

FINNPILOT PILOTAGE OY

**Service terms and conditions for pilotage
1.1.2019**



FINNPILOT

The general terms and conditions of pilotage services for vessel traffic operators.

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1. Preface

Finnpilot Pilotage Oy (hereinafter Finnpiilot) provides its clients with pilotage services in all Finnish waterways that require pilotage. Finnpiilot has divided its operations into six pilotage areas comprising a total of 25 pilot stations. Finnpiilot is one part of the Finnish chain of international logistics. Altogether about 34 percent of the vessels arriving to and departing from Finland utilise the pilotage services offered by Finnpiilot.

Finnpiilot and its subsidiary, Ice Advisors Oy, together form a single Group. Those issues presented in the terms and conditions do not apply to the service provided by the subsidiary. The contact information for the subsidiary is available from its website (www.iceadvisors.fi).

2. Application and validity of the service terms and conditions

These service terms and conditions are applicable to pilotage services provided by Finnpiilot along all piloted fairways specified by the Finnish Transport Safety Agency (Trafí). The fairways requiring pilotage were most recently determined by the [regulation on compulsory pilotage areas as issued by the Finnish Transport Safety Agency \(6.3.2018\)](#) (in Finnish).

The service terms and conditions and any possible subsequent changes thereto are published on Finnpiilot's website under the [pilotage request guidelines](#).

These service terms and conditions shall enter into force as of 1st of January 2019. Finnpiilot reserves the right to make changes to the service terms and conditions.

3. Applicable law

The interpretation of these service terms and conditions is governed by the currently valid Finnish laws.

4. Pilotage service availability

4.1. Service level

Pilotage services are provided 24 hours a day on every day of the year. The level of the service is measured by the waiting time for the pilot service. In the coastal waters the waiting time is max three hours and in the Saimaa waterways six hours.

Finnpiilot Pilotage Oy provides pilot services for all vessels requiring pilotage. Pilotage resources are proportioned to correspond with regular traffic.

Shipmasters sailing with an exemption certificate or pilot licence are provided with pilotage assistance if necessary, but if there is a delay in the availability of the service, fee reductions in accordance with section 4.2.4. will not be awarded.

In order for the service to be implemented as smoothly as possible, a shipmaster sailing with exemption or a pilot licence shall make a pilotage request in accordance with the service terms and conditions as stated in sections 4.2.1. - 4.2.2.

Finnpiilot has divided its pilotage request management geographically into three pilotage zones: Southern, Eastern and Western pilotage zones. More detailed information about the pilotage zones and contact information for the purpose of submitting pilotage requests is available on [Finnpiilot's website](#).

All matters relating to the pilotage services and requests are automatically stored in Finnpilot's electronic customer service system. All calls concerning pilotage requests are recorded.

4.2. Provision of advance information and submission of pilot requests

4.2.1. Vessels arriving at Finnish ports

Advance information

Vessel agents forward to the Pilot Order Centre the weekly lists of vessels scheduled to arrive in Finnish ports and any changes to the advance information through e-mail or fax.

The vessel agent or crew shall provide the Pilot Order Centre with advance notice 12 hours prior to the vessel's arrival at the pilot boarding point. However, any vessels arriving to the pilot boarding point in Utö or Mariehamn shall provide advance notice 24 hours before their arrival at the site. The information can be provided on a request form, or by e-mail, fax or telephone. If there is a change of more than one hour in the arrival time given in the advance notice, the Pilot Order Centre must be informed of the change without delay.

In case a ship requests a pilot in a location other than an official pilot station or port (e.g. anchorage), the ship's agent or the ship shall inform the Director of Pilotage of its plan by e-mail ([sanna.sonninen\(at\)finnpilot.fi](mailto:sanna.sonninen(at)finnpilot.fi)) one week in advance. Finnpilot Pilotage Oy reserves the right to either reject or accept the plan. If the plan is implemented, the customer shall provide the transportation of the pilot to and from the ship at its own expense.

Pilotage requests

The vessel agent or crew shall submit a binding pilotage request to the Pilot Order Centre by the Pilotage Order Form, e-mail, fax or telephone three (3) hours before the vessel arrives at the pilot boarding point.

When necessary, the pilot may contact the vessel by VHF radio when the vessel is less than one hour away.

4.2.2. Vessels departing from Finnish ports

Advance information

The vessel agent or crew shall provide the Pilot Order Centre with advance information 12 hours prior to the vessel's departure from the port. The information can be provided on a request form, or by e-mail, fax or telephone. If there is a change of more than one hour in the departure time given in the advance notice, the Pilot Order Centre must be informed of the change without delay.

Pilotage requests

The vessel agent or crew shall submit a binding pilotage request to the Pilot Order Centre by the Pilotage Order Form, e-mail, fax or telephone two (2) hours before the vessel is due to depart from the port.

The Pilot Order Centre sends a confirmation of the request using the same communication method through which the advance notice was provided, or the binding pilotage request was made. Requests made by telephone are not, however, confirmed separately.

If the binding pilotage request is changed after the order has been placed, Finnpiilot is entitled to charge the ordering party for any costs incurred. This signifies a minimum fee of 500 euro along the coastal areas and 250 euro in the Saimaa region.

4.2.3. Consequences for failure to submit information

The functioning and flexibility of the pilotage services are based on adequate information about future pilotage needs concerning specific areas and stations. On the basis of the advance information, Finnpiilot assigns its staff to different pilotage commissions made through the Pilot Order Centre.

If the client fails to provide the information specified in these service terms and conditions (sections 4.2.1. - 4.2.2.), in the manner required or in accordance with the specified timetables, Finnpiilot will not necessarily be able to provide that client with the requested pilotage service within the desired timeframe. In this case, the client is not entitled to claim compensation from Finnpiilot for any costs incurred by a delay.

4.2.4. Pilotage fee reductions

The pilotage service client is responsible for ensuring that all advance information, as specified in sections 4.2.1. and 4.2.2., and request timetables are strictly followed. Correspondingly, Finnpiilot endeavours to act according to the timetable required by the pilotage service client.

If, despite these efforts, a situation occurs in which the pilotage service cannot be provided as requested, Finnpiilot undertakes to reduce the pilotage fees.

In coastal areas

- a wait of more than three but less than six hours from the vessel's arrival/departure, as notified by the client, shall entitle the client to a fee reduction of 8 per cent of the standard pilotage fee.
- a wait of more than six hours from the vessel's arrival/departure, as notified by the client, shall entitle the client to a fee reduction of 16 per cent of the standard pilotage fee.

In the Saimaa region

- a wait of more than six but less than nine hours from the vessel's arrival/departure, as notified by the client, shall entitle the client to a fee reduction of 8 per cent of the standard pilotage fee.
- a wait of more than nine hours from the vessel's arrival/departure, as notified by the client, shall entitle the client to a fee reduction of 16 per cent of the standard pilotage fee.

Example:

The vessel agent has complied with the deadlines for providing advance information (12 hours prior to vessel departure). The vessel is due to depart on Tuesday at 6 p.m., and the first advance notification is provided on Tuesday at 6 a.m. The agent requests the pilot two hours before the vessel's departure, that is, at 4 p.m. Despite all this, the pilot is not available to board the vessel until 9 p.m. The client therefore has a right to an 8 per cent pilotage fee reduction

5. Pilotage fees

In accordance with the Pilotage Act (940/2003, amendment 1050/2010), the Board of Directors at Finnpilot shall determine the unit price, the reduced unit price and other possible commission fees. A fee based on a lower unit price is charged for pilotage in the Saimaa Canal and the Saimaa waterways. The pilotage fees collected in the Saimaa waterways shall remain at a level of 26 per cent of the pilotage fees in the coastal waters.

The fee is based on the tonnage of the vessel in question and the actual distance to be piloted.

These pilotage fees are valid until 31 December 2019. The pilotage fees are given at [Finnpilot's website](#).

5.1 Additional information to pilotage fees

Standby fee

If the pilot has arrived at the vessel or pilot station as requested, but the pilotage does not get underway within an hour of the pilot's arrival, the vessel shall be charged a standby fee until the pilotage begins or the pilot departs from the vessel or pilot station. The standby fee in Finnish territorial waters is EUR 500 for each new hour beyond the initial hour. The standby fee in the Saimaa Canal and Saimaa waterways is EUR 250 for each new hour.

Cancellation fee

If the pilot is notified en route to the vessel, when he arrives at the vessel, or during the standby period that the vessel will not employ a pilot, the vessel shall be charged a minimum standby fee of two hours. A minimum cancellation fee of EUR 1,000 will be charged within Finnish territorial waters and a minimum of EUR 500 in the Saimaa Canal and Saimaa waterways.

Change in pilotage initiated by the client

The vessel agent or crew shall submit a binding pilotage request to the Pilot Order Centre two (2) hours before the vessel is due to depart from the port. If the binding pilotage request is changed after the order has been placed, Finnpilot is entitled to charge the ordering party for any costs incurred. This signifies a minimum fee of 500 euro along the coastal areas and 250 euro in the Saimaa region.

Increased basic fees

When pilotage service is provided by two pilots, either according to the Pilotage Act 10 § or by request, an increased fee of 50 per cent in addition to the basic rate shall be charged. Pilotage fees for a vessel combination and stock flatboat/float A pilotage fee will be charged for the combined tonnage of a tugboat or pusher, and the ship, vessel, barge or similar being towed or pushed, or for an integrated tug barge combination. The pilotage fee for a stock flatboat/float is also determined by tonnage, but the tonnage is understood to be half of the number of cubic metres.

6. Finnpiilot's liability

The submission of a pilotage request signifies that both the orderer and the party authorising the orderer to submit the request accept Finnpiilot's service terms and conditions.

Finnpiilot's liability in terms of pilotage is regulated separately by the Pilotage Act. According to the Act, the maximum amount of liability to compensate for damages caused by pilotage operations is no more than 100,000 euro per event of loss.

Liability for damages requires that the damage be caused intentionally or through gross negligence with the knowledge that such damage would likely be inflicted.

Finnpiilot is not liable for any direct or indirect damages incurred by the provision of the pilotage services as specified in these terms and conditions.

7. Force majeure

Finnpiilot shall be released from any obligations and liabilities specified in these service terms and conditions, if a violation of or failure to fulfil the obligations is based on a force majeure. A force majeure is any unusual or relevant event that Finnpiilot could not have anticipated in advance, and which is beyond the control of Finnpiilot and whose impact could not reasonably be avoided or overcome.

Such an event could be, for example, war, legal provisions or the regulations of authorities, natural catastrophes, weather or ice conditions, an interruption of general traffic, data communications or energy distribution, a breakdown of transport facilities related to pilotage services, labour disputes, fire or other unusual reason that has a similar impact and is beyond the control of Finnpiilot.

8. Settlement of disputes

Any disputes arising from the provision of the pilotage service as specified in these service terms and conditions shall be settled by the District Court of Helsinki.

APPENDIX: Amendment to the Service Terms, February 6, 2019

Ice class regulations ensure the safety and fluency of winter traffic

The characteristics of ships, such as loads on structures and machinery in ice conditions, and the ability of ships to carry ice, are important for the safety of winter navigation. The ice class regulations issued by Finnish Transport and Communications Agency aim to ensure that ships engaged in trade in the Northern Baltic Sea have sufficient capability in ice to maintain safe and efficient navigation year around to Finnish ports.

The Finnish Transport Agency has laid down instructions for winter navigation in Finland in collaboration with the industry, shipping companies, seafarers, icebreakers, pilots and the vessel traffic services. All parties are aware of their responsibility for the Finnish winter navigation and strive to engage modern vessels with sufficient propulsion power and good ice-going characteristics and which are manned by competent crews for their import and export shipments.

When the ice situation becomes more difficult, the Finnish Transport Infrastructure Agency imposes assistance restrictions for the winter ports. For safety reasons and for reasons arising from concentrating the traffic in certain areas, the Finnish Transport Infrastructure Agency may restrict the provision of icebreaker assistance in specific areas and to specific ports.

Pilotage during the validity of the assistance restrictions

Pursuant to Section 11 of the Pilotage Act, pilots have the right to refuse from pilotage or to suspend pilotage if he/she considers that the commencement or continuation of the voyage endangers the safety of the piloted ship, its occupants, other waterborne traffic or the environment. The pilot may, on the basis of the above-mentioned grounds, refuse to pilot the vessel, if the vessel does not have an ice classification in accordance with the assistance restrictions or does not fulfill them on the basis of, for example, its draught, or does not have an exemption granted by the Finnish Transport Infrastructure Agency.

In order to receive pilotage services, a vessel that is not eligible for icebreaking assistance must present a plan for safe passage through the ice to the pilotage company Finnpilot. This plan shall include a plan for the safe movement of the ship through the ice-covered area, taking into account the prevailing ice situation, the characteristics of the tug used for the assistance and its allowed operational area. When evaluating the plan, Finnpilot requires that the ship's equipment necessary for the steering and energy production are fully operational when the pilotage starts, and that the hull, engine power, equipment and manning of the ship are such that safety is not jeopardized. Based on all of the above, Finnpilot evaluates the proposed plan and decides whether pilotage can be commenced in accordance with the Pilotage Act.

APPENDIX: Amendment to the Service Terms, August 10, 2018

Embarkation and disembarkation of pilots

To ensure safe embarkation and disembarkation of its pilots, Finnpiilot Pilotage Ltd gives an amendment to the company Service terms and conditions. The purpose of this amendment is to provide the basic safety requirements for the pilots, pilot boats and the shipmasters to be followed. If the described safe practice in the boarding and landing of pilots by pilot boat is not followed, the pilotage service cannot be provided. However, these requirements on safe operating procedures can be adapted to suit particular locations or circumstances.

In adverse or difficult conditions where there is significant risk to personnel or the pilot boat, the pilot boat operator will make the eventual decision whether to place the pilot boat alongside the ship or to abort the transfer. If conditions during the pilot embarkation are such that they create any risk of injury the attempt shall be abandoned. If the pilot considers the embarkation unsafe for any reason, he or she will not embark the ship until the risk factors have ceased to exist.

If the pilot ladder rigged on the vessel appears to be or is, clearly damaged, unsafe or rigged incorrectly, the pilot shall request the ship to replace or re-rig the ladder; or if necessary, refuse to board or disembark the vessel until a safe means of embarkation/disembarkation is provided. The pilot shall report formally all cases of pilot ladder nonconformity according to the company procedure and the report is further submitted to the Finnish Transport Safety Agency (Port State Control authority in Finland).

Ships have a duty to rig their pilot ladders in accordance with The International Convention for Safety of Life at Sea (SOLAS) regulation / 23 and IMO resolution A 1045(27) as amended. A copy of the poster showing IMO requirements and IMPA recommendations - "Required Boarding Arrangements for PILOT" is included as an annex to this document.

Pilot transfer operations are not undertaken on ships that do not fully comply with transfer arrangements described above.

The Pilot shall not embark if there is nobody at the top of the ladder.

The ladder should be rigged and secured at the ship's side or side door as near mid-ships as practical, and on the parallel body of the ship, clear of all overboard discharges. The ladder has to be located so that the pilot boat can lean against the parallel mid-body of the ship from the whole of its length. All steps of the ladder must rest firmly against the ship's side. If a list is unavoidable, the ladder should be rigged on the side opposite to the list, whilst always taking into account the need to make a sufficient lee.