

Navigating Ahead - Issue 14



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December 2014



WE ARE HAPPY TO INTRODUCE TO OUR READERS **M/V MSM DOURO**, A 5.745 DWT MULTIPURPOSE MINI BULK CARRIER. BUILT IN 2012 AT RONGCHENG SHIPBUILDING CO. LTD., CHINA.

MSM DOURO PERFORMANCE IN 2014

SHE STEAMED 23,124 nm AT 10.00 kn AND TRANSPORTED 29,617.20 mt CARGO WHILE USING 6.40 mt FUEL/DAY.

THIS MEANS THAT SHE ACHIEVED THE REMARKABLE PERFORMANCE IN MOVING 48.03 mt CARGO WITH 1mt OF FUEL OVER A DISTANCE OF 23,124 nm .

In other words 0,6 times around the world.

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Letter from the MD

Dear Seafarers, MSM Associates, Business Associates and Mastermind friends,

On the occasion of the forthcoming Christmas Season, we would like to address everyone on board personally with this message.

This year has been for all of us again very demanding, exciting and worrying at the same time. The world economy was behaving (and remain) like a roller coaster. While the Americas and Japan are doing well, Europe is still working on recovering the banking systems. China remains stable and on a little lower level.

Almost the entire world sends us cold spells. Russia is reacting dramatically while the western world is sending NATO closer and closer to their borders. Sanctions in both directions have made the Russian rouble to lose half of its value and many companies and people are negatively affected on both sides.

The Arabic oil exporters reacted as well to highlight their importance and opened the valves to increase production. The result is that the oil price dropped by 40%.

We all have learned to live with such huge changes, because they trigger also massive humanitarian problems for the people. In June ISIL (Islamic State of Iraq and the Levant), the Sunni extremist jihadist rebel group based in Iraq and Syria, declared a new Islamic State (IS). They are responsible for human rights abuse and war crimes, in Iraq on a "historic scale". As Germans we had to learn to live with the aftermath of the holocaust and fostered tolerance and the understanding for others while cherishing mankind. The entire world prayed and paroled that such human suffering shall never happen again. Today there are 55 million people as refugees deprived from living in their own countries. The number of migrants has never been so high, an unfortunate reality which causes further social reaction. We pray this year for all the refugees in the camps, on boats somewhere in the oceans trying to escape, or inside containers desperate for a chance for survival and a better living. We pray also for those people who are dedicated in rescuing and helping those in need.

We are very confident that after all tolerance and common sense will prevail and our social unity will absorb above movements for the continuation of our world peace.

In Mastermind we decided to actively participate in the United Nation activity to distribute essential food to most problematic areas like the East and West Africa.

With two vessels we carry World Food Program cargoes and assist actively in their safe distribution.

You, the crew on board, with your continuous word for quality and sound shipping principals have made it possible throughout the year so that our vessels were employed and "laying up" was fortunately not necessary for us. All our vessels sailed this year safe and sound, although at heavily reduced worldwide sea freights. However we were still able to pay bankers and all our expenses.

We are very proud that you have, with sound management and excellent seamanship, handled your voyages very well and to the fullest satisfaction of our shippers and receivers, while at the same time you made the best out of the resources on board.

You also added great value in training, coaching and mentoring our 80 young cadets. You forged a new workforce in unity for which we are very thankful.

We would like to take this opportunity to express our deepest appreciation and gratitude to all of you on board for your daily contribution to the success of our mission. We hope that you will have some peaceful time together on board to celebrate Christmas and would like to thank you once again for your loyalty to MSM.

We are sure that we will jointly "Navigate Ahead" to a better 2015 with full cargo holds, fair winds and always a foot of water under the keel, while the world enjoys peace!

Merry Christmas and Prosperous 2015!

Capt. E.-H. Adami



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M/V MSM DOURO - LIMASSOL PORT

It is not often that one of MSM vessels is calling the port of Limassol so needless to say we were all quite excited when we got the news that MSM Douro was scheduled to arrive at Limassol Port on the 09 of September 2014. It gives us the opportunity to visit the vessel and see up close what is actually happening onboard.

The time when we learned that MSM Douro would visit Cyprus it was decided that as many as possible from the office should take the time to have a tour onboard in order to see what kind of jobs they do and how they live and so on. A reality that many of us office workers never get to see.

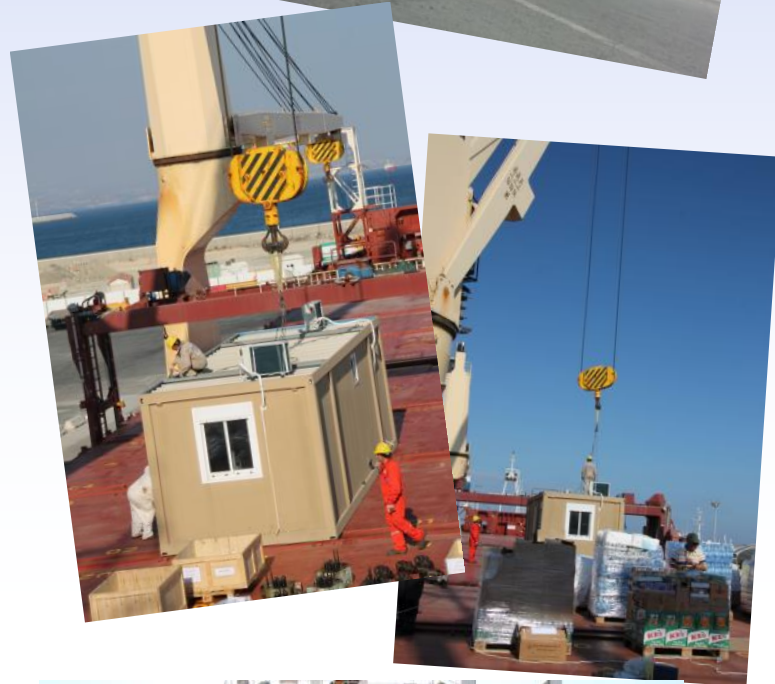
When approaching the port of Limassol in time for our tour we all felt happy and proud when we saw the "MSM" sign on vessel's funnel. Upon arrival at the gangway the 2nd Officer greeted us and introduced himself as our tour guide. We started from the deck, then we saw the cabins where the crew rest and sleep, Captain's cabin was next and then we visited the engine room where the main engine and auxiliary engine never rest or sleep. After that we inspected the stores which were being loaded with lots of supplies (food, water, cleaning supplies etc. etc.). The deck cranes were next and because they had to load the barracks for the UN guards we had the opportunity to see in real time the cranes in action.

Our technicians had bought all necessary spare parts and tools for the engine prior the vessel came to Limassol and they were ready to go onboard in order to help the crew with the technical matters and most importantly the vessel had to be prepared especially for her new charter, UN world Food Program, distributing food to those in need in West Africa.

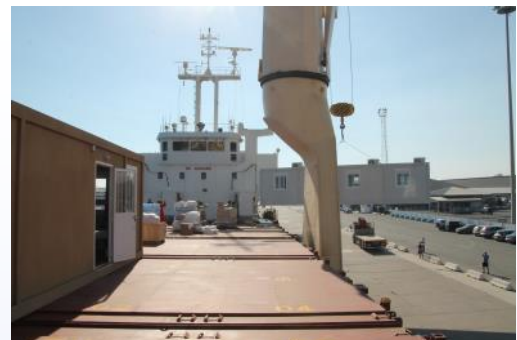
Late afternoon we all started to feel a bit tired after a busy day. Knowing full well that we were lucky enough to have a home to go to and rest we said goodbye to the entire crew who unfortunately were not as lucky, the vessel was scheduled to leave the following day early morning and there were still much work left for them.

We feel grateful to Captain Kaminski and his crew for their warm welcome and for taking so good care of us although they were all so busy preparing the vessel. We have now an even bigger understanding for the great work you all do under these circumstances.

Tech. Admin
Christos Symeonides



M/V MSM DOURO - LIMASSOL PORT CALL



Handover of UN Special Armed Forces 28.12.2014



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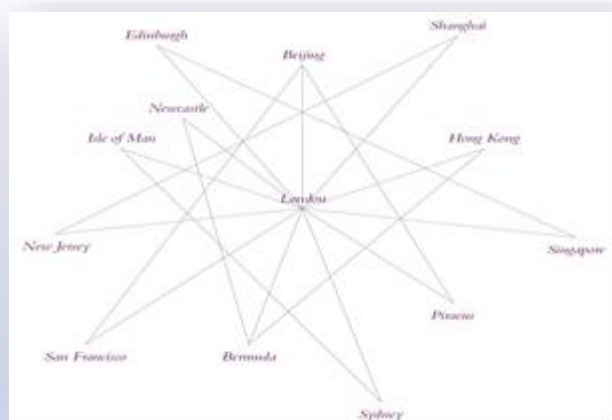
UK PANDI CLUB INTRODUCTION

By way of an introduction, let me tell you something about the UK P&I Club. The UK P&I Club is one of the oldest P&I clubs in the world. It provides Protection and Indemnity insurance for third party liabilities and expenses arising from owning or operating ships. Our comprehensive insurance includes cover in respect of pollution, crew and other personal injury, collisions, cargo liabilities, Dock/property damage, wreck removal and fines. The UK P&I Club is one of the largest mutual marine protection and indemnity organisations, insuring over 200 million tons of owned and chartered ships from more than fifty countries across the globe.

As well as being one of the largest in the International Group; the UK Club is financially one of the strongest. The Club's commitment to sound financial management is based on the twin principles of maintaining a prudent level of capital and free reserves while maintaining a disciplined approach to underwriting.

The manager of the UK P&I Club is Thomas Miller which itself has 13 offices all over the world. Additionally, although the Club does not appoint agents as such, the UK P&I Club List of Correspondents includes the names of more than 400 companies in all major ports of the world who are available to assist masters, owners and the Club in dealing with any claims or problems with which the Club might be concerned. Further, the UK P&I club currently operates a database of approved surveyors throughout the world. The database is updated regularly and contains the details and CV's of over 5,500 surveyors and consultants.

The Club's office network provides support and advice with round the clock service every day of the year. Wherever you are in the world, we will be there to ensure the best interests of our membership are secured.



Thomas Miller offices

Mastermind's entry on the 20th February 2015 with the UK P&I Club will be serviced from the Thomas Miller office in Piraeus. Thomas Miller has maintained a representative office in Piraeus for more than thirty years.

In 1998, Thomas Miller (Hellas) Ltd restructured into a fully-fledged claims handling unit of nine claims handlers, including two Senior Claims Directors responsible for the service delivery to Greece based members of the UK Club. The Piraeus office, housing Syndicate H1, has since grown so that today it consists of 13 claims handlers and 6 permanent support staff. In 2011, Thomas Miller (Hellas) Ltd assumed the additional responsibility for delivering service to members based in Cyprus.

Thomas Miller provides a **24hr service worldwide**. In Piraeus, staff are available in their offices on weekdays from 09.00 to 18.30 hours and can be contacted outside office hours every day of the year. After office hours, the home and mobile telephone numbers shown on the Club's website (www.ukpandi.com) site should be used. Initial contact may be made by telephoning the number listed on the website for the duty executive. Contact can also be made by calling the office number +30 210 429 1 200-6.

The team-mail address for the Piraeus office is

hellas1.ukclub@thomasmiller.com.

Details of the H1 claims team can be found at <http://www.ukpandi.com/contact/europe/piraeus-h1/>

Contingency plans have been made to enable a swift response to a **major casualty**. If such an event occurs outside normal office hours, you should utilise the contact procedures detailed above. A casualty response team will be formed immediately. In appropriate cases, Thomas Miller (Americas) Inc in the United States and Thomas Miller (Asia Pacific) Ltd in Hong Kong, can respond in a similar fashion.

Overall, however, it is not just the major incidents that result in losses. Whilst we have seen a trend in the last 5 years or so of claim numbers falling, the value of all claims has been rising. The Club is therefore committed to taking active steps to prevent losses by encouraging the industry to focus on the root cause of the full range of claims.

Claims for incidents written off as "human error", for example, cost the shipping industry \$1 million a day. The real costs are higher still – wasted time, lost business, lost jobs, ruined reputations, injury and death. Many incidents attributed to human error are in fact accidents waiting to happen.

We see it as a primary function of the Club's work to raise awareness through **Loss Prevention** initiatives, such as:

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Cont. UK PANDI CLUB INTRODUCTION

- Loss Prevention Materials
- Website resources
- Ship Inspection
- Benchmarking
- Risk Profiling
- Threat and Consequence analysis
- PEME Scheme
- Signum (the UK Club's unique investigative service)

Whilst this is not the appropriate place to detail each and every initiative, if there is one I should mention it is our most recent – **The Self-Assessment Scheme**.

This enables Members to use the Club's historical claims data and expertise to review their own practical efforts to keep their ships safe.

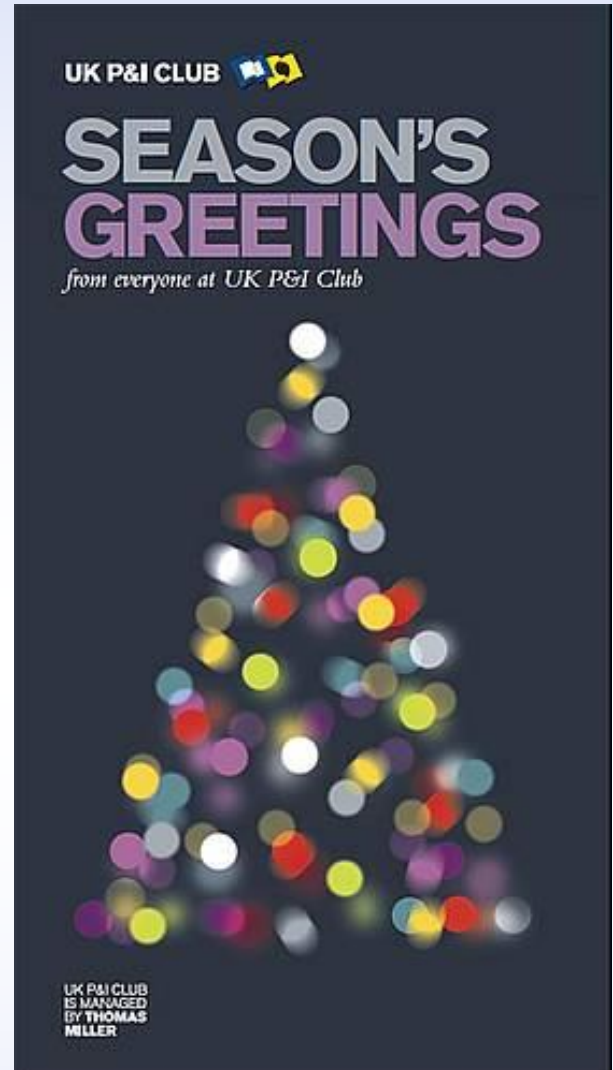
Focusing on cargo, pollution, personal injury, collision and third party property claims, a simple and logical system is provided to participating Members to assess the **Controls** that are in place on board their ships and to mitigate the various **Threats** that may be encountered. These are based on the Club's long experience in dealing with over 12,000 serious claims over the past 20 years, where some 76 Threats have been identified as having been allowed to develop into an incident due to one or more of 450 Controls having failed. It is a process which encourages individuals to appreciate consequences and in which ship and management play equally important roles.

We look forward to developing a long and mutually-beneficial working relationship with Mastermind's fleet. Marking the start of that relationship, 2015 is most definitely going to be a special year. May I take this opportunity to wish you all the very best seasonal greetings wherever you are in the world and a happy, healthy and prosperous New Year too.

Nick Milner

Deputy Syndicate Manager

Thomas Miller (Hellas) Ltd



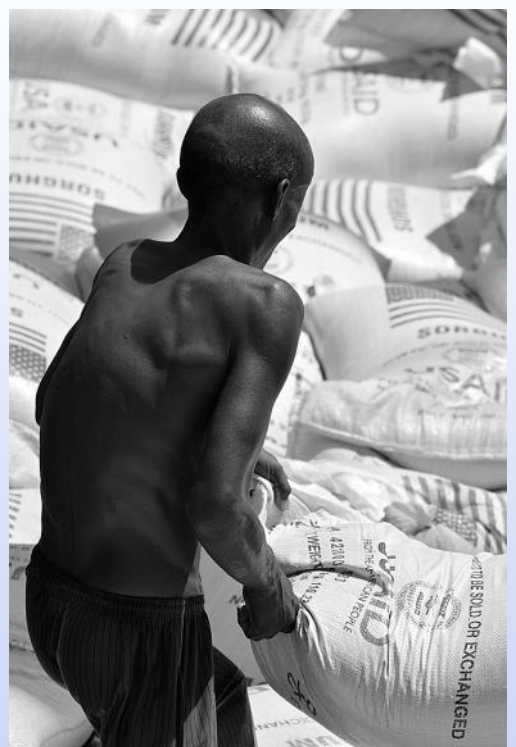
MSM DOURO—UN WORLD FOOD PROGRAM

2014... already end of December. Wow! There should be snow right? Cold weather, nice atmosphere near a fireplace with family and friends? Unfortunately we are not so lucky, this year we are celebrating in a completely different manner. Here in Eastern Africa (mostly in Somalian waters) onboard MSM DOURO we will do our own Christmas and try to make it as cosy as possible. It is hot, very hot, and probably we will not have a Christmas tree, the shiny lights and fancy presents will also be missing, but there is no reason to feel sad.

We are stocked with Tanzanian grain and sailing under the UN World Food Program, which since 2009 have carried over 910,000 tonnes of humanitarian aid to people in need, with our remarkable crew on board, excellent AVDP team as security and happy and cheerful good mood makes it all easier! And in this way WE bring Christmas to many hungry people, making it all worthwhile.

Hopefully we will have our own Christmas get together with some nice food, dessert and cheer to conclude this year as a great team, a team that are making people happier and with a smile offering a chance for better life!!

After all, here we are one family, part of Master Mind group looking to navigate ahead! I'm very honored to have the opportunity to share few interesting moments from our voyages and we wish you all a Merry Christmas, a Happy & Prosperous New Year!



AMENDMENTS TO SOLAS III/19

Reference is made to the amendments to SOLAS III/19 regarding the "Enclosed space entry and Rescue Drill". The new requirements relating to above will enter into force on 1st January 2015.

According to the new requirements;

- (1) The drill shall be held on board the ship at least every two months.
- (2) The drill should be planned and conducted in a safe manner taking into account IMO Resolution A.1050 (27)

As "an enclosed space entry" is considered to be one of key shipboard operations concerning the safety of the personnel, MSM have already covered this operation in our Safety Management System (SMS).

Taking into accounts all the matters mentioned above, MSM will review the relevant procedures contained in our SMS and revise the procedures as appropriate taking into account the said Resolution with a view to achieving continuous improvement of safety management skills of personnel ashore and aboard ships in line with the company's safety management objectives described in paragraph 1.2.2 of ISM Code.

Reference:

- IMO Resolution MSC.350 (92) AMENDMENTS TO THE INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA, 1974, AS AMENDED
- IMO Resolution A.1050 (27) REVISED RECOMMENDATIONS FOR ENTERING ENCLOSED SPACES ABOARD SHIPS



MSM Environmental Email:

environment@mastermind-cyprus.com

ECA—Low Sulphur Regulation

Since the creation of the first **Emission Control Area (ECA)** in the Baltic Sea more than 10 years ago, Ocean Going Vessels are subject to stricter regulations both at global and regional level. Stricter limitations on sulphur emissions (SOx) will pose many challenges to ships operating in Emission Control Areas (ECAs) and if not handled with care, switching from Heavy Fuel Oil to Marine Gas Oil can put equipment at risk and increase operational costs.

Major SOx Limit Reduction

MARPOL Annex VI regulations for the prevention of Air Pollution from ships assigns Sulphur Oxides (SOx) Emission Control Areas (ECA) with more stringent controls on sulphur emissions.

Ships operating in an ECA will have to use fuel that does not contain more than 0.10% sulphur (MARPOL Annex VI) from 1st January 2015 onwards. Switching to Marine Gas Oil (MGO) is currently the most viable option for following the new threshold limit.

Over the years, **ECAs have been extended to cover The English Channel and North Sea, as well as North America** (both East and West Coast) and the **Caribbean Sea** where the **maximum sulphur content** has been gradually reduced from 4.5% to just 1% to date.

MSM enforces its long-term commitment to protect the environment with a focus on sustainable development. Our company will do its utmost **to comply with the new regulation as from January 1st, 2015.**

This directive will require ships to use fuel with a **maximum allowed sulphur content of 0.1%** in the ECA.

Year	Outside ECA Limit % SOx	Inside ECA Limit % SOx
2007	4.5%	1.5%
2010	4.5%	1.0%
2012	3.5%	1.0%
2015	3.5%	0.1%

Extra costs

Marine Diesel Fuel with no more than 0.1% sulphur content is more expensive than Low Sulphur Fuel Oil (with 1.0% sulphur content).

Furthermore, technical issues when running the main engine with DO (Diesel Oil), such as temperature, viscosity or the size of the DO tank, will command to upgrade of some vessels to comply with the new rules. This will also generate extra costs.

As a consequence:

1. MSM will implement a **Low Sulphur Surcharge** as from January 1st, 2015.
2. Our experts keep on working on technical innovations to comply with the Low Sulphur Fuel (LSF) regulation.



ECA SOx regulation application: Baltic Sea, the English Channel and North Sea, North American and Caribbean seas.

Fuel Change-Over Calculation (FCO)

Classification societies has developed a ship-specific Fuel Change-Over Calculator (FCO) to help shipowners and operators determine the ideal parameters for their vessel's fuel change-over.

The Fuel Change-Over Calculator can help to mitigate the risks associated with switching to Marine Gas oil (MGO). It accounts for variables such as a vessel's fuel system layout, any constraints on temperature and the variable sulphur content of fuels, as mixing occurs in the service system.

It can significantly reduce the risk of human error during the preparation of the change-over procedure. The software uses a complex numerical simulation that is more accurate than previous linear models and delivers insight into the optimised lead time for the change-over process, its costs and the maximum hourly consumption to meet constraints, such as temperature.

This kind of data ensures a cost-efficient, reliable fuel change-over and can also help demonstrate compliance for the respective authorities.

Accounting for the different operating temperatures of the two fuels is critical – otherwise you risk damaging the machinery. As HFO's and MGO's operating temperature differs by about 100 degrees Celsius, the change-over may cause a rapid fall in temperature and increase the danger of thermal shock to the equipment. Fuel systems also have to account for their difference in viscosity in order to avoid fuel pump failures and leakages. The fact that HFO and MGO are mixed in all ratios during the change-over procedure increases the risk of the fuels becoming incompatible. This may clog filters, causing the engine to shut down.

In addition, MSM will provide all their vessels the new publication "Sulphur Limits 2015 – Guidelines to ensure Compliance", which offers detailed advice on how to handle the change-over procedure.

ADOPT-A-SHIP PROGRAMME

The Cyprus Shipping Chamber (CSC) in cooperation with the Cyprus Marine Environment Protection Association (CYMEPA) has developed a voluntary Adopt a Ship Programme. The Programme has a dual purpose; firstly to encourage youngsters to follow a career in shipping and secondly to promote shipping as the most safe, economic and environmentally friendly mode of transport.

MSM has for many years participated in the programme which runs for the entire school year and requires an email exchange between the school and assigned ship.

Whilst the Adopt-a-Ship Programme will not necessarily change the general public's opinion of shipping, it will at least help the children that participate in the scheme to have a better understanding of what a ship does, where it goes, cargoes it carries etc.

We would like to share with you the following email correspondence between our vessel M/V Maestro Eagle and their respective school class in Dasos Achnas School "Fotis Pittas".

Dear Maestro Eagle,
We are glad to follow your journey.

Our "crew" consists of 25 members, 15 boys and 10 girls, and travel in DASOS ACHNAS SCHOOL "FOTIS PITTAS", in Cyprus.

The school is located in DASOS ACHNAS village.

Our village has been occupied by Turkish troops, since 1974 and it was rebuilt, in Achnas Forest after the Turkish invasion in 1974.

Our school was built in 1995, and it took its name from the Greek Cypriot hero "Foti Pitta" who was sacrificed on 1958.

Our school has 162 students (6-12 years old) and 18 teachers. We are in the 6th grade and our teacher is Mrs. Anna Moiseos. Our school's head master is Mr. Georgios Konstantinou.

We have a lot of interesting lessons every day such as Greek Language, Math, History, Geography, Gymnastic, English, etc.

Our school is a modern building with 15 teaching classrooms, a big theater, a nice garden, one football court and one basketball court.

We really have fun here!

We are looking forward for having more news for your journey and for some photos, if it is possible.

With regards,
6th class of Dasos Achnas school

Dear Children,

Good day!

We are so glad to read your letter and we can say that you have a nice and modern school. Thank you for sharing the history of your village and school it's such an interesting story. I can see that all of you are good students and good kids and I hope you keep it that way and keep on studying.

Our good vessel is now at Callao Anchorage and according to the last information we received from the agent we will go alongside at 27th October at 2300H. We came from New Orleans, USA. We arrived at New Orleans last 08th October at New Orleans anchorage and it became a busy days for us. At 13th of October we shift to terminal and we load Corn and Soya Beans.

During stay at port all crew have the opportunity to go ashore to make shopping and yours truly also go ashore and buy something. We depart in New Orleans at 14th October bound to Callao, Peru. We perform also some training drill to ensure that all crew are still aware and ready just in case we have some emergency onboard. We arrived at Panama and transit into the canal 21st of October. I hope some you will like some photos I took and would appreciate if you can send also photos of your school.

With best regards to all of you at FOTIS PITTAS School.

Yours Truly, 3rd Officer Medrano



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*...tell us how we
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