go alongside eastern

India Coast, then west and later SW to join Gulf of Aden IRTC. Thus we started our preparations for passage with the help of Mr. Clark, Mr. Stoke and Mr. Rafferty (Security Team.) We fenced the whole vessel with razor wires. All stairs on accommodation, gantry crane, funnel and poop deck fenced in as well. All windows in cabins, including the bridge, were blinded and all small indicated lights covered and painted brown. The cabins windows were protected from outside using welded steel bars to block access. Evacuating routes to FFB and rescue boat fenced in separately to have access to boats from boat deck and Master's deck only. Additionally two new crew members posted for their duties on deck – our dummies looked like real seamen! C/Eng had to keep Aux generator running in case increased speed and evasive maneuvers were to be required. SSA tested and 2/O was nominated to press secondary SSA button in case of emergency. LOCK DOWN policy was ordered and we started our adventure. With navigational lights and AIS off, and with three men on the bridge (one from Security Team), we started like a floating fortress to move NW on 15th February late evening. All GMDSS equipment was ready to transmit alert

and I had ready message on Inmarsat C to Antipiracy Centre hotline, Kuala Lumpur. Our Security Team reported posrep every 4 hrs to Drum-Cussac operational center. I sent position reports twice daily to Maritime Security Centre, Africa and to UK Maritime Trade Organisation, Dubai. I was in daily contact with MSM CSO Mr Marios Antoniou during the whole passage and luckily on the 25th February we were in the clear. During our passage about 20 armed robberies, piracy attacks and hijackings of vessels were reported. Two attacks reported on our route but fortunately they were behind us. The cooperation with the Security Team was excellent and their excellent and professional behavior was highly appreciated.

Recommendations for next passage to be done prior leaving the shipyard:

Razor wire – 1200 mtrs to be supplied

Cabins windows – nontransparent shades

12 pcs of Extension pipes 120 cm long

Full set of welding equipment to be on board

I hope that my impressions/ observations will help the next crew passing piracy areas.

Yours Faithfully

Capt. Stanislaw Zych

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Greetings from M/V UBC Stockholm

Captain Palmero and crew sends their regards to all colleagues both onboard and ashore with these pictures. The below photo was taken in November 2010 upon the delivery of the vessel.



In the port of Buenaventura, Colombia a Thanks giving mass was held on the 6th January 2011. All in favour of safety for crew, vessel , cargo and continuous success for MSM!

Our nice lady m/v UBC Stockholm was spotted transiting Miraflores lock direction Cristobal, Panama. The photo was posted on the internet on Marinetrain.com.

On the 24th March UBC Stockholm changed name to "Maestro Eagle" and is currently sailing under Maestro Shipping S.A. timecharter.



Greetings from M/V Alsterdiep



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M/V Opal Advance - Built to ship super cargoes

On her first year of service to present, she proved that she can carry various cargoes like bulk, logs, containers, steel structures and heavy lifts. Among the cargoes she loaded on previous voyages in past 2 years there are THREE SUPER CARGOES have been loaded known as the most special cargoes she transported at sea; PONTOONS, THICKENERS & MOORING MASTERS.



After loading of steel structures in various ports in China, MV Opal Advance was called in Vung-tao Vietnam to load 4 PONTOONS weighing a total of 602MT (1pc 122 MT, 1pc 150 MT and 2 pcs. 165 MT) to be discharged in Dampier, Australia. On arrival to Vietnam evening of July 18, 2010 we drop anchor on the location advised by the agent, at that time Master Alexander Platonov, C/O Aleksander Stolecki and deck crew was preparing the big lift to be done the next day on morning time.



19th of July at 0800hrs, crew are ready to load these massive cargoes on deck, crane operator's BSN Consigo Carlito and A/B

Mark Oliver Pe also on standby in crane no.2 & 3 when a barge came alongside on the portside of the vessel together with the PONTOONS to be loaded. All crew including charterer representative Mr. Alex Wan and stevedores felt so pleased when the first lift was successfully loaded on deck, after two days 4 PONTOONS was successfully loaded.



21st of July all cargoes has been secured and we start sailing to Australia. After 7 days we arrived at Dampier and start discharging these massive cargoes. A few days later after we discharge and load cargo in various ports in Australia, on our way back to China to discharge bulk cargo we got a call for our next voyage to load THICKENERS in Ningbo, China. At first we have know idea what this cargo looks like, until they send us the picture of the said THICKENER which she will be loading.

25th of September we arrived at Ningbo, our last loading port in China. THICKENERS which will be loaded are already prepared for loading. At first we thought loading these big pieces of mining structures



is easy but it wasn't as easy as we thought. It takes hours to load a single piece of the THICKENER, preparing for the spreader and slings designed for it already consumed lot of time. What make this cargo special and different from other lifts she made in previous cargoes are the dimensions which almost use all space of hold no.3 containing 2 pieces only. Dunnaging of the cargo is also a little challenging; dunnage must be equally elevated so that all stand of the thickener perfectly sits to avoid any damage when she experience rolling while at sea. At 0300HRS, first lift of this big peace of thickener begins.

While crane driver BSN Carlito Consigo slowly heave up Master Piotr Rusinek also in command and all deck and engine crew are on standby inside the hold to stabilize the thickener so it will not damage the hold. After 2 days all thickeners



have been put in place inside hold no. 2 & 3, lashing chains has been connected and stoppers are welded to secure the cargo. Once again another successful loading has been accomplished and discharged successfully in Cape Preston Australia, because of her good performance in handling special cargoes she was called again to load another batch of thickener to be discharged at the same port. Beginning month of this year she proves again that she can transport full size cargoes like MOORING MASTERS (which will be use for the extension of Dampier bulk wharf), e-house and other heavy steel structures for big projects in

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Western Australia. Even in extreme weather conditions like heavy rolling, strong winds and



cyclone came across during this voyage, she still manage to deliver her cargoes undamaged.

The key of all these successful voyages she pass through, was having a good, competent and experienced crew on board and also a well maintained vessel to ship all these type of cargoes. We look forward in the future that our vessel will still continue to transport these kinds of cargo.

Also in our part as seafarers on the vessel; loading, transporting and discharging these extra ordinary cargoes also make us crew a better person on board. Despite working in extreme heat of the day, transporting these cargoes in calm and rough seas, we as crewmembers of vessel MV OPAL ADVANCE developed skills, manage to work as a team, develop good camaraderie and always prepared to NAVIGATE AHEAD!!!



“Maritime Cyprus 2011” Conference

This year’s “Maritime Cyprus” will be held between 2-5 October 2011 in Limassol.

The “Maritime Cyprus” Organising Committee is currently finalizing the programme for the Conference and the organizational arrangements for the Social Opening Event that will take place on the 2nd October.

The Conference in Limassol will be focusing on the important piracy issue that the shipping industry is

currently facing.

The Department of Merchant Shipping has also announced the attendance of The President of the Republic of Cyprus, Mr Demetris Christofias at the Conference.



DON'T MISS IT!

MSM VOLUNTARY PERFORMANCE BONUS POLICY

Introduction to the Voluntary Performance Bonus Policy (VPBS)

MSM has implemented a Voluntary Performance Bonus Scheme (VPBS) applicable to all our valuable seafarers. The VPBS is intended to reward seafarers, who have performed best seamanship, engineering and good housekeeping during their contract. A good performing vessel will yield also good results to the owner. Seafarers working extraordinary hard will directly benefit through our VPBS.

The Policy

MSM acknowledges the fact that an extraordinary well performing crew contributes to a better financial performance of the vessel itself. The VPBS shall give incentive and motivation for the crew to 'walk the extra mile'.

MSM will closely monitor the condition and performance of the vessel. The Tech and Crew departments will regularly update our condition database. This database will contain all

good and also poor or bad performances. The Accounts and OPS departments will follow closely the commercial aspects of all voyages. During the vacation of the seafarer MSM will objectively evaluate and appraise the individual performance of the seafarer based on the above mentioned available information. The appraisal will translate to a USD amount and shall be credited to the seafarer's payroll upon signing any new employment contract and any additional signing with any Mastermind Group vessel.

Since the amounts are discretionary and linked to the performance of the crew and the vessel, the actual pay-out will differ from time to time. A more detailed table with a maximum monthly pay will be provided to you.

Example: A Master with good performance signing on, who previously served a 9 months contract, can be awarded with \$ 3,600.00.

His brought forward balance on his payroll shall be $9 \times 400 = \$3,600$.

Qualifying Criteria

1. Voyage planning and fuel consumption
2. Results from the MSM Energy Saving Program
3. Good housekeeping and thoughtful ordering of spares and stores
4. Good seamanship in ports and at sea (theft, cargo claims etc.)
5. Charterers satisfaction
6. Class and Port State Control inspections
7. Condition of the vessel and machinery
8. Crew appraisals
9. MSM procedures (AMOS, QSMS, Payroll & Crew matters, Communication etc.)

The above criteria will give the highest pay-out to the seafarers when the crew is working well as a team with mutual understanding and respect.

Note: The eligibility of the VPBS is strictly under the discretionary approval of MSM and always according to the crews' performance on board. Any payment is voluntary and discretionary and shall not constitute any contractual obligation of the company.

MSM VOLUNTARY RETIREMENT BONUS POLICY

Objectives of the VRBS

MSM wants to establish closer ties with our leading crew on board our managed vessels. We have come to the decision to implement a Voluntary and fully discretionary Retirement Bonus System (VRBS), which shall have an immediate effect on our crew. This will provide the objective of giving our seafarers a long term incentive to remain with our company. It will also act as a loyalty bonus payable only at the end of their service with us, and shall reward them with a lump sum cash payment for their commitment to our company.

Basics of the VRBS

The VRBS is a combination of age and sea service with MSM. The sea service starts to count from the day the seafarer is enrolled for the first time on a Mastermind vessel irrespective of the rank.

Eligible to MSM contributions and pay-outs are the below ranks only:

1. Masters
2. Chief Officers
3. Chief Engineers
4. Second Engineers

For the above mentioned ranks MSM contributes to the VRBS with 5% of the seafarers' basic wage while on board. MSM will further pay 5% annual interest for the accumulated fund of each seafarer until the pay-out date.

Conditions of the VRBS

The bonus cannot be withdrawn unless the following conditions are met:

1. Crew member is minimum 55 years old
2. Sum of age and years of service total 70
3. Crew member holds one of the above mentioned ranks.

Note:

The VRBS is a voluntary effort of our company to establish yet closer ties with our crew, and is completely discretionary to MSM. The bonus can only be withdrawn once the above criteria have been met by our crew, but **NOT** before. If any of our seafarers do not qualify to receive their bonus, then they have no entitlement to payment of such bonus. Any payment is voluntary and discretionary and shall not constitute any contractual obligation of the company.

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Next Issue in June 2011

- ◆ Letter from the MD
- ◆ Meet all staff at MSM HQ
- ◆ Joemar C. Paule, E/CD on M/V Alsterdiep, writes about lifes' career choices
- ◆ ...and much more...

Pssst... to be featured in next issue send your stories to Christina Myrianthous now!!!