



GREEN MARINE 2009 SELF EVALUATION THIRD PARTY VERIFICATION:

Executive report:

CANFORNAV INC., Montreal, April 16, 2010

Introduction:

At the request of Canfornav Inc., an independent verification assessment was made of the organization's levels of achievement declared with respect to the Green Marine Self-Evaluation Guide's Criteria for Shipowners.

An opening meeting was held to confirm the scope of activities, confirmation of the assessment criteria to be used, exclusions claimed, program, methodology and statement of confidentiality made on behalf of LRQA Inc. Attendees at the opening meeting: Errol Francis, Vice-President Operations; Jason Crooks, Operations Dept. Closing meeting attended by foregoing and Niels Lorenzen, Operations Dept.

Canfornav Inc., headquartered in Montreal, QC, owns and commercially operates fleet of bulk carriers, and charters others on a worldwide basis. Not all of the vessels controlled by Canfornav Inc. visited the St. Lawrence and Great Lakes regions as defined by Green Marine. It is noted that only for the owned ships do they have full control and influence over the environmental issues with respect to the Green Marine Program.

The technical management of the vessels is contracted to third-party managers who are required to comply with Canfornav's environmental policies and to provide support in ensuring compliance with the Green Marine program.

Assessment outcome:

For assessment Canfornav Inc. submitted their 2009 Self-Evaluation Guide – Shipowners within which was their 'Summary of the Evaluation.' The self-evaluation made includes all ships owned by Canfornav Inc. and the results of this assessment are as follows:

AQUATIC INVASIVE SPECIES:

Requirements of **Level 4** claimed and found fully justified by audit of supporting documentation.

POLLUTANT AIR EMISSIONS (SO_x):

Requirements of **Level 4** claimed and found fully justified by audit of supporting documentation.

POLLUTANT AIR EMISSIONS (NO_x):

Requirements of **Level 3** claimed and found fully justified by audit of supporting documentation.

GREENHOUSE GASES:

Requirements of **Level 4** claimed and found justified due to reporting non-applicability of Level 4 requirement due to the age of Canfornav Inc. fleet.

CARGO RESIDUES:

Requirements of **Level 4** claimed and found fully justified by audit of supporting documentation.

OILY WATERS:

Requirements of **Level 5** claimed and found fully justified by audit of supporting documentation.

Auditor notes:.....over



AQUATIC INVASIVE SPECIES:

In addition to noting referenced Proof/ Justification on Self-evaluation Guide, CanforNav Inc. provided documentation including copies of its communications and instructions to managers; copies of ship manager's management system procedures, industry group guidelines and best practice documents, copies of correspondence to vessels in support of its evaluation declarations. This was well prepared and presented electronically and in hard copy media, and further described in interview. A very good understanding of requirements was demonstrated.

POLLUTANT AIR EMISSIONS (SO_x):

In addition to referenced Proof/ Justification on Self-evaluation Guide, CanforNav Inc. provided documentation including spreadsheets, databases, and a thorough explanation of the basis of its evaluations in interview. This was well prepared and presented and a clear understanding of requirements was demonstrated.

Of note, it was reported and demonstrated that sulphur content of fuel was not always reported by suppliers of fuel in Brazil. As a result, CanforNav had occasional samples of fuel received there independently tested for Green Marine purposes. Company's findings are that fuel received in Brazil had a sulphur content of 1.5 or less.

POLLUTANT AIR EMISSIONS (NO_x):

In the main, the same data used for the SO_x emissions was used for this environmental issue. For calculation of its NO_x emissions CanforNav Inc. was able to use actual Engine NO_x coefficients in calculation of its NO_x annual inventory.

GREENHOUSE GASES

The Self-Evaluation Guide was completed noting electronic links to referenced Proof/ Justification documentation. This was well presented, a high level of compliance was achieved, and a good understanding of requirements was demonstrated. It was noted that, due to the age of the CanforNav Inc. fleet, Level 4 requirements are not applicable as fleet age is from 2002 onwards.

CARGO RESIDUES:

The Self-evaluation Guide was completed with the noted Proof/ Justification documentation also provided electronically and in hard copy for verification purposes.

OILY WATERS:

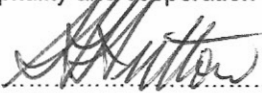
The Self-evaluation Guide was completed with the noted Proof/ Justification documentation also provided electronically and in hard copy. CanforNav reported that it had further verified compliance requirements with all levels claimed during a visit to m.v. "BARNAACLE" subsequent to third party verification.

In summary, a very good levels of achievement was found to have been reached, the evaluations were seen to have been objectively conducted, and a considerable effort has obviously been made to identify, review and, where applicable, tabulate required data to demonstrate compliance. Highly commendable was the presentation of the material considering that information to be obtained from so many ships and from ships' technical managers.

Some comments from the CanforNav Inc. personnel responsible for Green Marine included:

- Brazil has now ratified Appendix V of Annex VI of Marpol 73/78 requiring that bunker suppliers must state the actual sulphur content of their products in the Bunker Delivery Notes (BDN) issued. Enforcement of this will commence May 23, 2010.

Hospitality and cooperation was excellent.


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Hugh M Hutton
Senior Lead Assessor, LRQA Inc.

April 16, 2010