

TELEPHONE CONVERSATION 17 APRIL 1996

T Whitaker - AIC
V N Lucas - Inchcape Testing Services
C Rackham - Inchcape Testing Services

T Whitaker
The testing of the Kriti Palm that the RVP method that was used was inaccurate and was basically it was used for 323 opposed to the colonial standards of D50191.

N Lucas
That is our understanding.

T Whitaker
Where that puts me at here and why I am calling you on a fairly urgent way is that my vessel has been sitting since Monday morning where as my customer unwilling to take the product off board because he has told me that he is getting results over 9.5 RVP which is also Caleb Brett's over in New York.

N Lucas
Right.

T Whitaker
I have been arguing with my customer Galaxy that that information is inaccurate and has to be wrong. With this new information that Mr Rackham told me today then possibly that information now may be right. Which puts me into a difficult situation and that I have possibly given them an offspec cargo, due to inaccuracy of the RVP method. Now they have given me Dollar amount of money less mine I should say that they would be willing to discharge the bounds of the cargo but I haven't agreed to that amount of money because I still thought their results were wrong and my results were right.

N Lucas
I see.

T Whitaker
And I need to talk to you, you are the head of the Caleb Brett is that true.

N Lucas
No I look after Caleb Brett in the UK. The person senior to that is London based.

T Whitaker
Is what based.

N Lucas
London based.

T Whitaker

London based ok. I guess what I am looking from you is a confirmation that, written confirmation that Caleb Brett has indeed used the wrong RVP test method and therefore the other method should have been used the colonial method as requested and I am going to have to be looking for some sort of compensation from yourselves for this amount of money that I am going to have to pay in order to get this cargo discharged.

N Lucas

Right.

T Whitaker

Are you prepared to give me that information?

N Lucas

I could certainly give you a statement of fact, a written statement of fact what happened on the events and I would get that to you by fax if you wish or line mail.

T Whitaker

I need basically a statement saying that wrong methods were used. I would then also need a statement saying that the said cargo on the Kriti Palm does not meet and I don't believe it does meet the colonial M2 grade.

N Lucas

Ok, Tom there is two things there. The statement of fact as to what we actually did I can produce that, whether the material was offspec leaving Coryton or not we cannot really comment on that because our work was on the shore tanks. Ok.

T Whitaker

Well what I am caught with here is an offspec cargo in New York verified by Caleb Brett and SGS and I was given a certificate by Caleb Brett Coryton on that, I had an unspecification cargo for the shoretank and I don't believe that's what I have on that ship now because I believe this other message will give a higher RVP reading.

N Lucas

Ok well I don't know whether that is true or not, I don't think there is any correlation between the two methods that you are talking about at this time. Our problem now with RVP is that it is impossible to go back into any of the samples because no samples are kept under ice under the event of what 3 or 4 days have gone by which is what is required to recheck this information. From my memory I am going through the details with Chris Rackham earlier today it did appear that there was an awful lot of problems associated with loading this cargo but that might not be material to the fact now that the ships on the berth and you are looking to see what you can do with it.

T Whitaker

Whether or not I don't know. What I do know is that I have a large sum of money that I have to pay in order to get this ship discharged and my company did not do anything wrong by buying this product because I brought, my case is very simple I brought colonial M2 and R2 grades from Mobil and they had to meet colonial M2 and R2 grade specification and are provided Mobil the latest issue in the test methods required and I so instructed Caleb Brett and Mobil that I needed the gasoline to meet that specification. What I got was not M grade or R grade and I have the wrong tests run and therefore I have something that costs me some money now, so I have to ascertain and it is being done under this port that I don't have an answer to, I have something that is beyond the RVP specification. So I have to find out some way of proving that it actually is off specification you are telling me that I cannot do that.

N Lucas

Not to the load port but you can at the discharge port.

T Whitaker

Well I have a quality certificate from you that says it is on specification.

N Lucas

We will be standing by that certificate.

T Whitaker

So you stand by just I think you have got to understand where I am coming from.

N Lucas

Yes, I do understand Tom.

T Whitaker

I am trying to go to my supplier and say I have a certificate by an independent inspector that says it meets into pay my discharge the ship and pay my invoice and they are standing on the other side saying no we have proof from an independent inspector your the independent inspector that says that it does not need it. So where do I go from here. I have got two, I have got the same company independent that are both saying they are right. Where do I go from here?

N Lucas

I can't give advice on that Tom, all I know is that the loading sorry the tanks at the loading port were analysed. The certificates were produced on a tank by tank basis and decisions were made on that information.

T Whitaker

Alright I know that that happened but that was inaccurate information.

N Lucas

Well I can't comment on that over the telephone. I really don't know.

T Whitaker

Well if you gave me tank by tank certificate showing that it met M2 grade.

N Lucas

One of the certificates said it didn't.

T Whitaker

Which certificate was that.

N Lucas

I can't remember at this time Tom. Within the details it was advised that one of the tanks didn't meet the requirement and I think a blend was then ordered. There was considerable difficulty in the loading.

T Whitaker

I am aware of that. What was that Mobil's problem?

N Lucas

I don't know.

T Whitaker

Are you saying that that was Mobil's problem or is that a Caleb Brett problem.

N Lucas

Tom I am not saying that it is anyones problem our business is to provide testing information certificates which is what we have done on this particular job.

T Whitaker

Or was it inaccurate information.

N Lucas

I can't say that. I don't know.

T Whitaker

Well if the test 323 was done where test 5191 should have been done. Do you not see that as inaccurate.

N Lucas

I can't comment on that Tom. I can't say whether it is inaccurate or not.

T Whitaker

Why would you not be able to comment. I am not on recording I'm just trying to discuss a lot of money. I have got a ship sitting waiting to discharge and they are asking me to pay the money. I have got to find a way to prove that they are seeing nothing wrong and that I have to collect that money back from somebody. I have hired you to give me a colonial specification to prove the colonial test, you did not give me that according to your employee Chris Rackham. You gave me tests 323 which is not the colonial test.

N Lucas
Right.

T Whitaker
Which is therefore, which is therefore inaccurate. Now I have a certificate from you saying that it meets colonial specification.

N Lucas
You have a certificate from us. I can't recall what it says.

T Whitaker
And I have a certificate that says that on that ship the shore tank composite meets colonial M2 and R2 grades and that is something that is issued by Caleb Brett and what I am finding out at the disport by Caleb Brett that I don't have colonial so there is something there. I don't know all I am asking you to do is to give me a statement saying that it does not meet. That's what I need and if you are not willing to give me that then I am going to have to get with your legal council quick because I have got a ship waiting to complete the discharge.

N Lucas
Well, I guess the answer to that is Tom I can give you statements of fact which is what we have done. It is probably not going to save what you are looking for in this case or I can refer you onto somebody who would provide a service on behalf of legal council.

T Whitaker
What's that?

N Lucas
Well you need to talk to somebody who can deal with this in a legal way. I think that's what you are saying to me isn't that Tom?

T Whitaker
Well, yea I am going to have to at this point it is a law case for me right now. I mean I have a ship waiting to discharge.

N Lucas
Right.

T Whitaker
And I have my customer saying it is going to take ex amount of Dollars for you to discharge it because you did not give me what I brought.

N Lucas
Right.

T Whitaker

And I have been arguing with them that I have given them what you brought because I have a certificate of shore tanks composite by an independent inspector that says that it meets M2 grade and they say no. So they say they have a body of fact saying no, so obviously we do have a dispute because its into a legal matter your council now speaking to mine.

N Lucas

Right.

T Whitaker

And we are looking for ways to get this thing discharged more money to be paid. Now that is why my first step is onto you. I need to go to you and its a pretty simple function I think. I don't think I am making it difficult I am asking you. I have a certificate from you saying its M2 colonial specifications and I know that you guys performed the wrong RVP test and therefore you have given me a certificate that is not

You either can change the certificate and tell me what I brought if you can't do that then I am going to have to sue you.

N Lucas

3393 300 409 ok.

T Whitaker

My legal council is a New York firm called Colt, Mallet-Prevost. My lawyers name is Robert Gruendel.

N Lucas

Ok.

T Whitaker

So send me the fax and maybe we will talk a little later. Yea.

N Lucas

Ok Tom thanks.

Bye.