

**POLICY LETTER
ON
BUNKERING**

From: The Port Authority of the Cayman Islands (“the Authority”)

To: Port Director for Distribution

Subj: SHIPS DESIRING OF MARINE FUEL TRANSFER (BUNKERING) OPERATIONS
IN THE CAYMAN ISLANDS.

DATE : 27 NOVEMBER 2014

Ref: *Port Authority Law (1999 Revision)* and its requisite *Regulations*

1. Purpose. This policy letter provides guidance to owners, operators and agents of Ships intending to conduct Marine Fuel Transfer (Bunkering) operations.
2. Action.
 - a) Ally Government Vessels and Cruise Ships that are Homeporting¹ will be allowed to conduct Marine Fuel Transfer (Bunkering) operations over Port areas utilizing any vendor other than the Authority that meets their requirements.
 - b) All other Bunkering operations MUST be purchased directly from the Authority.
 - c) The Authority will charge a usage fee for Bunkering as outlined in 2. a). This usage fee will be calculated by charging US\$0.20 per gallon purchased through this arrangement. The Ship’s owners, its operators, its Master and or its agents are responsible for payment of this usage fee.
 - d) Failure to register with the Port Director the Purchase Order for any Bunkering Operation pursuant to 2. a). within forty-eight hours post completion of said operation, can result in suspension of such privileges for a period of time not less than sixty days.
 - e) Failure to pay the total amount owed to the Authority pursuant to 2. c) within fourteen days of registering the Purchase Order with the Port Director will result in:
 - i. Interest being levied on total amount owed until paid in full; and
 - ii. Any amount outstanding after Sixty days will be grounds for revocation of this privilege of Bunkering as outlined in 2. a). for a period to be decided by the Authority.

¹ *Homeporting* means the port from which a vessel primarily operates, regardless of its registry pursuant to the Cayman Islands’ context and its *Port Authority Law (1999 Revision)* and or any amendment thereto.