

***Residential training course in P&I insurance and loss prevention***

***Singapore  
November 2013***

***Handout***

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# Nathan and Coles Limited

Nathan and Coles Limited  
Nathan Road  
London SE11 8JB  
United Kingdom

Murray Corporation Limited  
1052 Causeway Boulevard  
Toronto

London 25<sup>th</sup> June 1994

## SALES CONTRACT NO. MRDC708447

Murray Corporation Limited Canada as Buyers confirm having purchased and Nathan and Coles Limited London as sellers confirm having sold the goods as described below in accordance with the following terms of conditions:

Quantity	16 (sixteen)
Goods	Printing Machines Nathan and Coles model Caxton Excelsior 1470
Origin	UK/Europe seller's option
Delivery	CIF Toronto
Price	Unit price (GBP) £10,000 CIF Toronto. Total (GBP) £160,000. (In words: Sterling pounds one hundred and sixty thousand only)
Payment	By Irrevocable documentary Letter of Credit, issued for 100% of invoice value. Payment against presentation of the following documents: <ol style="list-style-type: none"><li>1. Commercial invoice in quadruplicate</li><li>2. Insurance policy/certificate in duplicate covering marine and war risks for 110 per cent of invoice value</li><li>3. Full set of clean on board blank endorsed port to port bills of lading marked notify Murray Corporation Limited, 1052 Causeway Boulevard, Toronto, Ontario</li></ol>
Shipment	From UK port seller's option. No later than 15 <sup>th</sup> August 1994
Vessel	Seller's have the right to effect shipment on geared or gearless basis up to maximum age of 25 years, in case of vessel exceeding 15 years but up to 25 years of age, OAP for Seller's account. Vessel is to be nominated by the Sellers to the Buyers for confirmation.
Advice of shipment	The Sellers shall upon completion of loading advise buyers within 2 working days by fax/email of the contract number, name of commodity, number of packages, gross and net Weights, Invoice value, name of vessel, and loading date, name of loading port and discharge Port.
Force Majeure	In the case of Force Majeure the Sellers shall not be held responsible for delay in delivery or non-delivery of the goods but shall notify immediately the Buyers by fax/email and deliver to the Buyers by registered mail a certificate issued by Government Authorities or Chamber of Commerce as evidence thereof. If the shipment is delayed over one month as the consequence of this said Force Majeure the Buyers shall have the right to cancel this Contract. Seller's inability in obtaining export licences shall not be considered as Force Majeure. (An event that is unforeseen or, if foreseen, unavoidable)
Delayed delivery and penalty	Should the Sellers fail to effect delivery on time as stipulated in this contract owing to causes other than Force Majeure the Buyers shall have the right to cancel the contract or alternatively the Sellers may with Buyer's consent postpone delivery on payment of penalty to the buyers. The Buyers may agree to grant the Sellers a grace period of 16 days. Penalty shall be charged at the rate of 1% of the total value for every 10 days, odd days less than 10 days should be counted as 10 days. The total penalty shall be calculated from the 10th day and shall not exceed 5% of the total value of the goods involved.
Arbitration	All disputes in connection with this contract or the execution thereof shall be settled by friendly negotiation. If no settlement can be reached the case in dispute shall then be submitted for arbitration to the Canadian International Economic and Trade Arbitration Commission in accordance with its rules of arbitration. The decision made by the commission shall be accepted as final and binding upon both parties. The fees for arbitration shall be borne by the losing party unless otherwise awarded by the commission

BARCLAYS BANK PLC  
MANCHESTER INTERNATIONAL SERVICES BRANCH  
THIRD FLOOR, 51 MOSLEY STREET, MANCHESTER M602BU, UK.  
PHONE: 061 228 3322 TELEX: 667565 ANSWERBK: BARMAN G

BENEFICIARY:  
NATHAN AND COLES LIMITED  
NATHAN ROAD  
LONDON SE11 8JB  
UNITED KINGDOM

ADVICE OF  
IRREVOCABLE DOCUMENTARY CREDIT  
NUMBER: TODC 603921  
DATED 20<sup>TH</sup> JUNE 1994  
DATE OF EXPIRY: 31<sup>ST</sup> AUGUST 1994  
PLACE OF EXPIRY: UNITED KINGDOM  
AMOUNT: UP TO GBP 160,000.00  
UP TO ONE HUNDRED SIXTY THOUSAND  
AND 00/100'S POUNDS STERLING  
OUR ADVICE NUMBER: MRDC708447

OPENING BANK:  
BARCLAYS BANK OF CANADA  
PO BOX 377  
COMMERCE COURT POSTAL STATION  
TORONTO, ONTARIO  
CANADA

APPLICANT:  
MURRAY CORPORATION LIMITED  
1052 CAUSEWAY BOULEVARD  
TORONTO

30<sup>TH</sup> JUNE 1994

DEAR SIR(S)

THIS LETTER OF CREDIT IS AVAILABLE WITH BARCLAYS BANK PLC: BY PAYMENT AGAINST PRESENTATION OF THE DOCUMENTS DETAILED HEREIN AND OF YOUR DRAFTS AT SIGHT DRAWN ON BARCLAYS BANK PLC, MANCHESTER FOR 100 PER CENT OF INVOICE VALUE.

DOCUMENTS REQUIRED:-

- 1 – COMMERCIAL INVOICE IN QUADRUPLICATE
- 2 – INSURANCE POLICY/ CERTIFICATE IN DUPLICATE COVERING MARINE AND WAR RISKS FOR 110 PER CENT OF THE INVOICE VALUE
- 3 – FULL SET OF CLEAN ON BOARD BLANK ENDORSED PORT TO PORT BILLS OF LADING MARKED NOTIFY MURRAY CORPORATION LIMITED, 1052 CAUSEWAY BOULEVARD, TORONTO, ONTARIO.

COVERING THE FOLLOWING GOODS:-

- 16 – PRINTING MACHINES NATHAN AND COLES MODEL CAXTON EXCELSIOR 1470  
COST, INSURANCE & FREIGHT TORONTO  
PARTIAL SHIPMENTS: NOT ALLOWED  
TRANSHIPMENTS: ALLOWED  
SHIPMENT FROM: UK PORT  
NO LATER THAN: 15<sup>TH</sup> AUGUST 1994  
FOR TRANSPORTATION TO: TORONTO

DOCUMENTS MUST BE PRESENTED AT PLACE OF EXPIRATION WITHIN 15 DAYS OF ISSUE DATE OF TRANSPORT DOCUMENT AND WITHIN THE L/C VALIDITY.

IMPORTANT: PLEASE CAREFULLY CHECK THE DETAILS OF THIS CREDIT AS IT IS ESSENTIAL THAT DOCUMENTS TENDERED CONFORM IN EVERY ASPECT WITH THE CREDIT TERMS. IF YOU ARE UNABLE TO COMPLY, PLEASE COMMUNICATE WITH YOUR BUYERS PROMPTLY IN ORDER THAT THEY MAY ARRANGE A SUITABLE AMENDMENT WITHOUT DELAY. IF DOCUMENTS ARE PRESENTED WHICH DIFFER FROM CREDIT TERMS, WE RESERVE THE RIGHT TO MAKE AN ADDITIONAL CHARGE.

WE ADD OUR CONFIRMATION TO THIS CREDIT AND UNDERTAKE THAT DRAFT(S) AND DOCUMENTS DRAWN UNDER AND IN STRICT CONFORMITY WITH THE TERMS THEREOF WILL BE HONORED ON PRESENTATION.

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION), ICC PUBLICATION NUMBER 500.

YOURS FAITHFULLY

SPECIMAN

SPECIMAN

.....  
AUTHORISED SIGNATURE

.....  
AUTHORISED SIGNATURE

Member of IMRO  
Registered in London, England, Reg.1026167. Reg. Office: 54 Lombard Street, London EC3P 3AH



**ORIGINAL**  
**No.**  
Exporters Reference

**SUN ALLIANCE**  
*International*

**Certificate of Marine Insurance**

This is to certify that Sun Alliance and London Insurance plc (hereinafter called the Company) has insured under Policy No. the undermentioned goods for the voyage and value stated on behalf of

**NATHAN AND COLES LTD**

**Conditions Of Insurance** Institute Cargo Clauses (A) but sendings by Air (other than by post) subject to the Cargo Institute Cargo Clauses (Air) (excluding sendings by post)  
Institute War Clauses } Appropriate to the mode  
Institute Strike Clauses } of transit to which this certificate applies.  
Institute Replacement Clause }  
Replacement Clause (Second-hand Machinery) } if applicable  
Institute Classification Clause }

Institute Radioactive Contamination Exclusion Clause.

**(The Institute Clauses referred to are those current at time of commencement of risk)**

Shipped (per vessel, Aircraft etc)

From (Commencement of transit)

**WATERSTOKER**

Via

**MONTREAL**

**LONDON / FELIXSTOWE**

To (final destination)

**TORONTO**

Insured Value and Currency

**GBP 176000**

Marks and Numbers

Interest

**JLSU 2105933**

**JLSU 2104599**

**JLSU 2104650**

**JLSU 2104665**

**JLSU 2103041**

**JLSU 2104900**

**JLSU 2105790**

**JLSU 2103102**

**8 x 20 FT.**

**CONTAINERS**

**PRINTING MACHINES**

**NATHAN & COLES**

**MODEL CAXTON**

**EXCELSIOR 1470**

**SHIPPED UNDER DECK BUT CONTAINER SHIPMENTS ON OR UNDER DECK**

**SURVEYS**

In the event of loss or damage for which the Company may be liable, immediate notice must be given to

**SUN ALLIANCE'S AGENT AT THE PORT WHERE THE LOSS OR DAMAGE**

**IS DISCOVERED**

in order that a Surveyor may, if necessary be appointed

**CLAIMS**

payable at **TORONTO**

by **SUN ALLIANCE'S AGENT**

This Certificate is not valid unless countersigned

**NATHAN & COLES LTD**

Group Marine Manager

Date of issue 10.8.94

Authorised Signatory

This certificate may require to be stamped within a given period in order to conform with the laws of the country of destination. Holders are therefore advised to ascertain the amount of Stamp Duty, if any, required.

**THIS CERTIFICATE REQUIRES ENDORSEMENT BY THE ASSURED**

Sun Alliance International policies are issued by Sun Alliance and London Insurance plc

**Bill of Lading Combined Transport shipment or Port to Port shipment**  
**Shipper**

NATHAN AND COLES  
NATHAN ROAD  
LONDON SE11 8JB

B/L No. FLX TOR 1  
Booking ref.:  
Shipper's Ref.: 65785

Consigned to the order of

ORDER

**P&O**



**Containers**

**Notify Party/Address** (It is agreed that no responsibility shall attach to the carrier  
Or his Agents for failure to notify of the arrival of the goods)

MURRAY CORPORATION  
1052 CAUSEWAY BOULEVARD  
TORONTO CANADA

**Place of Receipt** (Applicable only when this document is used as a  
Combined Transport Bill of Lading)

LONDON

**Vessel and Voy. No.**

WATERSTOKER 129

**Place of Delivery** (Applicable only when this document is used as a  
Combined Transport Bill of Lading)

TORONTO

Port of Lading  
Felixstowe

Port of Discharge

MONTREAL

Marks and Nos: Container Nos:	Number and kind of Packages: description of Goods	Gross Weight(kg)	Measurements (cbm)
JLSU 2105933	8 x 20 FT		
JLSU 2104599	CONTAINERS		
JLSU 2104650	SAID TO CONTAIN		
JLSU 2104665	16	120615	146.32
JLSU 2103041	PRINTING MACHINES		
JLSU 2104900			
JLSU 2105790			
JLSU 2103102			

SHIPPERS LOAD, STOW & COUNT

FREIGHT PREPAID

Above particulars as declared by shipper, but not acknowledged by the carrier (see clause 11)

\* Total No. of Containers/Packages received by the carrier

EIGHT

Movement

Freight and Charges (indicate whether prepaid or collect):

Origin Inland Haulage Charge.. ....

Origin Terminal Handling/LCL Service Charge... PAYABLE AT

Ocean Freight.. .... LONDON

Destination Terminal Handling/LCL Service Charge...

Destination Inland Haulage Charge.... ..

(3) THREE  
Number of Original Bills of Lading

Received by the Carrier from the Shipper in apparent good order and condition (unless otherwise noted herein) the total number or quantity of Containers or other packages or units indicated in the box opposite entitled "Total No. of Containers/Packages received by the Carrier" for Carriage subject to all the terms and conditions hereof (INCLUDING THE TERMS AND CONDITIONS ON THE REVERSE HEREOF AND THE TERMS AND CONDITIONS OF THE CARRIER'S APPLICABLE TARIFF) from the Place of Receipt or the Port of Loading, whichever is applicable, to the Port of Discharge or the Place of Delivery, whichever, whichever is applicable. Before the Carrier arranges delivery of the goods one original Bill of Lading, duly endorsed must be surrendered by the Merchant to the Carrier at the Port of Discharge or at some other location acceptable to the Carrier. In accepting this Bill of Lading the Merchant expressly accepts and agrees to all its terms and conditions whether printed, stamped or written, or otherwise incorporated, notwithstanding the non-signing of this Bill of Lading by the Merchant.

Place and Date of Issue

LONDON 11 AUGUST 1994

IN WITNESS of the contact herein contained the number of  
Originals stated opposite has been issued, one of which  
Being accomplished the other(s) to be void.

For P&O Containers Limited as Carrier:

SHIPPED ON BOARD PER

OCEAN VESSEL.....

AT.....ON.....

330006

..... P&OCL B/L 2 3/92

## The Hague-Visby Rules

### The Hague Rules as Amended by the Brussels Protocol 1968

#### Article I

In these Rules the following words are employed, with the meanings set out below:

- (a) 'Carrier' includes the owner or the charterer who enters into a contract of carriage with a shipper.
- (b) 'Contract of carriage' applies only to contracts of carriage covered by a bill of lading or any similar document of title, in so far as such document relates to the carriage of goods by sea, including any bill of lading or any similar document as aforesaid issued under or pursuant to a charter party from the moment at which such bill of lading or similar document of title regulates the relations between a carrier and a holder of the same.
- (c) 'Goods' includes goods, wares, merchandise, and articles of every kind whatsoever except live animals and cargo which by the contract of carriage is stated as being carried on deck and is so carried.
- (d) 'Ship' means any vessel used for the carriage of goods by sea.
- (e) 'Carriage of goods' covers the period from the time when the goods are loaded on to the time they are discharged from the ship.

#### Article II

Subject to the provisions of Article VI, under every contract of carriage of goods by sea the carrier, in relation to the loading, handling, stowage, carriage, custody, care and discharge of such goods, shall be subject to the responsibilities and liabilities and entitled to the rights and immunities hereinafter set forth.

#### Article III

1. The carrier shall be bound before and at the beginning of the voyage to exercise due diligence to:

- (a) Make the ship seaworthy;
- (b) Properly man, equip and supply the ship;
- (c) Make the holds, refrigerating and cool chambers, and all other parts of the ship in which goods are carried, fit and safe for their reception, carriage and preservation.

2. Subject to the provisions of Article IV, the carrier shall properly and carefully load, handle, stow, carry, keep, care for, and discharge the goods carried.

3. After receiving the goods into his charge the carrier or the master or agent of the carrier shall,

on demand of the shipper, issue to the shipper a bill of lading showing among other things:

- (a) The leading marks necessary for identification of the goods as the same are furnished in writing by the shipper before the loading of such goods starts, provided such marks are stamped or otherwise shown clearly upon the goods if uncovered, or on the cases or coverings in which such goods are contained, in such a manner as should ordinarily remain legible until the end of the voyage.
- (b) Either the number of packages or pieces, or the quantity, or weight, as the case may be, as furnished in writing by the shipper.
- (c) The apparent order and condition of the goods.

Provided that no carrier, master or agent of the carrier shall be bound to state or show in the bill of lading any marks, number, quantity or weight which he has reasonable ground for suspecting not accurately to represent the goods actually received, or which he has had no reasonable means of checking.

4. Such a bill of lading shall be prima facie evidence of the receipt by the carrier of the goods as therein described in accordance with paragraph 3 (a), (b) and (c). However, proof to the contrary shall not be admissible when the bill of lading has been transferred to a third party acting in good faith.

5. The shipper shall be deemed to have guaranteed to the carrier the accuracy at the time of shipment of the marks, number, quantity and weight, as furnished by him, and the shipper shall indemnify the carrier against all loss, damages and expenses arising or resulting from inaccuracies in such particulars. The right of the carrier to such indemnity shall in no way limit his responsibility and liability under the contract of carriage to any person other than the shipper.

6. Unless notice of loss or damage and the general nature of such loss or damage be given in writing to the carrier or his agent at the port of discharge before or at the time of the removal of the goods into the custody of the person entitled to delivery thereof under the contract of carriage, or, if the loss or damage be not apparent, within three days, such removal shall be prima facie evidence of the delivery by the carrier of the goods as described in the bill of lading.

The notice in writing need not be given if the state of the goods has, at the time of their receipt, been the subject of joint survey or inspection.

Subject to paragraph 6bis the carrier and the ship shall in any event be discharged from all liability whatsoever in respect of the goods, unless suit is brought within one year of their delivery or of the date when they should have been delivered. This period, may however, be extended if the parties so agree after the cause of action has arisen.

In the case of any actual or apprehended loss or damage the carrier and the receiver shall give all reasonable facilities to each other for inspecting and tallying the goods.

6 bis. An action for indemnity against a third person may be brought even after the expiration of the year provided for in the preceding paragraph if brought within the time allowed by the law of the Court seized of the case. However, the time allowed shall be not less than three months, commencing from the day when the person bringing such action for indemnity has settled the claim or has been served with process in the action against himself.

7. After the goods are loaded the bill of lading to be issued by the carrier, master, or agent of the



carrier, to the shipper shall, if the shipper so demands be a 'shipped' bill of lading, provided that if the shipper shall have previously taken up any document of title to such goods, he shall surrender the same as against the issue of the 'shipped' bill of lading, but at the option of the carrier such document of title may be noted at the port of shipment by the carrier, master, or agent with the name or names of the ship or ships upon which the goods have been shipped and the date or dates of shipment, and when so noted, if it shows the particulars mentioned in paragraph 3 of Article III, shall for the purpose of this article be deemed to constitute a 'shipped' bill of lading.

**8 .** Any clause, covenant, or agreement in a contract of carriage relieving the carrier or the ship from liability for loss or damage to, or in connection with, goods arising from negligence, fault, or failure in the duties and obligations provided in this article or lessening such liability otherwise than as provided in these Rules, shall be null and void and of no effect. A benefit of insurance in favour of the carrier or similar clause shall be deemed to be a clause relieving the carrier from liability.

#### Article IV

**1 .** Neither the carrier nor the ship shall be liable for loss or damage arising or resulting from unseaworthiness unless caused by want of due diligence on the part of the carrier to make the ship seaworthy, and to secure that the ship is properly manned, equipped and supplied, and to make the holds, refrigerating and cool chambers and all other parts of the ship in which goods are carried fit and safe for their reception, carriage and preservation in accordance with the provisions of paragraph 1 of Article III. Whenever loss or damage has resulted from unseaworthiness the burden of proving the exercise of due diligence shall be on the carrier or other person claiming exemption under this article.

**2 .** Neither the carrier nor the ship shall be responsible for loss or damage arising or resulting from:

- (a) Act, neglect, or default of the master, mariner, pilot, or the servants of the carrier in the navigation or in the management of the ship.
- (b) Fire, unless caused by the actual fault or privity of the carrier.
- (c) Perils, dangers and accidents of the sea or other navigable waters.
- (d) Act of God.
- (e) Act of war.
- (f) Act of public enemies.
- (g) Arrest or restraint of princes, rulers or people, or seizure under legal process.
- (h) Quarantine restrictions.
- (i) Act or omission of the shipper or owner of the goods, his agent or representative.
- (j) Strikes or lockouts or stoppage or restraint of labour from whatever cause, whether partial or general.
- (k) Riots and civil commotions.
- (l) Saving or attempting to save life or property at sea.

(m) Wastage in bulk of weight or any other loss or damage arising from inherent defect, quality or vice of the goods.

(n) Insufficiency of packing.

(o) Insufficiency or inadequacy of marks.

(p) Latent defects not discoverable by due diligence.

(q) Any other cause arising without the actual fault or privity of the carrier, or without the fault or neglect of the agents or servants of the carrier, but the burden of proof shall be on the person claiming the benefit of this exception to show that neither the actual fault or privity of the carrier nor the fault or neglect of the agents or servants of the carrier contributed to the loss or damage.

**3 .** The shipper shall not be responsible for loss or damage sustained by the carrier or the ship arising or resulting from any cause without the act, fault or neglect of the shipper, his agents or his servants.

**4 .** Any deviation in saving or attempting to save life or property at sea or any reasonable deviation shall not be deemed to be an infringement or breach of these Rules or of the contract of carriage, and the carrier shall not be liable for any loss or damage resulting therefrom.

**5 (a)** Unless the nature and value of such goods have been declared by the shipper before shipment and inserted in the bill of lading, neither the carrier nor the ship shall in any event be or become liable for any loss or damage to or in connection with the goods in an amount exceeding the equivalent of 666.67 units of account per package or unit or units of account per kilo of gross weight of the goods lost or damaged, whichever is the higher.

(b) The total amount recoverable shall be calculated by reference to the value of such goods at the place and time at which the goods are discharged from the ship in accordance with the contract or should have been so discharged.

The value of the goods shall be fixed according to the commodity exchange price, or, if there be no such price, according to the current market price, or, if there be no commodity exchange price or current market price, by reference to the normal value of goods of the same kind and quality.

(c) Where a container, pallet or similar article of transport is used to consolidate goods, the number of packages or units enumerated in the bill of lading as packed in such article of transport shall be deemed the number of packages or units for the purpose of this paragraph as far as these packages or units are concerned. Except as aforesaid such article of transport shall be considered the package or unit.

(d) The unit of account mentioned in this Article is the special drawing right as defined by the International Monetary Fund. The amounts mentioned in sub-paragraph (a) of this paragraph shall be converted into national currency on the basis of the value of that currency on a date to be determined by the law of the Court seized of the case.

(e) Neither the carrier nor the ship shall be entitled to the benefit of the limitation of liability provided for in this paragraph if it is proved that the damage resulted from an act or omission of the carrier done with intent to cause damage, or recklessly and with knowledge that damage would probably result.

(f) The declaration mentioned in sub-paragraph (a) of this paragraph, if embodied in the bill of lading, shall be prima facie evidence, but shall not be binding or conclusive on the carrier.

(g) By agreement between the carrier, master or agent of the carrier and the shipper other maximum amounts than those mentioned in sub-paragraph (a) of this paragraph may be fixed, provided that no maximum amount so fixed shall be less than the appropriate maximum mentioned in that sub-paragraph.

(h) Neither the carrier nor the ship shall be responsible in any event for loss or damage to, or in connection with, goods if the nature or value thereof has been knowingly mis-stated by the shipper in the bill of lading.

**6 .** Goods of an inflammable, explosive or dangerous nature to the shipment whereof the carrier, master or agent of the carrier has not consented with knowledge of their nature and character, may at any time before discharge be landed at any place, or destroyed or rendered innocuous by the carrier without compensation and the shipper of such goods shall be liable for all damages and expenses directly or indirectly arising out of or resulting from such shipment. If any such goods shipped with such knowledge and consent shall become a danger to the ship or cargo, they may in like manner be landed at any place, or destroyed or rendered innocuous by the carrier without liability on the part of the carrier except to general average, if any.

#### **Article IV bis**

**1 .** The defences and limits of liability provided for in these Rules shall apply in any action against the carrier in respect of loss or damage to goods covered by a contract of carriage whether the action be founded in contract or in tort.

**2 .** If such an action is brought against a servant or agent of the carrier (such servant or agent not being an independent contractor), such servant or agent shall be entitled to avail himself of the defences and limits of liability which the carrier is entitled to invoke under these Rules.

**3 .** The aggregate of the amounts recoverable from the carrier, and such servants and agents, shall in no case exceed the limit provided for in these Rules.

**4 .** Nevertheless, a servant or agent of the carrier shall not be entitled to avail himself of the provisions of this article, if it is proved that the damage resulted from an act or omission of the servant or agent done with intent to cause damage or recklessly and with knowledge that damage would probably result.

#### **Article V**

A carrier shall be at liberty to surrender in whole or in part all or any of his rights and immunities or to increase any of his responsibilities and obligations under these Rules, provided such surrender or increase shall be embodied in the bill of lading issued to the shipper. The provisions of these Rules shall not be applicable to charter parties, but if bills of lading are issued in the case of a ship under a charter party they shall comply with the terms of these Rules. Nothing in these Rules shall be held to prevent the insertion in a bill of lading of any lawful provision regarding general average.

#### **Article VI**

Notwithstanding the provisions of the preceding articles, a carrier, master or agent of the carrier and a shipper shall in regard to any particular goods be at liberty to enter into any agreement in any

terms as to the responsibility and liability of the carrier for such goods, and as to the rights and immunities of the carrier in respect of such goods, or his obligation as to seaworthiness, so far as this stipulation is not contrary to public policy, or the care or diligence of his servants or agents in regard to the loading, handling, stowage, carriage, custody, care and discharge of the goods carried by sea, provided that in this case no bill of lading has been or shall be issued and that the terms agreed shall be embodied in a receipt which shall be a non-negotiable document and shall be marked as such.

An agreement so entered into shall have full legal effect.

Provided that this article shall not apply to ordinary commercial shipments made in the ordinary course of trade, but only to other shipments where the character or condition of the property to be carried or the circumstances, terms and conditions under which the carriage is to be performed are such as reasonably to justify a special agreement.

#### **Article VII**

Nothing herein contained shall prevent a carrier or a shipper from entering into any agreement, stipulation, condition, reservation or exemption as to the responsibility and liability of the carrier or the ship for the loss or damage to, or in connection with, the custody and care and handling of goods prior to the loading on, and subsequent to the discharge from, the ship on which the goods are carried by sea.

#### **Article VIII**

The provisions of these Rules shall not affect the rights and obligations of the carrier under any statute for the time being in force relating to the limitation of the liability of owners of sea-going vessels.

#### **Article IX**

These Rules shall not affect the provisions of any international Convention or national law governing liability for nuclear damage.

#### **Article X**

The provisions of these Rules shall apply to every bill of lading relating to the carriage of goods between ports in two different States if

- (a) the bill of lading is issued in a contracting State, or
- (b) the carriage is from a port in a contracting State, or
- (c) the contract contained in or evidenced by the bill of lading provides that these Rules or legislation of any State giving effect to them are to govern the contract;

whatever may be the nationality of the ship, the carrier, the shipper, the consignee, or any other interested person.

(The last two paragraphs of this Article are not reproduced. They require contracting States to apply the Rules to bills of lading mentioned in the Article and authorise them to apply the Rules to other bills of lading).

(Article 11 to 16 of the International Convention for the unification of certain rules of law relating to bills of lading signed at Brussels on August 25, 1974 are not reproduced. They deal with the coming into force of the Convention, procedure for ratification, accession and denunciation and the right to call for a fresh conference to consider amendments to the Rules contained in the Convention).

## The Hamburg Rules

### United Nations Convention on the Carriage of Goods by Sea, 1978

#### Preamble

Status of this Convention

The States Parties to this Convention,

Having recognised the desirability of determining by agreement certain rules relating to the carriage of goods by sea,

Have decided to conclude a Convention for this purpose and have thereto agreed as follows:

#### PART I - GENERAL PROVISIONS

##### Article 1 - Definitions

In this Convention:

- 1 . "Carrier" means any person by whom or in whose name a contract of carriage of goods by sea has been concluded with a shipper.
- 2 . "Actual carrier" means any person to whom the performance of the carriage of the goods, or of part of the carriage, has been entrusted by the carrier, and includes any other person to whom such performance has been entrusted.
- 3 . "Shipper" means any person by whom or in whose name or on whose behalf a contract of carriage of goods by sea has been concluded with a carrier, or any person by whom or in whose name or on whose behalf the goods are actually delivered to the carrier in relation to the contract of carriage by sea.
- 4 . "Consignee" means the person entitled to take delivery of the goods.
- 5 . "Goods" includes live animals; where the goods are consolidated in a container, pallet or similar Article of transport or where they are packed, "goods" includes such Article of transport or packaging if supplied by the shipper.
- 6 . "Contract of carriage by sea" means any contract whereby the carrier undertakes against payment of freight to carry goods by sea from one port to another; however, a contract which involves carriage by sea and also carriage by some other means is deemed to be a contract of carriage by sea for the purposes of this Convention only in so far as it relates to the carriage by sea.
- 7 . "Bill of lading" means a document which evidences a contract of carriage by sea and the taking over or loading of the goods by the carrier, and by which the carrier undertakes to deliver the goods against surrender of the document. A provision in the document that the goods are to be delivered to the order of a named person, or to order, or to bearer, constitutes such an undertaking.

8 . "Writing" includes, inter alia, telegram and telex.

##### Article 2 - Scope of application

- 1 . The provisions of this Convention are applicable to all contracts of carriage by sea between two different States, if:
  - (a) The port of loading as provided for in the contract of carriage by sea is located in a Contracting State, or
  - (b) The port of discharge as provided for in the contract of carriage by sea is located in a Contracting State, or
  - (c) One of the optional ports of discharge provided for in the contract of carriage by sea is the actual port of discharge and such port is located in a Contracting State, or
  - (d) The bill of lading or other document evidencing the contract of carriage by sea is issued in a Contracting State, or
  - (e) The bill of lading or other document evidencing the contract of carriage by sea provides that the provisions of this Convention or the legislation of any State giving effect to them are to govern the contract.

2 . The provisions of this Convention are applicable without regard to the nationality of the ship, the carrier, the actual carrier, the shipper, the consignee or any other interested person.

3 . The provisions of this Convention are not applicable to charter-parties. However, where a bill of lading is issued pursuant to a charter-party, the provisions of the Convention apply to such a bill of lading if it governs the relation between the carrier and the holder of the bill of lading, not being the charterer.

4 . If a contract provides for future carriage of goods in a series of shipments during an agreed period, the provisions of this Convention apply to each shipment. However, where a shipment is made under a charter-party, the provisions of paragraph 3 of this Article apply.

##### Article 3 - Interpretation of the Convention

In the interpretation and application of the provisions of this Convention regard shall be had to its international character and to the need to promote uniformity.

#### PART II - LIABILITY OF THE CARRIER

##### Article 4 - Period of responsibility

- 1 . The responsibility of the carrier for the goods under this Convention covers the period during which the carrier is in charge of the goods at the port of loading, during the carriage and at the port of discharge.
- 2 . For the purpose of paragraph 1 of this Article, the carrier is deemed to be in charge of the goods
  - (a) From the time he has taken over the goods from:
  - (i) The shipper, or a person acting on his behalf; or

(ii) An authority or other third party to whom, pursuant to law or regulations applicable at the port of loading, the goods must be handed over for shipment;

(b) Until the time he has delivered the goods:

(i) By handing over the goods to the consignee; or

(ii) In cases where the consignee does not receive the goods from the carrier, by placing them at the disposal of the consignee in accordance with the contract or with the law or with the usage of the particular trade, applicable at the port of discharge, or

(iii) By handing over the goods to an authority or other third party to whom, pursuant to law or regulations applicable at the port of discharge, the goods must be handed over.

3. In paragraphs 1 and 2 of this Article, reference to the carrier or to the consignee means, in addition to the carrier or the consignee, the servants or agents, respectively of the carrier or the consignee.

#### Article 5 - Basis of liability

1. The carrier is liable for loss resulting from loss of or damage to the goods, as well as from delay in delivery, if the occurrence which caused the loss, damage or delay took place while the goods were in his charge as defined in Article 4, unless the carrier proves that he, his servants or agents took all measures that could reasonably be required to avoid the occurrence and its consequences.

2. Delay in delivery occurs when the goods have not been delivered at the port of discharge provided for in the contract of carriage by sea within the time expressly agreed upon or, in the absence of such agreement, within the time which it would be reasonable to require of a diligent carrier, having regard to the circumstances of the case.

3. The person entitled to make a claim for the loss of goods may treat the goods as lost if they have not been delivered as required by article 4 within 60 consecutive days following the expiry of the time for delivery according to paragraph 2 of this Article.

4. (a) The carrier is liable

(i) For loss or damage to the goods or delay in delivery caused by fire, if the claimant proves that the fire arose from fault or neglect on the part of the carrier, his servants or agents;

(ii) For such loss, damage or delay in delivery which is proved by the claimant to have resulted from the fault or neglect of the carrier, his servants or agents, in taking all measures that could reasonably be required to put out the fire and avoid or mitigate its consequences.

(b) In case of fire on board the ship affecting the goods, if the claimant or the carrier so desires, a survey in accordance with shipment practices must be held into the cause and circumstances of the fire, and a copy of the surveyor's report shall be made available on demand to the carrier and the claimant.

5. With respect to live animals, the carrier is not liable for loss, damage or delay in delivery resulting from any special risks inherent in that kind of carriage. If the carrier proves that he has complied with any special instructions given to him by the shipper respecting the animals and that, in the circumstances of the case, the loss, damage or delay in delivery could be attributed to such risks, it is presumed that the loss, damage or delay in delivery was so caused, unless there is proof

that all or a part of the loss, damage or delay in delivery resulted from fault or neglect on the part of the carrier, his servants or agents.

6. The carrier is not liable, except in general average, where loss, damage or delay in delivery resulted from measures to save life or from reasonable measures to save property at sea.

7. Where fault or neglect on the part of the carrier, his servants or agents combines with another cause to produce loss, damage or delay in delivery the carrier is liable only to the extent that the loss, damage or delay in delivery is attributable to such fault or neglect, provided that the carrier proves the amount of the loss, damage or delay in delivery not attributable thereto.

#### Article 6 - Limits of liability

1. (a) The liability of the carrier for loss resulting from loss of or damage to goods according to the provisions of Article 5 is limited to an amount equivalent to 835 units of account per package or other shipping unit or 2.5 units of account per kilogram of gross weight of the goods lost or damaged, whichever is the higher.

(b) The liability of the carrier for delay in delivery according to the provisions of Article 5 is limited to an amount equivalent to two and a half times the freight payable for the goods delayed, but not exceeding the total freight payable under the contract of carriage of goods by sea.

(c) In no case shall the aggregate liability of the carrier, under both subparagraphs (a) and (b) of this paragraph, exceed the limitation which would be established under subparagraph (a) of this paragraph for total loss of the goods with respect to which such liability was incurred.

2. For the purpose of calculating which amount is the higher in accordance with paragraph 1 (a) of this Article, the following rules apply:

(a) Where a container, pallet or similar Article of transport is used to consolidate goods, the package or other shipping units enumerated in the bill of lading, if issued, or otherwise in any other document evidencing the contract of carriage by sea, as packed in such Article of transport are deemed packages or shipping units. Except as aforesaid the goods in such Article of transport are deemed one shipping unit.

(b) In cases where the Article of transport itself has been lost or damaged, that Article of transport, if not owned or otherwise supplied by the carrier, is considered one separate shipping unit.

3. Unit of account means the unit of account mentioned in Article 26.

4. By agreement between the carrier and the shipper, limits of liability exceeding those provided for in paragraph 1 may be fixed.

#### Article 7 - Application to non - contractual claims

1. The defences and limits of liability provided for in this Convention apply in any action against the carrier in respect of loss or damage to the goods covered by the contract of carriage by sea, as well as of delay in delivery whether the action is founded in contract, in tort or otherwise.

2. If such action is brought against a servant or agent of the carrier, such servant or agent, if he proves that he acted within the scope of his employment, is entitled to avail himself of the defences and limits of liability which the carrier is entitled to invoke under this Convention.

3 . Except as provided in Article 8, the aggregate of the amounts recoverable from the carrier and from any persons referred to in paragraph 2 of this Article shall not exceed the limits of liability provided for in this Convention.

#### **Article 8 - Loss of right to limit responsibility**

1 . The carrier is not entitled to the benefit of the limitation of liability provided for in Article 6 if it is proved that the loss, damage or delay in delivery resulted from an act or omission of the carrier done with the intent to cause such loss, damage or delay, or recklessly and with knowledge that such loss, damage or delay would probably result.

2 . Notwithstanding the provisions of paragraph 2 of Article 7, a servant or agent of the carrier is not entitled to the benefit of the limitation of liability provided for in Article 6 if it is proved that the loss, damage or delay in delivery resulted from an act or omission of such servant or agent, done with the intent to cause such loss, damage or delay, or recklessly and with knowledge that such loss, damage or delay would probably result.

#### **Article 9 - Deck cargo**

1 . The carrier is entitled to carry the goods on deck only if such carriage is in accordance with an agreement with the shipper or with the usage of the particular trade or is required by statutory rules or regulations.

2 . If the carrier and the shipper have agreed that the goods shall or may be carried on deck, the carrier must insert in the bill of lading or other document evidencing the contract of carriage by sea a statement to that effect. In the absence of such statement the carrier has the burden of proving that an agreement for carriage on deck has been entered into; however, the carrier is not entitled to invoke such an agreement against a third party, including a consignee, who has acquired the bill of lading in good faith.

3 . Where the goods have been carried on deck contrary to the provisions of paragraph 1 of this Article or where the carrier may not under paragraph 2 of this Article invoke an agreement for carriage on deck, the carrier, notwithstanding the provisions of paragraph 1 of article 5, is liable for loss of or damage to the goods, as well as for delay in delivery, resulting solely from the carriage on deck, and the extent of his liability is to be determined in accordance with the provisions of Article 6 or Article 8 of this Convention, as the case may be.

4 . Carriage of goods on deck contrary to express agreement for carriage under deck is deemed to be an act or omission of the carrier within the meaning of Article 8.

#### **Article 10 - Liability of the carrier and actual carrier**

1 . Where the performance of the carriage or part thereof has been entrusted to an actual carrier, whether or not in pursuance of a liberty under the contract of carriage by sea to do so, the carrier nevertheless remains responsible for the entire carriage according to the provisions of this Convention. The carrier is responsible, in relation to the carriage performed by the actual carrier, for the acts and omissions of the actual carrier and of his servants and agents acting within the scope of their employment.

2 . All the provisions of this Convention governing the responsibility of the carrier also apply to the responsibility of the actual carrier for the carriage performed by him. The provisions of paragraphs 2 and 3 of Article 7 and of paragraph 2 of Article 8 apply if an action is brought against a servant or agent of the actual carrier.

3 . Any special agreement under which the carrier assumes obligations not imposed by this

Convention or waives rights conferred by this Convention affects the actual carrier only if agreed to by him expressly and in writing. Whether or not the actual carrier has so agreed, the carrier nevertheless remains bound by the obligations or waivers resulting from such special agreement.

4 . Where and to the extent that both the carrier and the actual carrier are liable, their liability is joint and several.

5 . The aggregate of the amounts recoverable from the carrier, the actual carrier and their servants and agents shall not exceed the limits of liability provided for in this Convention.

6 . Nothing in this Article shall prejudice any right of recourse as between the carrier and the actual carrier.

#### **Article 11 - Through carriage**

1 . Notwithstanding the provisions of paragraph 1 of Article 10, where a contract of carriage by sea provides explicitly that a specified part of the carriage covered by the said contract is to be performed by a named person other than the carrier, the contract may also provide that the carrier is not liable for loss, damage or delay in delivery caused by an occurrence which takes place while the goods are in the charge of the actual carrier during such part of the carriage. Nevertheless, any stipulation limiting or excluding such liability is without effect if no judicial proceedings can be instituted against the actual carrier in a court competent under paragraph 1 or 2 of article 21. The burden of proving that any loss, damage or delay in delivery has been caused by such an occurrence rests upon the carrier.

2 . The actual carrier is responsible in accordance with the provisions of paragraph 2 of Article 10 for loss, damage or delay in delivery caused by an occurrence which takes place while the goods are in his charge.

### **PART III - LIABILITY OF THE SHIPPER**

#### **Article 12 - General rule**

The shipper is not liable for loss sustained by the carrier or the actual carrier, or for damage sustained by the ship, unless such loss or damage was caused by the fault or neglect of the shipper, his servants or agents. Nor is any servant or agent of the shipper liable for such loss or damage unless the loss or damage was caused by fault or neglect on his part.

#### **Article 13 - Special rules on dangerous goods**

1 . The shipper must mark or label in a suitable manner dangerous goods as dangerous.

2 . Where the shipper hands over dangerous goods to the carrier or an actual carrier, as the case may be, the shipper must inform him of the dangerous character of the goods and, if necessary, of the precautions to be taken. If the shipper fails to do so and such carrier or actual carrier does not otherwise have knowledge of their dangerous character:

(a) The shipper is liable to the carrier and any actual carrier for the loss resulting from the shipment of such goods, and

(b) The goods may at any time be unloaded, destroyed or rendered innocuous, as the circumstances may require, without payment of compensation.

3 . The provisions of paragraph 2 of this Article may not be invoked by any person if during the

carriage he has taken the goods in his charge with knowledge of their dangerous character.

4. If, in cases where the provisions of paragraph 2, subparagraph (b), of this Article do not apply or may not be invoked, dangerous goods become an actual danger to life or property, they may be unloaded, destroyed or rendered innocuous, as the circumstances may require, without payment of compensation except where there is an obligation to contribute in general average or where the carrier is liable in accordance with the provisions of Article 5.

#### PART IV - TRANSPORT DOCUMENTS

##### Article 14 - Issue of bill of lading

1. When the carrier or the actual carrier takes the goods in his charge, the carrier must, on demand of the shipper, issue to the shipper a bill of lading.

2. The bill of lading may be signed by a person having authority from the carrier. A bill of lading signed by the master of the ship carrying the goods is deemed to have been signed on behalf of the carrier.

3. The signature on the bill of lading may be in handwriting, printed in facsimile, perforated, stamped, in symbols, or made by any other mechanical or electronic means, if no inconsistent with the law of the country where the bill of lading is issued.

##### Article 15 - Contents of bill of lading

1. The bill of lading must include, inter alia, the following particulars:

- (a) The general nature of the goods, the leading marks necessary for identification of the goods, an express statement, if applicable, as to the dangerous character of the goods, the number of packages or pieces, and the weight of the goods or their quantity otherwise expressed, all such particulars as furnished by the shipper;
- (b) the apparent condition of the goods;
- (c) the name and principal place of business of the carrier;
- (d) the name of the shipper;
- (e) the consignee if named by the shipper;
- (f) the port of loading under the contract of carriage by sea and the date on which the goods were taken over by the carrier at the port of loading;
- (g) the port of discharge under the contract of carriage by sea;
- (h) the number of originals of the bill of lading, if more than one;
- (i) the place of issuance of the bill of lading;
- (j) the signature of the carrier or a person acting on his behalf;
- (k) the freight to the extent payable by the consignee or other indication that freight is payable by him;

(l) the statement referred to in paragraph 3 of Article 23;

(m) the statement, if applicable, that the goods shall or may be carried on deck;

(n) the date or the period of delivery of the goods at the port of discharge if expressly agreed upon between the parties; and

(o) any increased limit or limits of liability where agreed in accordance with paragraph 4 of Article 6.

2. After the goods have been loaded on board, if the shipper so demands, the carrier must issue to the shipper a "shipped" bill of lading which, in addition to the particulars required under paragraph 1 of this Article, must state that the goods are on board a named ship or ships, and the date or dates of loading. If the carrier has previously issued to the shipper a bill of lading or other document of title with respect to any of such goods, on request of the carrier, the shipper must surrender such document in exchange for a "shipped" bill of lading. The carrier may amend any previously issued document in order to meet the shipper's demand for a "shipped" bill of lading if, as amended, such document includes all the information required to be contained in a "shipped" bill of lading.

3. The absence in the bill of lading of one or more particulars referred to in this Article does not affect the legal character of the document as a bill of lading provided that it nevertheless meets the requirements set out in paragraph 7 of Article 1.

##### Article 16 - Bills of lading: reservations and evidentiary effect

1. If the bill of lading contains particulars concerning the general nature, leading marks, number of packages or pieces, weight or quantity of the goods which the carrier or other person issuing the bill of lading on his behalf knows or has reasonable grounds to suspect do not accurately represent the goods actually taken over or, where a "shipped" bill of lading is issued, loaded, or if he had no reasonable means of checking such particulars, the carrier or such other person must insert in the bill of lading a reservation specifying these inaccuracies, grounds of suspicion or the absence of reasonable means of checking.

2. If the carrier or other person issuing the bill of lading on his behalf fails to note on the bill of lading the apparent condition of the goods, he is deemed to have noted on the bill of lading that the goods were in apparent good condition.

3. Except for particulars in respect of which and to the extent to which a reservation permitted under paragraph 1 of this Article has been entered:

(a) The bill of lading is prima facie evidence of the taking over or, where a "shipped" bill of lading is issued, loading, by the carrier of the goods as described in the bill of lading; and

(b) Proof to the contrary by the carrier is not admissible if the bill of lading has been transferred to a third party, including a consignee, who in good faith has acted in reliance on the description of the goods therein.

4. A bill of lading which does not, as provided in paragraph 1, subparagraph (h) of Article 15, set forth the freight or otherwise indicate that freight is payable by the consignee or does not set forth demurrage incurred at the port of loading payable by the consignee, is prima facie evidence that no freight or such demurrage is payable by him. However, proof to the contrary by the carrier is not admissible when the bill of lading has been transferred to a third party, including a consignee, who in good faith has acted in reliance on the absence in the bill of lading of any such indication.

**Article 17 - Guarantees by the shipper**

1. The shipper is deemed to have guaranteed to the carrier the accuracy of particulars relating to the general nature of the goods, their marks, number, weight and quantity as furnished by him for insertion in the bill of lading. The shipper must indemnify the carrier against the loss resulting from inaccuracies in such particulars. The shipper remains liable even if the bill of lading has been transferred by him. The right of the carrier to such indemnity in no way limits his liability under the contract of carriage by sea to any person other than the shipper.

2. Any letter of guarantee or agreement by which the shipper undertakes to indemnify the carrier against loss resulting from the issuance of the bill of lading by the carrier, or by a person acting on his behalf, without entering a reservation relating to particulars furnished by the shipper for insertion in the bill of lading, or to the apparent condition of the goods, is void and of no effect as against any third party, including a consignee, to whom the bill of lading has been transferred.

3. Such letter of guarantee or agreement is valid as against the shipper unless the carrier or the person acting on his behalf, by omitting the reservation referred to in paragraph 2 of this Article, intends to defraud a third party, including a consignee, who acts in reliance on the description of the goods in the bill of lading. In the latter case, if the reservation omitted relates to particulars furnished by the shipper for insertion in the bill of lading, the carrier has no right of indemnity from the shipper pursuant to paragraph 1 of this Article.

4. In the case of intended fraud referred to in paragraph 3 of this article the carrier is liable, without the benefit of the limitation of liability provided for in this Convention, for the loss incurred by a third party, including a consignee, because he has acted in reliance on the description of the goods in the bill of lading.

**Article 18 - Documents other than bills of lading**

Where a carrier issues a document other than a bill of lading to evidence the receipt of the goods to be carried, such a document is prima facie evidence of the conclusion of the contract of carriage by sea and the taking over by the carrier of the goods as therein described.

**PART V - CLAIMS AND ACTIONS****Article 19 - Notice of loss, damage or delay**

1. Unless notice of loss or damage, specifying the general nature of such loss or damage, is given in writing by the consignee to the carrier not later than the working day after the day when the goods were handed over to the consignee, such handing over is prima facie evidence of the delivery by the carrier of the goods as described in the document of transport or, if no such document has been issued, in good condition.

2. Where the loss or damage is not apparent, the provisions of paragraph 1 of this Article apply correspondingly if notice in writing is not given within 15 consecutive days after the day when the goods were handed over to the consignee.

3. If the state of the goods at the time they were handed over to the consignee has been the subject of a joint survey or inspection by the parties, notice in writing need not be given of loss or damage ascertained during such survey or inspection.

4. In the case of any actual or apprehended loss or damage the carrier and the consignee must give all reasonable facilities to each other for inspecting and tallying the goods.

5. No compensation shall be payable for loss resulting from delay in delivery unless a notice has been given in writing to the carrier within 60 consecutive days after the day when the goods were handed over to the consignee.

6. If the goods have been delivered by an actual carrier, any notice given under this Article to him shall have the same effect as if it had been given to the carrier, and any notice given to the carrier shall have effect as if given to such actual carrier.

7. Unless notice of loss or damage, specifying the general nature of the loss or damage, is given in writing by the carrier or actual carrier to the shipper not later than 90 consecutive days after the occurrence of such loss or damage or after the delivery of the goods in accordance with paragraph 2 of Article 4, whichever is later, the failure to give such notice is prima facie evidence that the carrier or the actual carrier has sustained no loss or damage due to the fault or neglect of the shipper, his servants or agents.

8. For the purpose of this Article, notice given to a person acting on the carrier's or the actual carriers' behalf, including the master or the officer in charge of the ship, or to a person acting on the shipper's behalf is deemed to have been given to the carrier, to the actual carrier or to the shipper, respectively.

**Article 20 - Limitation of actions**

1. Any action relating to carriage of goods under this Convention is time-barred if judicial or arbitral proceedings have not been instituted within a period of two years.

2. The limitation period commences on the day on which the carrier has delivered the goods or part thereof or, in cases where no goods have been delivered, on the last day on which the goods should have been delivered.

3. The day on which the limitation period commences is not included in the period.

4. The person against whom a claim is made may at any time during the running of the limitation period extend that period by a declaration in writing to the claimant. This period may be further extended by another declaration or declarations.

5. An action for indemnity by a person held liable may be instituted even after the expiration of the limitation period provided for in the preceding paragraphs if instituted within the time allowed by the law of the State where proceedings are instituted. However, the time allowed shall not be less than 90 days commencing from the day when the person instituting such action for indemnity has settled the claim or has been served with process in the action against himself.

**Article 21 - Jurisdiction**

1. In judicial proceedings relating to carriage of goods under this Convention the plaintiff, at his option, may institute an action in a court which, according to the law of the State where the court is situated, is competent and within the jurisdiction of which is situated one of the following places:

(a) The principal place of business or, in the absence thereof, the habitual residence of the defendant; or

(b) The place where the contract was made provided that the defendant has there a place of business, branch or agency through which the contract was made; or

(c) The port of loading or the port of discharge; or



(d) Any additional place designated for that purpose in the contract of carriage by sea.

2. (a) Notwithstanding the preceding provisions of this Article, an action may be instituted in the courts of any port or place in a Contracting State at which the carrying vessel or any other vessel of the same ownership may have been arrested in accordance with applicable rules of the law of that State and of international law. However, in such a case, at the petition of the defendant, the claimant must remove the action, at his choice, to one of the jurisdictions referred to in paragraph 1 of this Article for the determination of the claim, but before such removal the defendant must furnish security sufficient to ensure payment of any judgement that may subsequently be awarded to the claimant in the action.

(b) All questions relating to the sufficiency or otherwise of the security shall be determined by the court of the port or place of the arrest.

3. No judicial proceedings relating to carriage of goods under this Convention may be instituted in a place not specified in paragraph 1 or 2 of this Article. The provisions of this paragraph do not constitute an obstacle to the jurisdiction of the Contracting States for provisional or protective measures.

4. (a) Where an action has been instituted in a court competent under paragraph 1 or 2 of this Article or where judgement has been delivered by such a court, no new action may be started between the same parties on the same grounds unless the judgement of the court before which the first action instituted is not enforceable in the country in which the new proceedings are instituted.

(b) For the purpose of this Article the institution of measures with a view to obtaining enforcement of a judgement is not to be considered as the starting of a new action;

(c) For the purpose of this Article, the removal of an action to a different court within the same country, or to a court in another country, in accordance with paragraph 2 (a) of this Article, is not to be considered as the starting of a new action.

5. Notwithstanding the provisions of the preceding paragraphs, an agreement made by the parties, after a claim under the contract of carriage by sea has arisen, which designates the place where the claimant may institute an action, is effective.

#### Article 22 - Arbitration

1. Subject to the provisions of this Article, parties may provide by agreement evidenced in writing that any dispute that may arise relating to carriage of goods under this Convention shall be referred to arbitration.

2. Where a charter-party contains a provision that disputes arising thereunder shall be referred to arbitration and a bill of lading issued pursuant to the charterparty does not contain a special annotation providing that such provision shall be binding upon the holder of the bill of lading, the carrier may not invoke such provision as against a holder having acquired the bill of lading in good faith.

3. The arbitration proceedings shall, at the option of the claimant, be instituted at one of the following places:

(a) A place in a State within whose territory is situated:

(i) The principal place of business of the defendant or, in the absence thereof, the habitual

residence of the defendant; or

(ii) The place where the contract was made, provided that the defendant has there a place of business, branch or agency through which the contract was made; or

(iii) The port of loading or the port of discharge; or

(b) Any place designated for that purpose in the arbitration clause or agreement.

4. The arbitrator or arbitration tribunal shall apply the rules of this Convention.

5. The provisions of paragraph 3 and 4 of this Article are deemed to be part of every arbitration clause or agreement, and any term of such clause or agreement which is inconsistent therewith is null and void.

6. Nothing in this Article affects the validity of an agreement relating to arbitration made by the parties after the claim under the contract of carriage by sea has arisen.

#### PART VI - SUPPLEMENTARY PROVISIONS

##### Article 23 - Contractual stipulations

1. Any stipulation in a contract of carriage by sea, in a bill of lading, or in any other document evidencing the contract of carriage by sea is null and void to the extent that it derogates, directly or indirectly, from the provisions of this Convention. The nullity of such a stipulation does not affect the validity of the other provisions of the contract or document of which it forms a part. A clause assigning benefit of insurance of the goods in favour of the carrier, or any similar clause, is null and void.

2. Notwithstanding the provisions of paragraph 1 of this Article, a carrier may increase his responsibilities and obligations under this Convention.

3. Where a bill of lading or any other document evidencing the contract of carriage by sea is issued, it must contain a statement that the carriage is subject to the provisions of this Convention which nullify any stipulation derogating therefrom to the detriment of the shipper or the consignee.

4. Where the claimant in respect of the goods has incurred loss as a result of a stipulation which is null and void by virtue of the present Article, or as a result of the omission of the statement referred to in paragraph 3 of this Article, the carrier must pay compensation to the extent required in order to give the claimant compensation in accordance with the provisions of this Convention for any loss of or damage to the goods as well as for delay in delivery. The carrier must, in addition pay compensation for costs incurred by the claimant for the purpose of exercising his right, provided that costs incurred in the action where the foregoing provision is invoked are to be determined in accordance with the law of the State where proceedings are instituted.

##### Article 24 - General average

1. Nothing in this Convention shall prevent the application of provisions in the contract of carriage by sea or national law regarding the adjustment of general average.

2. With the exception of Article 20, the provisions of this Convention relating to the liability of the carrier for loss of or damage to the goods also determine whether the consignee may refuse contribution in general average and the liability of the carrier to indemnify the consignee in respect

of any such contribution made or any salvage paid.

#### **Article 25 - Other conventions**

**1.** This Convention does not modify the rights or duties of the carrier, the actual carrier and their servants and agents, provided for in international conventions or national law relating to the limitation of liability of owners of seagoing ships.

**2.** The provisions of Articles 21 and 22 of this Convention do not prevent the application of the mandatory provisions of any other multilateral convention already in force at the date of this Convention relating to matters dealt with in the said Articles, provided that the dispute arises exclusively between parties having their principal place of business in States members of such other convention. However, this paragraph does not affect the application of paragraph 4 of Article 22 of this Convention.

**3.** No liability shall arise under the provisions of this Convention for damage caused by a nuclear incident if the operator of a nuclear installation is liable for such damage:

(a) Under either the Paris Convention of 29 July 1960 on Third Party Liability in the Field of Nuclear Energy as amended by the Additional Protocol of 28 January 1964 or the Vienna Convention of 21 May 1963 on Civil Liability for Nuclear Damage, or

(b) By virtue of national law governing the liability for such damage, provided that such law is in all respects as favourable to persons who may suffer damage as either the Paris or Vienna Conventions.

**4.** No liability that arise under the provisions of this Convention for any loss of or damage to or delay in delivery of luggage for which the carrier is responsible under any international convention or national law relating to the carriage of passengers and their luggage by sea.

**5.** Nothing contained in this Convention prevents a Contracting State from applying any other international convention which is already in force at the date of this Convention and which applies mandatorily to contracts of carriage of goods primarily by a mode of transport other than transport by sea. This provision also applies to any subsequent revision or amendment of such international convention.

#### **Article 26 - Unit of account**

**1.** The unit of account referred to in Article 6 of this Convention is the Special Drawing Right as defined by the International Monetary Fund. The amounts mentioned in Article 6 are to be converted into the national currency of a State according to the value of such currency at the date of judgement or the date agreed upon by the parties. The value of a national currency, in terms of the Special Drawing Right, of a Contracting State which is a member of the International Monetary Fund is to be calculated in accordance with the method of valuation applied by the International Monetary Fund in effect at the date in question for its operations and transactions. The value of a national currency in terms of the Special Drawing Right of a Contracting State which is not a member of the International Monetary Fund is to be calculated in a manner determined by that State.

**2.** Nevertheless, those States which are not members of the International Monetary Fund and whose law does not permit the application of the provisions of paragraph 1 of this Article may, at the time of signature, or at the time of ratification, acceptance, approval or accession or at any time thereafter, declare that the limits of liability provided for in this Convention to be applied in their territories shall be fixed as: 12,500 monetary units per package or other shipping unit or 37.5 monetary units per kilogram of gross weight of the goods.

**3.** The monetary unit referred to in paragraph 2 of this Article corresponds to sixty-five and a half milligrams of gold of millesimal fineness nine hundred. The conversion of the amounts referred to in paragraph 2 into the national currency is to be made according to the law of the State concerned.

**4.** The calculation mentioned in the last sentence of paragraph 1 and the conversion mentioned in paragraph 3 of this Article is to be made in such a manner as to express in the national currency of the Contracting State as far as possible the same real value for the amounts in Article 6 as is expressed there in units of account. Contracting States must communicate to the depositary the manner of calculation pursuant to paragraph 1 of this Article, or the result of the conversion mentioned in paragraph 3 of this Article, as the case may be, at the time of signature or when depositing their instruments of ratification, acceptance, approval or accession, or when availing themselves of the option provided for in paragraph 2 of this Article and whenever there is a change in the manner of such calculation or in the result of such conversion.

### **PART VII - FINAL CLAUSES**

#### **Article 27 - Depositary**

The Secretary-General of the United Nations is hereby designated as the depositary of this Convention.

#### **Article 28 - Signature, ratification, acceptance, approval, accession**

**1.** This Convention is open for signature by all States until 30 April 1979 at the Headquarters of the United Nations, New York.

**2.** This Convention is subject to ratification, acceptance or approval by the signatory States.

**3.** After 30 April 1979, this Convention will be open for accession by all States which are not signatory States.

**4.** Instruments of ratification, acceptance, approval and accession are to be deposited with the Secretary-General of the United Nations.

#### **Article 29 - Reservations**

No reservations may be made to this Convention.

#### **Article 30 - Entry into force**

**1.** This Convention enters into force on the first day of the month following the expiration of one year from the date of deposit of the 20th instrument of ratification, acceptance, approval or accession.

**2.** For each State which becomes a Contracting State to this Convention after the date of the deposit of the 20th instrument of ratification, acceptance, approval or accession, this Convention enters into force on the first day of the month following the expiration of one year after the deposit of the appropriate instrument on behalf of that State.

**3.** Each Contracting State shall apply the provisions of this Convention to contracts of carriage by sea concluded on or after the date of the entry into force of this Convention in respect of that State.

#### **Article 31 - Denunciation of other conventions**

**1.** Upon becoming a Contracting State to this Convention, any State party to the International

Convention for the Unification of Certain Rules relating to Bills of Lading signed at Brussels on 25 August 1924 (1924 Convention) must notify the Government of Belgium as the depositary of the 1924 Convention of its denunciation of the said Convention with a declaration that the denunciation is to take effect as from the date when this Convention enters into force in respect of that State.

2. Upon the entry into force of this Convention under paragraph 1 of article 30, the depositary of this Convention must notify the Government of Belgium as the depositary of the 1924 Convention of the date of such entry into force, and of the names of the Contracting States in respect of which the Convention has entered into force.

3. The provisions of paragraphs 1 and 2 of this Article apply correspondingly in respect of States parties to the Protocol signed on 23 February 1968 to amend the International Convention for the Unification of Certain Rules relating to Bills of Lading signed at Brussels on 25 August 1924.

4. Notwithstanding Article 2 of this Convention, for the purposes of paragraph 1 of this Article, a Contracting State may, if it deems it desirable, defer the denunciation of the 1924 Convention and of the 1924 Convention as modified by the 1968 Protocol for a maximum period of five years from the entry into force of this Convention. It will then notify the Government of Belgium of its intention. During this transitory period, it must apply to the Contracting States this Convention to the exclusion of any other one.

#### **Article 32 - Revision and amendment**

1. At the request of not less than one-third of the Contracting States to this Convention, the depositary shall convene a conference of the Contracting States for revising or amending it.

2. Any instrument of ratification, acceptance, approval or accession deposited after the entry into force of an amendment to this Convention, is deemed to apply to the Convention as amended.

#### **Article 33 - Revision of the limitation amounts and unit of account or monetary unit**

1. Notwithstanding the provisions of Article 32, a conference only for the purpose of altering the amount specified in Article 6 and paragraph 2 of Article 26, or of substituting either or both of the units defined in paragraphs 1 and 3 of Article 26 by other units is to be convened by the depositary in accordance with paragraph 2 of this article. An alteration of the amounts shall be made only because of a significant change in their real value.

2. A revision conference is to be convened by the depositary when not less than one-fourth of the Contracting States so request.

3. Any decision by the conference must be taken by a two-thirds majority of the participating States. The amendment is communicated by the depositary to all the Contracting States for acceptance and to all the States signatories of the Convention for information.

4. Any amendment adopted enters into force on the first day of the month following one year after its acceptance by two-thirds of the Contracting States. Acceptance is to be effected by the deposit of a formal instrument to that effect, with the depositary.

5. After entry into force of an amendment a Contracting State which has accepted the amendment is entitled to apply the Convention as amended in its relations with Contracting States which have not within six months after the adoption of the amendment notified the depositary that they are not bound by the amendment.

6. Any instrument of ratification, acceptance, approval or accession deposited after the entry into

force of an amendment to this Convention, is deemed to apply to the Convention as amended.

#### **Article 34 - Denunciation**

1. A Contracting State may denounce this Convention at any time by means of a notification in writing addressed to the depositary.

2. The denunciation takes effect on the first day of the month following the expiration of one year after the notification is received by the depositary. Where a longer period is specified in the notification, the denunciation takes effect upon the expiration of such longer period after the notification is received by the depositary.

Done at Hamburg, this thirty-first day of March one thousand nine hundred and seventy-eight, in a single original, of which the Arabic, Chinese, English, French, Russian and Spanish texts are equally authentic.

In witness whereof the undersigned plenipotentiaries, being duly authorised by their respective Governments, have signed the present Convention.

Common understanding adopted by the United Nations Conference on the

Carriage of Goods by Sea (A/CONF.89/13, annex 11)

It is the common understanding that the liability of the carrier under this Convention is based on the principle of presumed fault or neglect. This means that, as a rule, the burden of proof rests on the carrier but, with respect to certain cases, the provisions of the Convention modify this rule.

Resolution adopted by the United Nations Conference on the Carriage of Goods by Sea (A/CON.89/13, annex III)

The United Nations Conference on the Carriage of Goods by Sea,

Noting with appreciation the kind invitation of the Federal Republic of Germany to hold the Conference in Hamburg,

Being aware that the facilities placed at the disposal of the Conference and the generous hospitality bestowed on the participants by the Government of the Federal Republic of Germany and by the Free and Hanseatic City of Hamburg, have in no small measure contributed to the success of the Conference.

Expresses its gratitude to the Government and people of the Federal Republic of Germany, and


Having adopted the Convention on the Carriage of Goods by Sea on the basis of a draft Convention prepared by the United Nations Commission on International Trade Law at the request of the United Nations Conference on Trade and Development,

Expresses its gratitude to the United Nations Commission on International Trade Law and to the United Nations Conference on Trade and Development for their outstanding contribution to the simplification and harmonisation of the law of the carriage of goods by sea, and

Decides to designate the Convention adopted by the Conference as the: "UNITED NATIONS CONVENTION ON THE CARRIAGE OF GOODS BY SEA, 1978", and

Recommends that the rules embodied therein be known as the "HAMBURG RULES".

Hague Visby 19	Hamburg 1993	Rotterdam 2009
<p>Art III Rule 1 Exercise due diligence before and at beginning of voyage to make vessel seaworthy, equip, man, and cargoworthy</p> <p>Art III Rule 2 Properly and carefully load, handle, stow, carry, keep, care for and discharge goods.</p>	<p>Art 5.1 Carrier, servant and agents must take all measures that could reasonably be required to avoid the event causing loss and its consequences.</p>	<p>Art 13 Properly and carefully receive, load, handle, stow, carry, keep, care for, unload, and deliver the goods. Load, handle, stow, unload can be made responsibility of shipper.</p> <p>Art 14 Before, at the beginning of, and during the voyage by sea – exercise due diligence to make and keep the ship seaworthy, equip, and man, and cargoworthy.</p>
<p>Defences for careful to carry listed in ArtIV.2. Seaworthiness only defence is to show exercise of due diligence to make vessel seaworthy.</p>	<p>Art 5.1 Carrier must prove that he, servant and agents took take all measures that could reasonably be required to avoid the event causing loss and its consequences.</p>	<p>Art 17 Similar to HV ArtIV.2 except no error in navigation defence. Unseaworthiness – not causative or is able to show exercise of due diligence to make vessel seaworthy.</p>
<p>Limit of liability: ArtIV Rule 5: 2 2SDR per kg or 666.67SDR per package</p>	<p>2.5SDR per kg or 835SDR per package or shipping unit</p>	<p>3SDR per kg or 875SDR per package or other shipping unit whichever amount is the higher.</p>
<p>Art IV Rule 5 (e) Right to limit lost if carrier intends to cause loss or is reckless knowing loss would probably result.</p>	<p>Art 8 Carrier will only lose right to limit liability if he intended to cause loss or was reckless knowing such loss would probably result.</p>	<p>Art 61 Carrier will only lose right to limit liability if he intended to cause loss or was reckless knowing such loss would probably result.</p>
<p>Time limit to claim: 12 months</p>	<p>Time limit to claim: 24 months</p>	<p>Time limit to claim: 24 months</p>
<p>10 Articles</p>	<p>34 Articles</p>	<p>96 Articles</p>

1. Shipbroker		THE BALTIC AND INTERNATIONAL MARITIME CONFERENCE UNIFORM TIME-CHARTER (Box Layout 1974) CODE NAME: "BALTIME 1939"		 <b>PART I</b>
		2. Place and date		
3. Owners/Place of business		4. Charterers/Place of business		
5. Vessel's name		6. GRT/NRT		
7. Class		8. Indicated horse power		
9. Total tons d.w. (abt.) on Board of Trade summer freeboard		10. Cubic feet grain/bale capacity		
11. Permanent bunkers (abt.)		<div style="text-align: center;">Draft Copy</div>		
12. Speed capability in knots (abt.) on a consumption in tons (abt.) of				
13. Present position				
14. Period of hire (Cl. 1)		15. Port of delivery (Cl. 1)		
		16. Time of delivery (Cl. 1)		
17. (a) Trade limits (Cl. 2)				
(b) Cargo exclusions specially agreed				
18. Bunkers on re-delivery (state min. and max. quantity) (Cl. 5)				
19. Charter hire (Cl. 6)		20. Hire payment (state currency, method and place of payment; also beneficiary and bank account) (Cl. 6)		
21. Place or range of re-delivery (Cl. 7)		22. War (only to be filled in if Section (C) agreed) (Cl. 21)		
23. Cancelling date (Cl. 22)		24. Place of arbitration (only to be filled in if place other than London agreed) (Cl. 23)		
25. Brokerage commission and to whom payable (Cl. 25)				
		26. Numbers of additional clauses covering special provisions, if agreed		

It is mutually agreed that this Contract shall be performed subject to the conditions contained in this Charter which shall include Part I as well as Part II. In the event of a conflict of conditions, the provisions of Part I shall prevail over those of Part II to the extent of such conflict.

Signature (Owners)	Signature (Charterers)
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**PART II**  
**"BALTIME 1939" Uniform Time-Charter (Box Layout 1974)**

It is agreed between the party mentioned in Box 3 as owners of the Vessel named in Box 5 of the gross/net Register tonnage indicated in Box 6, classed as stated in Box 7 and of indicated horse power as stated in Box 8, carrying about the number of tons deadweight indicated in Box 9 on Board of Trade summer freeboard inclusive of bunkers, stores, provisions and boiler water, having as per builder's plan a cubic-feet grain/bale capacity as stated in Box 10, exclusive of permanent bunkers, which contain about the number of tons stated in Box 11, and fully loaded capable of steaming about the number of knots indicated in Box 12 in good weather and smooth water on a consumption of about the number of tons best Welsh coal or oil-fuel stated in Box 12, now in position as stated in Box 13 and the party mentioned as Charterers in Box 4, as follows:	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	dinary runners capable of handling lifts up to 2 tons.	81 82	<b>10. Directions and Logs</b>	159
				The Charterers to furnish the Master with all instructions and sailing directions and the Master and Engineer to keep full and correct logs accessible to the Charterers or their Agents.	160 161 162 163
<b>1. Period/Port of Delivery/Time of Delivery</b>	19	<b>5. Bunkers</b>	83	<b>11. Suspension of Hire etc.</b>	164
The Owners let, and the Charterers hire the Vessel for a period of the number of calendar months indicated in Box 14 from the time (not a Sunday or a legal Holiday unless taken over) the Vessel is delivered and placed at the disposal of the Charterers between 9 a.m. and 6 p.m., or between 9 a.m. and 2 p.m. if on Saturday, at the port stated in Box 15 in such available berth where she can safely lie always afloat, as the Charterers may direct, she being in every way fitted for ordinary cargo service.	20 21 22 23 24 25 26 27 28 29 30	The Charterers at port of delivery and the Owners at port of re-delivery to take over and pay for all coal or oil-fuel remaining in the Vessel's bunkers at current price at the respective ports.	84 85 86 87	(A) In the event of drydocking or other necessary measures to maintain the efficiency of the Vessel, deficiency of men or Owners' stores, breakdown of machinery, damage to hull or other accident, either hindering or preventing the working of the Vessel and continuing for more than twentyfour consecutive hours, no hire to be paid in respect of any time lost thereby during the period in which the Vessel is unable to perform the service immediately required. Any hire paid in advance to be adjusted accordingly.	165 166 167 168 169 170 171 172 173 174 175
The Vessel to be delivered at the time indicated in Box 16.	31 32	The Vessel to be re-delivered with not less than the number of tons and not exceeding the number of tons of coal or oil-fuel in the Vessel's bunkers stated in Box 18.	88 89 90 91	(B) In the event of the Vessel being driven into port or to anchorage through stress of weather, trading to shallow harbours or to rivers or ports with bars or suffering an accident to her cargo, any detention of the Vessel and/or expenses resulting from such detention to be for the Charterers' account even if such detention and/or expenses, or the cause by reason of which either is incurred, be due to, or be contributed to by, the negligence of the Owners' servants.	176 177 178 179 180 181 182 183 184 185
<b>2. Trade</b>	33	<b>6. Hire</b>	92	<b>12. Cleaning Boilers</b>	186
The Vessel to be employed in lawful trades for the carriage of lawful merchandise only between good and safe ports or places where she can safely lie always afloat within the limits stated in Box 17.	34 35 36 37 38	The Charterers to pay as hire the rate stated in Box 19 per 30 days, commencing in accordance with Clause 1 until her re-delivery to the Owners.	93 94 95	Cleaning of boilers whenever possible to be done during service, but if impossible the Charterers to give the Owners necessary time for cleaning. Should the Vessel be detained beyond 48 hours hire to cease until again ready.	187 188 189 190 191
No live stock nor injurious, inflammable or dangerous goods (such as acids, explosives, calcium carbide, ferro silicon, naphtha, motor spirit, tar, or any of their products) to be shipped.	39 40 41 42	<i>Payment</i> Payment of hire to be made in cash, in the currency stated in Box 20, without discount, every 30 days, in advance, and in the manner prescribed in Box 20.	96 97 98 99 100		
<b>3. Owners to Provide</b>	43	In default of payment the Owners to have the right of withdrawing the Vessel from the service of the Charterers, without noting any protest and without interference by any court or any other formality whatsoever and without prejudice to any claim the Owners may otherwise have on the Charterers under the Charter.	101 102 103 104 105 106 107	<b>13. Responsibility and Exemption</b>	192
The Owners to provide and pay for all provisions and wages, for insurance of the Vessel, for all deck and engine-room stores and maintain her in a thoroughly efficient state in hull and machinery during service.	44 45 46 47 48	<b>7. Re-delivery</b>	108	The Owners only to be responsible for delay in delivery of the Vessel or for delay during the currency of the Charter and for loss or damage to goods onboard, if such delay or loss has been caused by want of due diligence on the part of the Owners or their Manager in making the Vessel seaworthy and fitted for the voyage or any other personal act or omission or default of the Owners or their Manager. The Owners not to be responsible in any other case nor for damage or delay whatsoever and howsoever caused even if caused by the neglect or default of their servants. The Owners not to be liable for loss or damage arising or resulting from strikes, lock-outs or stoppage or restraint of labour (including the Master, Officers or Crew) whether partial or general.	193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209
The Owners to provide one winchman per hatch. If further winchmen are required, or if the stevedores refuse or are not permitted to work with the Crew, the Charterers to provide and pay qualified shore-winchmen.	49 50 51 52 53	The Vessel to be re-delivered on the expiration of the Charter in the same good order as when delivered to the Charterers (fair wear and tear excepted) at an ice-free port in the Charterers' option at the place or within the range stated in Box 21, between 9 a.m. and 6 p.m., and 9 a.m. and 2 p.m. on Saturday, but the day of re-delivery shall not be a Sunday or legal Holiday.	109 110 111 112 113 114 115 116	The Charterers to be responsible for loss or damage caused to the Vessel or to the Owners by goods being loaded contrary to the terms of the Charter or by improper or careless bunkering or loading, stowing or discharging of goods or any other improper or negligent act on their part or that of their servants.	210 211 212 213 214 215 216
<b>4. Charterers to Provide</b>	54	<i>Notice</i> The Charterers to give the Owners not less than ten days' notice at which port and on about which day the Vessel will be re-delivered.	117 118 119 120	<b>14. Advances</b>	217
The Charterers to provide and pay for all coals, including galley coal, oil-fuel, water for boilers, port charges, pilotages (whether compulsory or not), canal steersmen, boatage, lights, tug-assistance, consular charges (except those pertaining to the Master, Officers and Crew), canal, dock and other dues and charges, including any foreign general municipality or state taxes, also all dock, harbour and tonnage dues at the ports of delivery and re-delivery (unless incurred through cargo carried before delivery or after re-delivery), agencies, commissions, also to arrange and pay for loading, trimming, stowing (including dunnage and shifting boards, excepting any already on board), unloading, weighing, tallying and delivery of cargoes, surveys on hatches, meals supplied to officials and men in their service and all other charges and expenses whatsoever including detention and expenses through quarantine (including cost of fumigation and disinfection).	55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74	Should the Vessel be ordered on a voyage by which the Charter period will be exceeded the Charterers to have the use of the Vessel to enable them to complete the voyage, provided it could be reasonably calculated that the voyage would allow re-delivery about the time fixed for the termination of the Charter, but for any time exceeding the termination date the Charterers to pay the market rate if higher than the rate stipulated herein.	121 122 123 124 125 126 127 128 129 130	The Charterers or their Agents to advance to the Master, if required, necessary funds for ordinary disbursements for the Vessel's account at any port charging only interest at 6 per cent. p.a., such advances to be deducted from hire.	218 219 220 221 222
All ropes, slings and special runners actually used for loading and discharging and any special gear, including special ropes, hawsers and chains required by the custom of the port for mooring to be for the Charterers' account. The Vessel to be fitted with winches, derricks, wheels and or	75 76 77 78 79 80	<b>8. Cargo Space</b>	131	<b>15. Excluded Ports</b>	223
		The whole reach and burthen of the Vessel, including lawful deck-capacity to be at the Charterers' disposal, reserving proper and sufficient space for the Vessel's Master, Officers, Crew, tackle, apparel, furniture, provisions and stores.	132 133 134 135 136	The Vessel not to be ordered to nor bound to enter: a) any place where fever or epidemics are prevalent or to which the Master, Officers and Crew by law are not bound to follow the Vessel	224 225 226 227
		<b>9. Master</b>	137	<i>Ice</i> b) any ice-bound place or any place where lights, lightships, marks and buoys are or are likely to be withdrawn by reason of ice on the Vessel's arrival or where there is risk that ordinarily the Vessel will not be able on account of ice to reach the place or to get out after having completed loading or discharging. The Vessel not to be obliged to force ice. If on account of ice the Master considers it dangerous to remain at the	228 229 230 231 232 233 234 235 236 237
		The Master to prosecute all voyages with the utmost despatch and to render customary assistance with the Vessel's Crew. The Master to be under the orders of the Charterers as regards employment, agency, or other arrangements. The Charterers to indemnify the Owners against all consequences or liabilities arising from the Master, Officers or Agents signing Bills of Lading or other documents or otherwise complying with such orders, as well as from any irregularity in the Vessel's papers or for overcarrying goods. The Owners not to be responsible for shortage, mixture, marks, nor for number of pieces or packages, nor for damage to or claims on cargo caused by bad stowage or otherwise.	138 139 140 141 142 143 144 145 146 147 148 149 150 151 152		
		If the Charterers have reason to be dissatisfied with the conduct of the Master, Officers, or Engineers, the Owners, on receiving particulars of the complaint, promptly to investigate the matter, and, if necessary and practicable, to make a change in the appointments.	153 154 155 156 157 158		

**PART II**  
**"BALTIME 1939" Uniform Time-Charter (Box Layout 1974)**

loading or discharging place for fear of the Vessel being frozen in and/or damaged, he has liberty to sail to a convenient open place and await the Charterers' fresh instructions.	238 239 240 241	Unforeseen detention through any of above causes to be for the Charterers' account.	242 243
<b>16. Loss of Vessel</b>	244	Should the Vessel be lost or missing, hire to cease from the date when she was lost. If the date of loss cannot be ascertained half hire to be paid from the date the Vessel was last reported until the calculated date of arrival at the destination. Any hire paid in advance to be adjusted accordingly.	245 246 247 248 249 250 251
<b>17. Overtime</b>	252	The Vessel to work day and night if required. The Charterers to refund the Owners their outlays for all overtime paid to Officers and Crew according to the hours and rates stated in the Vessel's articles.	253 254 255 256 257
<b>18. Lien</b>	258	The Owners to have a lien upon all cargoes and sub-freights belonging to the Time-Charterers and any Bill of Lading freight for all claims under this Charter, and the Charterers to have a lien on the Vessel for all moneys paid in advance and not earned.	259 260 261 262 263 264
<b>19. Salvage</b>	265	All salvage and assistance to other vessels to be for the Owners' and the Charterers' equal benefit after deducting the Master's and Crew's proportion and all legal and other expenses including hire paid under the charter for time lost in the salvage, also repairs of damage and coal or oil-fuel consumed. The Charterers to be bound by all measures taken by the Owners in order to secure payment of salvage and to fix its amount.	266 267 268 269 270 271 272 273 274
<b>20. Sublet</b>	275	The Charterers to have the option of subletting the Vessel, giving due notice to the Owners, but the original Charterers always to remain responsible to the Owners for due performance of the Charter.	276 277 278 279 280
<b>21. War</b>	281	(A) The Vessel unless the consent of the Owners be first obtained not to be ordered nor continue to any place or on any voyage nor be used on any service which will bring her within a zone which is dangerous as the result of any actual or threatened act of war, war hostilities, warlike operations, acts of piracy or of hostility or malicious damage against this or any other vessel or its cargo by any person, body or State whatsoever, revolution, civil war, civil commotion or the operation of international law, nor be exposed in any way to any risks or penalties whatsoever consequent upon the imposition of Sanctions, nor carry any goods that may in any way expose her to any risks of seizure, capture, penalties or any other interference of any kind whatsoever by the belligerent or fighting powers or parties or by any Government or Ruler.	282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299
	300	(B) Should the Vessel approach or be brought or ordered within such zone, or be exposed in any way to the said risks, (1) the Owners to be entitled from time to time to insure their interests in the Vessel and/or hire against any of the risks likely to be involved thereby on such terms as they shall think fit, the Charterers to make a refund to the Owners of the premium on demand; and (2) notwithstanding the terms of Clause 11 hire to be paid for all time lost including any lost owing to loss of or injury to the Master, Officers, or Crew or to the action of the Crew in refusing to proceed to such zone or to be exposed to such risks.	300 301 302 303 304 305 306 307 308 309 310 311 312 313
	314	(C) In the event of the wages of the Master, Officers and/or Crew or the cost of provisions and/or stores for deck and/or engine room and/or insurance premiums being increased by reason of or during the existence of any of the matters mentioned in section (A) the amount of any increase to be added to the hire and paid by the Charterers on production of the Owners' account therefor, such account being rendered monthly.	314 315 316 317 318 319 320 321 322
	323	(D) The Vessel to have liberty to comply with any orders or directions as to departure, arrival, routes, ports of call, stoppages, destination, delivery or in any other wise whatsoever given by the Government of the nation under whose flag the Vessel sails or any other Government or any person (or body) acting or purporting to act with the authority of such Government or by any committee or person having under the terms of the war risks insurance on the Vessel the right to give any such orders or directions.	323 324 325 326 327 328 329 330 331 332 333
	334	(E) In the event of the nation under whose flag the Vessel sails becoming involved in war, hostilities, warlike operations, revolution, or civil commotion, both the Owners and the Charterers may cancel the Charter and, unless otherwise agreed, the Vessel to be re-delivered to the Owners at the port of destination or, if prevented through the provisions of section (A) from reaching or entering it, then at a near open and safe port at the Owners' option, after discharge of any cargo on board.	334 335 336 337 338 339 340 341 342 343 344
	345	(F) If in compliance with the provisions of this clause anything is done or is not done, such not to be deemed a deviation.	345 346 347
	348	<i>Section (C) is optional and should be considered deleted unless agreed according to Box 22.</i>	348 349
<b>22. Cancelling</b>	350	Should the Vessel not be delivered by the date indicated in Box 23, the Charterers to have the option of cancelling.	351 352 353
	354	If the Vessel cannot be delivered by the cancelling date, the Charterers, if required, to declare within 48 hours after receiving notice thereof whether they cancel or will take delivery of the Vessel.	354 355 356 357 358
<b>23. Arbitration</b>	359	Any dispute arising under the Charter to be referred to arbitration in London (or such other place as may be agreed according to Box 24) one Arbitrator to be nominated by the Owners and the other by the Charterers, and in case the Arbitrators shall not agree then to the decision of an Umpire to be appointed by them, the award of the Arbitrators or the Umpire to be final and binding upon both parties.	359 360 361 362 363 364 365 366 367 368
<b>24. General Average</b>	369	General Average to be settled according to York/Antwerp Rules, 1974. Hire not to contribute to General Average.	369 370 371 372
<b>25. Commission</b>	373	The Owners to pay a commission at the rate stated in Box 25 to the party mentioned in Box 25 on any hire paid under the Charter, but in no case less than is necessary to cover the actual expenses of the Brokers and a reasonable fee for their work. If the full hire is not paid owing to breach of Charter by either of the parties the party liable therefor to indemnify the Brokers against their loss of commission.	373 374 375 376 377 378 379 380 381 382
	383	Should the parties agree to cancel the Charter, the Owners to indemnify the Brokers against any loss of commission but in such case the commission not to exceed the brokerage on one year's hire.	383 384 385 386 387

**Code word for this Charter Party**  
**"SHELLTIME 4"**

Issued December 1984 amended December 2003

**Time Charter Party**  
**LONDON 20**

	IT IS THIS DAY AGREED between _____	1
	of _____ (hereinafter referred to as "Owners"), being owners	2
	of the good motor/steam* vessel called _____	3
	(hereinafter referred to as "the vessel") described as per <a href="#">Clause 1</a> hereof and _____	4
	of _____ (hereinafter referred to as "Charterers"):	5
Description	1. At the date of delivery of the vessel under this charter and throughout the charter period:	6
And	(a) she shall be classed by a Classification Society which is a member of the International	7
Condition of	Association of Classification Societies;	8
Vessel	(b) she shall be in every way fit to carry crude petroleum and/or its products;	9
	(c) she shall be tight, staunch, strong, in good order and condition, and in every way fit for the	10
	service, with her machinery, boilers, hull and other equipment (including but not limited to hull	11
	stress calculator, radar, computers and computer systems) in a good and efficient state;	12
	(d) her tanks, valves and pipelines shall be oil-tight;	13
	(e) she shall be in every way fitted for burning, in accordance with the grades specified in <a href="#">Clause</a>	14
	<a href="#">29</a> hereof:	15
	(i) at sea, fuel oil for main propulsion and fuel oil/marine diesel oil* for auxiliaries;	16
	(ii) in port, fuel oil/marine diesel oil* for auxiliaries;	17
	(f) she shall comply with the regulations in force so as to enable her to pass through the Suez and	18
	Panama Canals by day and night without delay;	19
	(g) she shall have on board all certificates, documents and equipment required from time to time by	20
	any applicable law to enable her to perform the charter service without delay;	21
	(h) she shall comply with the description in the OCIMF Harmonised Vessel Particulars Questionnaire appended	22
	hereto as Appendix A, provided however that if there is any conflict between the provisions of	23
	this questionnaire and any other provision, including this <a href="#">Clause 1</a> , of this charter such other	24
	provisions shall govern;	25
	(i) her ownership structure, flag, registry, classification society and management company shall	26
	not be changed;	27
Safety	(j) Owners will operate:	28
Management	(i) a safety management system certified to comply with the International Safety	29
	Management Code ("ISM Code") for the Safe Operation of Ships and for	30
	Pollution Prevention;	31
	(ii) a documented safe working procedures system (including procedures for the	32
	identification and mitigation of risks);	33
	(iii) a documented environmental management system;	34
	(iv) documented accident/incident reporting system compliant with flag state	35
	requirements;	36
	(k) Owners shall submit to Charterers a monthly written report detailing all accidents/incidents and	37
	environmental reporting requirements, in accordance with the "Shell Safety and Environmental	38
	Monthly Reporting Template" appended hereto as Appendix B;	39
	(l) Owners shall maintain Health Safety Environmental ("HSE") records sufficient to demonstrate	40
	compliance with the requirements of their HSE system and of this charter. Charterers reserve	41
	the right to confirm compliance with HSE requirements by audit of Owners.	42
	(m) Owners will arrange at their expense for a SIRE inspection to be carried out at intervals of six	43
	months plus or minus thirty days.	44
Shipboard	2. (a) At the date of delivery of the vessel under this charter and throughout the charter period:	45
Personnel	(i) she shall have a full and efficient complement of master, officers and crew for a	46
And their	vessel of her tonnage, who shall in any event be not less than the number required	47
Duties	by the laws of the flag state and who shall be trained to operate the vessel and her	48
	equipment competently and safely;	49
	(ii) all shipboard personnel shall hold valid certificates of competence in accordance	50

\* Delete as appropriate.

\* Delete as appropriate.



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		with the requirements of the law of the flag state;	51
	(iii)	all shipboard personnel shall be trained in accordance with the relevant provisions of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1995 or any additions, modifications or subsequent versions thereof;	52 53 54 55
	(iv)	there shall be on board sufficient personnel with a good working knowledge of the English language to enable cargo operations at loading and discharging places to be carried out efficiently and safely and to enable communications between the vessel and those loading the vessel or accepting discharge there from to be carried out quickly and efficiently;	56 57 58 59 60
	(v)	the terms of employment of the vessel's staff and crew will always remain acceptable to The International Transport Worker's Federation and the vessel will at all times carry a Blue Card;	61 62 63
	(vi)	the nationality of the vessel's officers given in the OCIMF Vessel Particulars Questionnaire referred to in <a href="#">Clause 1(h)</a> will not change without Charterers' prior agreement.	64 65 66
	(b)	Owners guarantee that throughout the charter service the master shall with the vessel's officers and crew, unless otherwise ordered by Charterers;	67 68
	(i)	prosecute all voyages with the utmost despatch;	69
	(ii)	render all customary assistance; and	70
	(iii)	load and discharge cargo as rapidly as possible when required by Charterers or their agents to do so, by night or by day, but always in accordance with the laws of the place of loading or discharging (as the case may be) and in each case in accordance with any applicable laws of the flag state.	71 72 73 74
Duty to Maintain	3. (a)	Throughout the charter service Owners shall, whenever the passage of time, wear and tear or any event (whether or not coming within <a href="#">Clause 27</a> hereof) requires steps to be taken to maintain or restore the conditions stipulated in <a href="#">Clauses 1</a> and <a href="#">2(a)</a> , exercise due diligence so to maintain or restore the vessel.	75 76 77 78
	(b)	If at any time whilst the vessel is on hire under this charter the vessel fails to comply with the requirements of <a href="#">Clauses 1, 2(a)</a> or <a href="#">10</a> then hire shall be reduced to the extent necessary to indemnify Charterers for such failure. If and to the extent that such failure affects the time taken by the vessel to perform any services under this charter, hire shall be reduced by an amount equal to the value, calculated at the rate of hire, of the time so lost. Any reduction of hire under this <a href="#">sub-Clause (b)</a> shall be without prejudice to any other remedy available to Charterers, but where such reduction of hire is in respect of time lost, such time shall be excluded from any calculation under <a href="#">Clause 24</a> .	79 80 81 82 83 84 85 86
	(c)	If Owners are in breach of their obligations under <a href="#">Clause 3(a)</a> , Charterers may so notify Owners in writing and if, after the expiry of 30 days following the receipt by Owners of any such notice, Owners have failed to demonstrate to Charterers' reasonable satisfaction the exercise of due diligence as required in <a href="#">Clause 3(a)</a> , the vessel shall be off-hire, and no further hire payments shall be due, until Owners have so demonstrated that they are exercising such due diligence.	87 88 89 90 91
	(d)	Owners shall advise Charterers immediately, in writing, should the vessel fail an inspection by, but not limited to, a governmental and/or port state authority, and/or terminal and/or major charterer of similar tonnage. Owners shall simultaneously advise Charterers of their proposed course of action to remedy the defects which have caused the failure of such inspection.	92 93 94 95
	(e)	If, in Charterers reasonably held view:	96
	(i)	failure of an inspection, or,	97
	(ii)	any finding of an inspection,	98
		referred to in <a href="#">Clause 3 (d)</a> , prevents normal commercial operations then Charterers have the option to place the vessel off-hire from the date and time that the vessel fails such inspection, or becomes commercially inoperable, until the date and time that the vessel passes a re-inspection by the same organisation, or becomes commercially operable, which shall be in a position no less favourable to Charterers than at which she went off-hire.	99 100 101 102 103
	(f)	Furthermore, at any time while the vessel is off-hire under this <a href="#">Clause 3</a> (with the exception of <a href="#">Clause 3(e)(ii)</a> ), Charterers have the option to terminate this charter by giving notice in writing with effect from the date on which such notice of termination is received by Owners or from any later date stated in such notice. This <a href="#">sub-Clause (f)</a> is without prejudice to any rights of Charterers or obligations of Owners under this charter or otherwise (including without limitation Charterers' rights under <a href="#">Clause 21</a> hereof).	104 105 106 107 108 109

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Period,	4. (a)	Owners agree to let and Charterers agree to hire the vessel for a period of _____	110
Trading		plus or minus _____ days in Charterers' option, commencing from the time and date of delivery	111
Limits and		of the vessel, for the purpose of carrying all lawful merchandise (subject always to <a href="#">Clause 28</a> )	112
Safe Places		including in particular;	113
		_____	114
		in any part of the world, as Charterers shall direct, subject to the limits of the current British	115
		Institute Warranties and any subsequent amendments thereof. Notwithstanding the foregoing,	116
		but subject to <a href="#">Clause 35</a> , Charterers may order the vessel to ice-bound waters or to any part of	117
		the world outside such limits provided that Owner's consent thereto (such consent not to be	118
		unreasonably withheld) and that Charterers pay for any insurance premium required by the	119
		vessel's underwriters as a consequence of such order.	120
	(b)	Any time during which the vessel is off-hire under this charter may be added to the charter	121
		period in Charterers' option up to the total amount of time spent off-hire. In such cases the rate	122
		of hire will be that prevailing at the time the vessel would, but for the provisions of this Clause,	123
		have been redelivered.	124
	(c)	Charterers shall use due diligence to ensure that the vessel is only employed between and at safe	125
		places (which expression when used in this charter shall include ports, berths, wharves, docks,	126
		anchorage, submarine lines, alongside vessels or lighters, and other locations including	127
		locations at sea) where she can safely lie always afloat. Notwithstanding anything contained in	128
		this or any other clause of this charter, Charterers do not warrant the safety of any place to	129
		which they order the vessel and shall be under no liability in respect thereof except for loss or	130
		damage caused by their failure to exercise due diligence as aforesaid. Subject as above, the	131
		vessel shall be loaded and discharged at any places as Charterers may direct, provided that	132
		Charterers shall exercise due diligence to ensure that any ship-to-ship transfer operations shall	133
		conform to standards not less than those set out in the latest published edition of the	134
		ICS/OCIMF Ship-to-Ship Transfer Guide.	135
	(d)	Unless otherwise agreed, the vessel shall be delivered by Owners dropping outward pilot at a	136
		port in _____	137
		_____	138
		at Owners' option and redelivered to Owners dropping outward pilot at a port in _____	139
		_____	140
		at Charterers' option.	141
	(e)	The vessel will deliver with last cargo(es) of _____ and will redeliver with last cargo(es) of _____	142
	(f)	Owners are required to give Charterers _____ days prior notice of delivery and Charterers are	143
		required to give Owners _____ days prior notice of redelivery.	144
Laydays/ Cancelling	5.	The vessel shall not be delivered to Charterers before _____	145
		and Charterers shall have the option of cancelling this charter if the vessel is not ready and at their	146
		disposal on or before _____	147
Owners to Provide	6.	Owners undertake to provide and to pay for all provisions, wages (including but not limited to all	148
		overtime payments), and shipping and discharging fees and all other expenses of the master, officers	149
		and crew; also, except as provided in <a href="#">Clauses 4</a> and <a href="#">34</a> hereof, for all insurance on the vessel, for all	150
		deck, cabin and engine-room stores, and for water; for all drydocking, overhaul, maintenance and	151
		repairs to the vessel; and for all fumigation expenses and de-rat certificates. Owners' obligations under	152
		this <a href="#">Clause 6</a> extend to all liabilities for customs or import duties arising at any time during the	153
		performance of this charter in relation to the personal effects of the master, officers and crew, and in	154
		relation to the stores, provisions and other matters aforesaid which Owners are to provide and pay for	155
		and Owners shall refund to Charterers any sums Charterers or their agents may have paid or been	156
		compelled to pay in respect of any such liability. Any amounts allowable in general average for wages	157
		and provisions and stores shall be credited to Charterers insofar as such amounts are in respect of a	158
		Period when the vessel is on-hire.	159
Charterers to Provide	7. (a)	Charterers shall provide and pay for all fuel (except fuel used for domestic services), towage	160
		and pilotage and shall pay agency fees, port charges, commissions, expenses of loading and	161
		unloading cargoes, canal dues and all charges other than those payable by Owners in	162
		accordance with <a href="#">Clause 6</a> hereof, provided that all charges for the said items shall be for	163
		Owners' account when such items are consumed, employed or incurred for Owners' purposes or	164
		while the vessel is off-hire (unless such items reasonably relate to any service given or distance	165
		made good and taken into account under <a href="#">Clause 21</a> or <a href="#">22</a> ); and provided further that any fuel	166
		used in connection with a general average sacrifice or expenditure shall be paid for by Owners.	167
	(b)	In respect of bunkers consumed for Owners' purposes these will be charged on each occasion	168

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	by Charterers on a "first-in-first-out" basis valued on the prices actually paid by Charterers.	169
	(c) If the trading limits of this charter include ports in the United States of America and/or its protectorates then Charterers shall reimburse Owners for port specific charges relating to additional premiums charged by providers of oil pollution cover, when incurred by the vessel calling at ports in the United States of America and/or its protectorates in accordance with Charterers orders.	170 171 172 173 174
Rate of Hire	8. Subject as herein provided, Charterers shall pay for the use and hire of the vessel at the rate of United States Dollars _____ per day, and pro rata for any part of a day, from the time and date of her delivery (local time) to Charterers until the time and date of redelivery (local time) to Owners.	175 176 177 178
Payment of Hire	9. Subject to <a href="#">Clause 3 (c)</a> and <a href="#">3 (e)</a> , payment of hire shall be made in immediately available funds to: _____ Account: _____ _____	179 180 181 182 183 184
	in United States Dollars per calendar month in advance, less:	185
	(i) any hire paid which Charterers reasonably estimate to relate to off hire periods, and;	186
	(ii) any amounts disbursed on Owners' behalf, any advances and commission thereon, and charges which are for Owners' account pursuant to any provision hereof, and;	187 188
	(iii) any amounts due or reasonably estimated to become due to Charterers under <a href="#">Clause 3 (c)</a> or <a href="#">24</a> hereof,	189 190
	any such adjustments to be made at the due date for the next monthly payment after the facts have been ascertained. Charterers shall not be responsible for any delay or error by Owners' bank in crediting Owners' account provided that Charterers have made proper and timely payment.	191 192 193 194
	In default of such proper and timely payment:	195
	(a) Owners shall notify Charterers of such default and Charterers shall within seven days of receipt of such notice pay to Owners the amount due, including interest, failing which Owners may withdraw the vessel from the service of Charterers without prejudice to any other rights Owners may have under this charter or otherwise; and;	196 197 198 199
	(b) Interest on any amount due but not paid on the due date shall accrue from the day after that date up to and including the day when payment is made, at a rate per annum which shall be 1% above the U.S. Prime Interest Rate as published by the Chase Manhattan Bank in New York at 12.00 New York time on the due date, or, if no such interest rate is published on that day, the interest rate published on the next preceding day on which such a rate was so published, computed on the basis of a 360 day year of twelve 30-day months, compounded semi-annually.	200 201 202 203 204 205
Space Available to Charterers	10. The whole reach, burthen and decks on the vessel and any passenger accommodation (including Owners' suite) shall be at Charterers' disposal, reserving only proper and sufficient space for the vessel's master, officers, crew, tackle, apparel, furniture, provisions and stores, provided that the weight of stores on board shall not, unless specially agreed, exceed _____ tonnes at any time during the charter period.	206 207 208 209 210
Segregated Ballast	11. In connection with the Council of the European Union Regulation on the Implementation of IMO Resolution A747(18) Owners will ensure that the following entry is made on the International Tonnage Certificate (1969) under the section headed "remarks": "The segregated ballast tanks comply with the Regulation 13 of Annex 1 of the International Convention for the prevention of pollution from ships, 1973, as modified by the Protocol of 1978 relating thereto, and the total tonnage of such tanks exclusively used for the carriage of segregated water ballast is _____. The reduced gross tonnage which should be used for the calculation of tonnage based fees is _____".	211 212 213 214 215 216 217 218
Instructions And Logs	12. Charterers shall from time to time give the master all requisite instructions and sailing directions, and the master shall keep a full and, correct log of the voyage or voyages, which Charterers or their agents may inspect as required. The master shall when required furnish Charterers or their agents with a true copy of such log and with properly completed loading and discharging port sheets and voyage reports for each voyage and other returns as Charterers may require. Charterers shall be entitled to take copies at Owners' expense of any such documents which are not provided by the master.	219 220 221 222 223 224
Bills of Lading	13. (a) The master (although appointed by Owners) shall be under the orders and direction of Charterers as regards employment of the vessel, agency and other arrangements, and shall sign Bills of Lading as Charterers or their agents may direct (subject always to <a href="#">Clauses 35 (a)</a> and	225 226 227

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	<u>40)</u> without prejudice to this charter. Charterers hereby indemnify Owners against all consequences or liabilities that may arise;	228
	(i) from signing Bills of Lading in accordance with the directions of Charterers or their agents, to the extent that the terms of such Bills of Lading fail to conform to the requirements of this charter, or (except as provided in <u>Clause 13 (b)</u> from the master otherwise complying with Charterers' or their agents' orders;	229
	(ii) from any irregularities in papers supplied by Charterers or their agents.	230
(b)	If Charterers by telex, facsimile or other form of written communication that specifically refers To this Clause request Owners to discharge a quantity of cargo either without Bills of Lading and/or at a discharge place other than that named in a Bill of Lading and/or that is different from the Bill of Lading quantity, then Owners shall discharge such cargo in accordance with Charterer's instructions in consideration of receiving the following indemnity which shall be deemed to be given by Charterers on each and every such occasion and which is limited in value to 200% of the CIF value of the cargo carried on board;	231
	" (i) Charterers shall indemnify Owners and Owners' servants and agents in respect of any liability loss or damage of whatsoever nature (including legal costs as between attorney or solicitor and client and associated expenses) which Owners may sustain by reason of delivering such cargo in accordance with Charterers' request.	232
	(ii) If any proceeding is commenced against Owners or any of Owners' servants or agents in connection with the vessel having delivered cargo in accordance with such request, Charterers shall provide Owners or any of Owners' servants or agents from time to time on demand with sufficient funds to defend the said proceedings.	233
	(iii) If the vessel or any other vessel or property belonging to Owners should be arrested or detained, or if the arrest or detention thereof should be threatened, by reason of discharge in accordance with Charterers instruction as aforesaid, Charterers shall provide on demand such bail or other security as may be required to prevent such arrest or detention or to secure the release of such vessel or property and Charterers shall indemnify Owners in respect of any loss, damage or expenses caused by such arrest or detention whether or not same may be justified.	234
	(iv) Charterers shall, if called upon to do so at any time while such cargo is in Charterers' possession, custody or control, redeliver the same to Owners.	235
	(v) As soon as all original Bills of Lading for the above cargo which name as discharge port the place where delivery actually occurred shall have arrived and/or come into Charterers' possession, Charterers shall produce and deliver the same to Owners whereupon Charterers' liability hereunder shall cease.	236
	Provided however, if Charterers have not received all such original Bills of Lading by 24.00 hours on the day 36 calendar months after the date of discharge, that this indemnity shall terminate at that time unless before that time Charterers have received from Owners written notice that:	237
	aaa) Some person is making a claim in connection with Owners delivering cargo pursuant to Charterers request or,	238
	bbb) Legal proceedings have been commenced against Owners and/or carriers and/or Charterers and/or any of their respective servants or agents and/or the vessel for the same reason.	239
	When Charterers have received such a notice, then this indemnity shall continue in force until such claim or legal proceedings are settled. Termination of this indemnity shall not prejudice any legal rights a party may have outside this indemnity.	240
	(vi) Owners shall promptly notify Charterers if any person (other than a person to whom Charterers ordered cargo to be delivered) claims to be entitled to such cargo and/or if the vessel or any other property belonging to Owners is arrested by reason of any such discharge of cargo.	241
	vii) This indemnity shall be governed and construed in accordance with the English law and each and any dispute arising out of or in connection with this indemnity shall be subject to the jurisdiction of the High Court of Justice of England".	242
(c)	Owners warrant that the Master will comply with orders to carry and discharge against one or more Bills of Lading from a set of original negotiable Bills of Lading should Charterers so require.	243
Conduct of Vessel's Personnel	14. If Charterers complain of the conduct of the master or any of the officers or crew, Owners shall immediately investigate the complaint. If the complaint proves to be well founded, Owners shall without delay, make a change in the appointments and Owners shall in any event communicate the result of their investigations to Charterers as soon as possible.	244

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Bunkers at Delivery and Redelivery	15. Charterers shall accept and pay for all bunkers on board at the time of delivery, and Owners shall on redelivery (whether it occurs at the end of the charter or on the earlier termination of this charter) accept and pay for all bunkers remaining on board, at the price actually paid, on a "first-in-first-out" basis. Such prices are to be supported by paid invoices.	287 288 289 290
	Vessel to be delivered to and redelivered from the charter with, at least, a quantity of bunkers on board sufficient to reach the nearest main bunkering port.	291 292
	Notwithstanding anything contained in this charter all bunkers on board the vessel shall, throughout the duration of this charter, remain the property of Charterers and can only be purchased on the terms specified in the charter at the end of the charter period or, if earlier, at the termination of the charter.	293 294 295 296
Stevedores, Pilots, Tugs	16. Stevedores, when required, shall be employed and paid by Charterers, but this shall not relieve Owners from responsibility at all times for proper stowage, which must be controlled by the master who shall keep a strict account of all cargo loaded and discharged. Owners hereby indemnify Charterers, their servants and agents against all losses, claims, responsibilities and liabilities arising in any way whatsoever from the employment of pilots, tugboats or stevedores, who although employed by Charterers shall be deemed to be the servants of and in the service of Owners and under their instructions (even if such pilots, tugboat personnel or stevedores are in fact the servants of Charterers their agents or any affiliated company); provided, however, that:	297 298 299 300 301 302 303 304
	(a) the foregoing indemnity shall not exceed the amount to which Owners would have been entitled to limit their liability if they had themselves employed such pilots, tugboats or stevedores, and;	305 306 307
	(b) Charterers shall be liable for any damage to the vessel caused by or arising out of the use of stevedores, fair wear and tear excepted, to the extent that Owners are unable by the exercise of due diligence to obtain redress therefor from stevedores.	308 309 310
Super-Numeraries	17. Charterers may send representatives in the vessel's available accommodation upon any voyage made under this charter, Owners finding provisions and all requisites as supplied to officers, except alcohol. Charterers paying at the rate of United States Dollars 15 (fifteen) per day for each representative while on board the vessel.	311 312 313 314
Sub-letting/ Assignment/ Novation	18. Charterers may sub-let the vessel, but shall always remain responsible to Owners for due fulfilment of this charter. Additionally Charterers may assign or novate this charter to any company of the Royal Dutch/ Shell Group of Companies.	315 316 317
Final Voyage	19. If when a payment of hire is due hereunder Charterers reasonably expect to redeliver the vessel before the next payment of hire would fall due, the hire to be paid shall be assessed on Charterers' reasonable estimate of the time necessary to complete Charterers' programme up to redelivery, and from which estimate Charterers may deduct amounts due or reasonably expected to become due for:	318 319 320 321
	(a) disbursements on Owners' behalf or charges for Owners' account pursuant to any provision hereof, and;	322 323
	(b) bunkers on board at redelivery pursuant to <a href="#">Clause 15</a> .	324
	Promptly after redelivery any overpayment shall be refunded by Owners or any underpayment made good by Charterers.	325 326
	If at the time this charter would otherwise terminate in accordance with <a href="#">Clause 4</a> the vessel is on a ballast voyage to a port of redelivery or is upon a laden voyage, Charterers shall continue to have the use of the vessel at the same rate and conditions as stand herein for as long as necessary to complete such ballast voyage, or to complete such laden voyage and return to a port of redelivery as provided by this charter, as the case may be.	327 328 329 330 331
Loss of Vessel	20. Should the vessel be lost, this charter shall terminate and hire shall cease at noon on the day of her loss; should the vessel be a constructive total loss, this charter shall terminate and hire shall cease at noon on the day on which the vessel's underwriters agree that the vessel is a constructive total loss; should the vessel be missing, this charter shall terminate and hire shall cease at noon on the day on which she was last heard of. Any hire paid in advance and not earned shall be returned to Charterers and Owners shall reimburse Charterers for the value of the estimated quantity of bunkers on board at the time of termination, at the price paid by Charterers at the last bunkering port.	332 333 334 335 336 337 338
Off-hire	21. (a) On each and every occasion that there is loss of time (whether by way of interruption in the vessel's service or, from reduction in the vessel's performance, or in any other manner);	339 340
	(i) due to deficiency of personnel or stores; repairs; gas-freeing for repairs; time in and waiting to enter dry dock for repairs; breakdown (whether partial or total) of machinery, boilers or other parts of the vessel or her equipment (including without limitation tank coatings); overhaul, maintenance or survey; collision, stranding, accident or damage to the vessel; or any other similar cause preventing the efficient working of the vessel; and	341 342 343 344 345



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		such loss continues for more than three consecutive hours (if resulting from interruption in the vessel's service) or cumulates to more than three hours (if resulting from partial loss of service); or;	346
			347
			348
	(ii)	due to industrial action, refusal to sail, breach of orders or neglect of duty on the part of the master, officers or crew; or;	349
			350
	(iii)	for the purpose of obtaining medical advice or treatment for or landing any sick or injured person (other than a Charterers' representative carried under <a href="#">Clause 17</a> hereof) or for the purpose of landing the body of any person (other than a Charterers' representative), and such loss continues for more than three consecutive hours; or;	351
			352
			353
	(iv)	due to any delay in quarantine arising from the master, officers or crew having had communication with the shore at any infected area without the written consent or instructions of Charterers or their agents, or to any detention by customs or other authorities caused by smuggling or other infraction of local law on the part of the master, officers, or crew; or;	354
			355
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			359
	(v)	due to detention of the vessel by authorities at home or abroad attributable to legal action against or breach of regulations by the vessel, the vessel's owners, or Owners (unless brought about by the act or neglect of Charterers); then;	360
			361
		without prejudice to Charterers' rights under <a href="#">Clause 3</a> or to any other rights of Charterers hereunder, or otherwise, the vessel shall be off-hire from the commencement of such loss of time until she is again ready and in an efficient state to resume her service from a position not less favourable to Charterers than that at which such loss of time commenced; provided, however, that any service given or distance made good by the vessel whilst off-hire shall be taken into account in assessing the amount to be deducted from hire.	362
			363
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			368
	(b)	If the vessel fails to proceed at any guaranteed speed pursuant to <a href="#">Clause 24</a> , and such failure arises wholly or partly from any of the causes set out in <a href="#">Clause 21(a)</a> above, then the period for which the vessel shall be off-hire under this <a href="#">Clause 21</a> shall be the difference between;	369
			370
			371
	(i)	the time the vessel would have required to perform the relevant service at such guaranteed speed, and;	372
			373
	(ii)	the time actually taken to perform such service (including any loss of time arising from interruption in the performance of such service).	374
			375
		For the avoidance of doubt, all time included under (ii) above shall be excluded from any computation under <a href="#">Clause 24</a> .	376
			377
	(c)	Further and without prejudice to the foregoing, in the event of the vessel deviating (which expression includes without limitation putting back, or putting into any port other than that to which she is bound under the instructions of Charterers) for any cause or purpose mentioned in <a href="#">Clause 21(a)</a> , the vessel shall be off-hire from the commencement of such deviation until the time when she is again ready and in an efficient state to resume her service from a position not less favourable to Charterers than that at which the deviation commenced, provided, however, that any service given or distance made good by the vessel whilst so off-hire shall be taken into account in assessing the amount to be deducted from hire. If the vessel, for any cause or purpose mentioned in <a href="#">Clause 21(a)</a> , puts into any port other than the port to which she is bound on the instructions of Charterers, the port charges, pilotage and other expenses at such port shall be borne by Owners. Should the vessel be driven into any port or anchorage by stress of weather hire shall continue to be due and payable during any time lost thereby.	378
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	(d)	If the vessel's flag state becomes engaged in hostilities, and Charterers in consequence of such hostilities find it commercially impracticable to employ the vessel and have given Owners written notice thereof then from the date of receipt by Owners of such notice until the termination of such commercial impracticability the vessel shall be off-hire and Owners shall have the right to employ the vessel on their own account.	390
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	(e)	Time during which the vessel is off-hire under this charter shall count as part of the charter period except where Charterers declare their option to add off-hire periods under <a href="#">Clause 4(b)</a> .	395
			396
	(f)	All references to "time" in this charter party shall be references to local time except where otherwise stated.	397
			398
Periodical	22. (a)	Owners have the right and obligation to drydock the vessel at regular intervals of ____	399
Drydocking		On each occasion Owners shall propose to Charterers a date on which they wish to drydock the vessel, not less than ____ before such date, and Charterers shall offer a port for such periodical drydocking and shall take all reasonable steps to make the vessel available as near to such date as practicable.	400
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		Owners shall put the vessel in drydock at their expense as soon as practicable after Charterers	404

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		place the vessel at Owners' disposal clear of cargo other than tank washings and residues.	405
		Owners shall be responsible for and pay for the disposal into reception facilities of such tank	406
		washings and residues and shall have the right to retain any monies received therefor, without	407
		prejudice to any claim for loss of cargo under any Bill of Lading or this charter.	408
	(b)	If a periodical drydocking is carried out in the port offered by Charterers (which must have	409
		suitable accommodation for the purpose and reception facilities for tank washings and	410
		residues), the vessel shall be off-hire from the time she arrives at such port until drydocking is	411
		completed and she is in every way ready to resume Charterers' service and is at the position at	412
		which she went off-hire or a position no less favourable to Charterers, whichever she first	413
		attains. However;	414
	(i)	provided that Owners exercise due diligence in gas-freeing, any time lost in gas-	415
		freeing to the standard required for entry into drydock for cleaning and painting the hull	416
		shall not count as off-hire, whether lost on passage to the drydocking port or after arrival	417
		there (notwithstanding <a href="#">Clause 21</a> ), and;	418
	(ii)	any additional time lost in further gas-freeing to meet the standard required for hot work	419
		or entry to cargo tanks shall count as off-hire, whether lost on passage to the drydocking	420
		port or after arrival there.	421
		Any time which, but for <a href="#">sub-Clause (i)</a> above, would be off-hire, shall not be included in any	422
		calculation under <a href="#">Clause 24</a> .	423
		The expenses of gas-freeing, including without limitation the cost of bunkers, shall be for	424
		Owners account.	425
	(c)	If Owners require the vessel, instead of proceeding to the offered port, to carry out periodical	426
		drydocking at a special port selected by them, the vessel shall be off-hire from the time when	427
		she is released to proceed to the special port until she next presents for loading in accordance	428
		with Charterers' instructions, provided, however, that Charterers shall credit Owners with the	429
		time which would have been taken on passage at the service speed had the vessel not proceeded	430
		to drydock. All fuel consumed shall be paid for by Owners but Charterers shall credit Owners	431
		with the value of the fuel which would have been used on such notional passage calculated at	432
		the guaranteed daily consumption for the service speed, and shall further credit Owners with	433
		any benefit they may gain in purchasing bunkers at the special port.	434
	(d)	Charterers shall, insofar as cleaning for periodical drydocking may have reduced the amount of	435
		tank-cleaning necessary to meet Charterers' requirements, credit Owners with the value of any	436
		bunkers which Charterers calculate to have been saved thereby, whether the vessel drydocks at	437
		an offered or a special port.	438
Ship	23.	Charterers shall have the right at any time during the charter period to make such inspection of the	439
Inspection		vessel as they may consider necessary. This right may be exercised as often and at such intervals as	440
		Charterers in their absolute discretion may determine and whether the vessel is in port or on passage.	441
		Owners affording all necessary co-operation and accommodation on board provided, however:	442
	(a)	that neither the exercise nor the non-exercise, nor anything done or not done in the exercise	443
		or non-exercise, by Charterers of such right shall in any way reduce the master's or Owners'	444
		authority over, or responsibility to Charterers or third parties for, the vessel and every aspect of	445
		her operation, nor increase Charterers' responsibilities to Owners or third parties for the same;	446
		and;	447
	(b)	that Charterers shall not be liable for any act, neglect or default by themselves, their	448
		servants or agents in the exercise or non-exercise of the aforesaid right.	449
Detailed	24. (a)	Owners guarantee that the speed and consumption of the vessel shall be as follows:-	450
Description		Average speed	451
and		in knots	452
Performance		Maximum average bunker consumption per day	453
		main propulsion	454
		auxiliaries	455
		fuel oil/ diesel oil	456
		fuel oil/diesel oil	457
		tonnes	458
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	The service speed of the vessel is _____ knots laden and _____ knots in ballast and in the absence of Charterers' orders to the contrary the vessel shall proceed at the service speed. However if more than one laden and one ballast speed are shown in the table above Charterers shall have the right to order the vessel to steam at any speed within the range set out in the table (the "ordered speed").	464
	If the vessel is ordered to proceed at any speed other than the highest speed shown in the table, and the average speed actually attained by the vessel during the currency of such order exceeds such ordered speed plus 0.5 knots (the "maximum recognised speed"), then for the purpose of calculating a decrease of hire under this <a href="#">Clause 24</a> the maximum recognised speed shall be used in place of the average speed actually attained.	465
	For the purposes of this charter the "guaranteed speed" at any time shall be the then-current ordered speed or the service speed, as the case may be.	466
	The average speeds and bunker consumptions shall for the purposes of this <a href="#">Clause 24</a> be calculated by reference to the observed distance from pilot station to pilot station on all sea passages during each period stipulated in <a href="#">Clause 24 (c)</a> , but excluding any time during which the vessel is (or but for <a href="#">Clause 22 (b) (i)</a> would be) off-hire and also excluding "Adverse Weather Periods", being:	467
	(i) any periods during which reduction of speed is necessary for safety in congested waters or in poor visibility;	468
	(ii) any days, noon to noon, when winds exceed force 8 on the Beaufort Scale for more than 12 hours.	469
	(b) If during any year from the date on which the vessel enters service (anniversary to anniversary) the vessel falls below or exceeds the performance guaranteed in <a href="#">Clause 24 (a)</a> then if such shortfall or excess results:	470
	(i) from a reduction or an increase in the average speed of the vessel, compared to the speed guaranteed in <a href="#">Clause 24 (a)</a> , then an amount equal to the value at the hire rate of the time so lost or gained, as the case may be, shall be included in the performance calculation;	471
	(ii) from an increase or a decrease in the total bunkers consumed, compared to the total bunkers which would have been consumed had the vessel performed as guaranteed in <a href="#">Clause 24 (a)</a> , an amount equivalent to the value of the additional bunkers consumed or the bunkers saved, as the case may be, based on the average price paid by Charterers for the vessel's bunkers in such period, shall be included in the performance calculation.	472
	The results of the performance calculation for laden and ballast mileage respectively shall be adjusted to take into account the mileage steamed in each such condition during Adverse Weather Periods, by dividing such addition or deduction by the number of miles over which the performance has been calculated and multiplying by the same number of miles plus the miles steamed during the Adverse Weather Periods, in order to establish the total performance calculation for such period.	473
	Reduction of hire under the foregoing <a href="#">sub-Clause (b)</a> shall be without prejudice to any other remedy available to Charterers.	474
	(c) Calculations under this <a href="#">Clause 24</a> shall be made for the yearly periods terminating on each successive anniversary of the date on which the vessel enters service, and for the period between the last such anniversary and the date of termination of this charter if less than a year. Claims in respect of reduction of hire arising under this Clause during the final year or part year of the charter period shall in the first instance be settled in accordance with Charterers' estimate made two months before the end of the charter period. Any necessary adjustment after this charter terminates shall be made by payment by Owners to Charterers or by Charterers to Owners as the case may require.	475
	(d) Owners and Charterers agree that this <a href="#">Clause 24</a> is assessed on the basis that Owners are not entitled to additional hire for performance in excess of the speeds and consumptions given in this <a href="#">Clause 24</a> .	476
Salvage	25. Subject to the provisions of <a href="#">Clause 21</a> hereof, all loss of time and all expenses (excluding any damage to or loss of the vessel or tortious liabilities to third parties) incurred in saving or attempting to save life or in successful or unsuccessful attempts at salvage shall be borne equally by Owners and Charterers provided that Charterers shall not be liable to contribute towards any salvage payable by Owners arising in any way out of services rendered under this <a href="#">Clause 25</a> . All salvage and all proceeds from derelicts shall be divided equally between Owners and Charterers after deducting the master's, officers' and crew's share.	477
Lien	26. Owners shall have a lien upon all cargoes and all freights, sub-freights and demurrage for any	478



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	amounts due under this charter; and Charterers shall have a lien on the vessel for all monies paid in advance and not earned, and for all claims for damages arising from any breach by Owners of this charter.	523 524 525
Exceptions	27. (a) The vessel, her master and Owners shall not, unless otherwise in this charter expressly provided, be liable for any loss or damage or delay or failure arising or resulting from any act, neglect or default of the master, pilots, mariners or other servants of Owners in the navigation or management of the vessel; fire, unless caused by the actual fault or privity of Owners; collision or stranding; dangers and accidents of the sea; explosion, bursting of boilers, breakage of shafts or any latent defect in hull, equipment or machinery; provided, however, that <a href="#">Clauses 1, 2, 3</a> and <a href="#">24</a> hereof shall be unaffected by the foregoing. Further, neither the vessel, her master or Owners, nor Charterers shall, unless otherwise in this charter expressly provided, be liable for any loss or damage or delay or failure in performance hereunder arising or resulting from act of God, act of war, seizure under legal process, quarantine restrictions, strikes, lock-outs, riots, restraints of labour, civil commotions or arrest or restraint of princes, rulers or people.	526 527 528 529 530 531 532 533 534 535 536 537
	(b) The vessel shall have liberty to sail with or without pilots, to tow or go to the assistance of vessels in distress and to deviate for the purpose of saving life or property.	538 539
	(c) <a href="#">Clause 27(a)</a> shall not apply to, or affect any liability of Owners or the vessel or any other relevant person in respect of;	540 541
	(i) loss or damage caused to any berth, jetty, dock, dolphin, buoy, mooring line, pipe or crane or other works or equipment whatsoever at or near any place to which the vessel may proceed under this charter, whether or not such works or equipment belong to Charterers, or;	542 543 544 545
	(ii) any claim (whether brought by Charterers or any other person) arising out of any loss of or damage to or in connection with cargo. Any such claim shall be subject to the Hague-Visby Rules or the Hague Rules or the Hamburg Rules, as the case may be, which ought pursuant to <a href="#">Clause 38</a> hereof to have been incorporated in the relevant Bill of Lading (whether or not such Rules were so incorporated) or, if no such Bill of Lading is issued, to the Hague-Visby Rules unless the Hamburg Rules compulsorily apply in which case to the Hamburg Rules.	546 547 548 549 550 551 552
	(d) In particular and without limitation, the foregoing <a href="#">subsections (a)</a> and <a href="#">(b)</a> of this Clause shall not apply to or in any way affect any provision in this charter relating to off-hire or to reduction of hire.	553 554 555
Injurious Cargoes	28. No acids, explosives or cargoes injurious to the vessel shall be shipped and without prejudice to the foregoing any damage to the vessel caused by the shipment of any such cargo, and the time taken to repair such damage, shall be for Charterers' account. No voyage shall be undertaken, nor any goods or cargoes loaded, that would expose the vessel to capture or seizure by rulers or governments.	556 557 558 559
Grade of Bunkers	29. Charterers shall supply fuel oil with a maximum viscosity of _____ centistokes at 50 degrees centigrade and/or marine diesel oil for main propulsion and fuel oil with a maximum viscosity of _____ centistokes at 50 degrees centigrade and/or diesel oil for the auxiliaries. If Owners require the vessel to be supplied with more expensive bunkers they shall be liable for the extra cost thereof. Charterers warrant that all bunkers provided by them in accordance herewith shall be of a quality complying with ISO Standard 8217 for Marine Residual Fuels and Marine Distillate Fuels as applicable.	560 561 562 563 564 565 566 567
Disbursements	30. Should the master require advances for ordinary disbursements at any port, Charterers or their agents shall make such advances to him, in consideration of which Owners shall pay a commission of two and a half per cent, and all such advances and commission shall be deducted from hire.	568 569 570
Laying-up	31. Charterers shall have the option, after consultation with Owners, of requiring Owners to lay up the vessel at a safe place nominated by Charterers, in which case the hire provided for under this charter shall be adjusted to reflect any net increases in expenditure reasonably incurred or any net saving which should reasonably be made by Owners as a result of such lay up. Charterers may exercise the said option any number of times during the charter period.	571 572 573 574 575
Requisition	32. Should the vessel be requisitioned by any government, de facto or de jure, during the period of this charter, the vessel shall be off-hire during the period of such requisition, and any hire paid by such governments in respect of such requisition period shall be for Owners' account. Any such requisition period shall count as part of the charter period.	576 577 578 579
Outbreak of War	33. If war or hostilities break out between any two or more of the following countries: U.S.A., the countries or republics having been part of the former U.S.S.R (except that declaration of war or	580 581

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	hostilities solely between any two or more of the countries or republics having been part of the former USSR shall be exempted), P.R.C., U.K., Netherlands, then both Owners and Charterers shall have the right to cancel this charter.	582 583 584
Additional War Expenses	34. If the vessel is ordered to trade in areas where there is war (de facto or de jure) or threat of war, Charterers shall reimburse Owners for any additional insurance premia, crew bonuses and other expenses which are reasonably incurred by Owners as a consequence of such orders, provided that Charterers are given notice of such expenses as soon as practicable and in any event before such expenses are incurred, and provided further that Owners obtain from their insurers a waiver of any subrogated rights against Charterers in respect of any claims by Owners under their war risk insurance arising out of compliance with such orders.	585 586 587 588 589 590 591
	Any payments by Charterers under this clause will only be made against proven documentation. Any discount or rebate refunded to Owners, for whatever reason, in respect of additional war risk premium shall be passed on to Charterers.	592 593 594
War Risks	35. (a) The master shall not be required or bound to sign Bills of Lading for any place which in his or Owners' reasonable opinion is dangerous or impossible for the vessel to enter or reach owing to any blockade, war, hostilities, warlike operations, civil war, civil commotions or revolutions.	595 596 597 598
	(b) If in the reasonable opinion of the master or Owners it becomes, for any of the reasons set out in <a href="#">Clause 35</a> (a) or by the operation of international law, dangerous, impossible or prohibited for the vessel to reach or enter, or to load or discharge cargo at, any place to which the vessel has been ordered pursuant to this charter (a "place of peril"), then Charterers or their agents shall be immediately notified in writing or by radio messages, and Charterers shall thereupon have the right to order the cargo, or such part of it as may be affected, to be loaded or discharged, as the case may be, at any other place within the trading limits of this charter (provided such other place is not itself a place of peril). If any place of discharge is or becomes a place of peril, and no orders have been received from Charterers or their agents within 48 hours after dispatch of such messages, then Owners shall be at liberty to discharge the cargo or such part of it as may be affected at any place which they or the master may in their or his discretion select within the trading limits of this charter and such discharge shall be deemed to be due fulfilment of Owners' obligations under this charter so far as cargo so discharged is concerned.	599 600 601 602 603 604 605 606 607 608 609 610 611 612
	(c) The vessel shall have liberty to comply with any directions or recommendations as to departure, arrival, routes, ports of call, stoppages, destinations, zones, waters, delivery or in any other wise whatsoever given by the government of the state under whose flag the vessel sails or any other government or local authority or by any person or body acting or purporting to act as or with the authority of any such government or local authority including any de facto government or local authority or by any person or body acting or purporting to act as or with the authority of any such government or local authority or by any committee or person having under the terms of the war risks insurance on the vessel the right to give any such directions or recommendations. If by reason of or in compliance with any such directions or recommendations anything is done or is not done, such shall not be deemed a deviation. If by reason of or in compliance with any such direction or recommendation the vessel does not proceed to any place of discharge to which she has been ordered pursuant to this charter, the vessel may proceed to any place which the master or Owners in his or their discretion select and there discharge the cargo or such part of it as may be affected. Such discharge shall be deemed to be due fulfilment of Owners' obligations under this charter so far as cargo so discharged is concerned.	613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628
	Charterers shall procure that all Bills of Lading issued under this charter shall contain the Chamber of Shipping War Risks Clause 1952.	629 630
Both to Blame Collision Clause	36. If the liability for any collision in which the vessel is involved while performing this charter falls to be determined in accordance with the laws of the United States of America, the following provision shall apply: "If the ship comes into collision with another ship as a result of the negligence of the other ship and any act, neglect or default of the master, mariner, pilot or the servants of the carrier in the navigation or in the management of the ship, the owners of the cargo carried hereunder will indemnify the carrier against all loss, or liability to the other or non-carrying ship or her owners in so far as such loss or liability represents loss of, or damage to, or any claim whatsoever of the owners of the said cargo, paid or payable by the other or non-carrying ship or her owners to the owners of the said cargo and set off, recouped or recovered by the other or non-carrying ship or her owners as part of their	631 632 633 634 635 636 637 638 639 640

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	claim against the carrying ship or carrier."	641
	"The foregoing provisions shall also apply where the owners, operators or those in charge of any ship or ships or objects other than, or in addition to, the colliding ships or objects are at fault in respect of a collision or contact."	642
	Charterers shall procure that all Bills of Lading issued under this charter shall contain a provision in the foregoing terms to be applicable where the liability for any collision in which the vessel is involved falls to be determined in accordance with the laws of the United States of America.	643
New Jason	37. General average contributions shall be payable according to York/Antwerp Rules, 1994, as amended	644
Clause	from time to time, and shall be adjusted in London in accordance with English law and practice but should adjustment be made in accordance with the law and practice of the United States of America, the following position shall apply:	645
	"In the event of accident, danger, damage or disaster before or after the commencement of the voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequence of which, the carrier is not responsible by statute, contract or otherwise, the cargo, shippers, consignees or owners of the cargo shall contribute with the carrier in general average to the payment of any sacrifices, losses or expenses of a general average nature that may be made or incurred and shall pay salvage and special charges incurred in respect of the cargo."	646
	"If a salving ship is owned or operated by the carrier, salvage shall be paid for as fully as if the said salving ship or ships belonged to strangers. Such deposit as the carrier or his agents may deem sufficient to cover the estimated contribution of the cargo and any salvage and special charges thereon shall, if required, be made by the cargo, shippers, consignees or owners of the cargo to the carrier before delivery."	647
	Charterers shall procure that all Bills of Lading issued under this charter shall contain a provision in the foregoing terms, to be applicable where adjustment of general average is made in accordance with the laws and practice of the United States of America.	648
Clause	38. Charterers shall procure that all Bills of Lading issued pursuant to this charter shall contain the following:	649
Paramount	"(1) Subject to <a href="#">sub-clause (2)</a> or <a href="#">(3)</a> hereof, this Bill of Lading shall be governed by, and have effect subject to, the rules contained in the International Convention for the Unification of Certain Rules relating to Bills of Lading signed at Brussels on 25th August 1924 (hereafter the "Hague Rules") as amended by the Protocol signed at Brussels on 23rd February 1968 (hereafter the "Hague-Visby Rules"). Nothing contained herein shall be deemed to be either a surrender by the carrier of any of his rights or immunities or any increase of any of his responsibilities or liabilities under the Hague-Visby Rules."	650
	"(2) If there is governing legislation which applies the Hague Rules compulsorily to this Bill of Lading, to the exclusion of the Hague-Visby Rules, then this Bill of Lading shall have effect subject to the Hague Rules. Nothing therein contained shall be deemed to be either a surrender by the carrier of any of his rights or immunities or an increase of any of his responsibilities or liabilities under the Hague Rules."	651
	"(3) If there is governing legislation which applies the United Nations Convention on the Carriage of Goods by Sea 1978 (hereafter the "Hamburg Rules") compulsorily to this Bill of Lading, to the exclusion of the Hague-Visby Rules, then this Bill of Lading shall have effect subject to the Hamburg Rules. Nothing therein contained shall be deemed to be either a surrender by the carrier of any of his rights or immunities or an increase of any of his responsibilities or liabilities under the Hamburg Rules."	652
	"(4) If any term of this Bill of Lading is repugnant to the Hague-Visby Rules, or Hague Rules, or Hamburg Rules, as applicable, such term shall be void to that extent but no further."	653
	"(5) Nothing in this Bill of Lading shall be construed as in any way restricting, excluding or waiving the right of any relevant party or person to limit his liability under any available legislation and/or law."	654
Insurance/	39. Owners warrant that the vessel is now, and will, throughout the duration of the charter:	655
ITOPF	(a) be owned or demise chartered by a member of the International Tanker Owners Pollution Federation Limited;	656
	(b) be properly entered in _____ P & I Club, being a member of the International Group of P and I Clubs;	657
	(c) have in place insurance cover for oil pollution for the maximum on offer through the International Group of P&I Clubs but always a minimum of United States Dollars 1,000,000,000 (one thousand million);	658
	(d) have in full force and effect Hull and Machinery insurance placed through reputable brokers	659

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		on Institute Time Clauses or equivalent for the value of United States Dollars _____ as from	700
		time to time may be amended with Charterers' approval, which shall not be unreasonably	701
		withheld.	702
		Owners will provide, within a reasonable time following a request from Charterers to do so,	703
		documented evidence of compliance with the warranties given in this <a href="#">Clause 39</a> .	704
Export	40.	The master shall not be required or bound to sign Bills of Lading for the carriage of cargo to any	705
Restrictions		place to which export of such cargo is prohibited under the laws, rules or regulations of the country	706
		in which the cargo was produced and/or shipped.	707
		Charterers shall procure that all Bills of Lading issued under this charter shall contain the following	708
		clause:	709
		"If any laws rules or regulations applied by the government of the country in which the cargo was	710
		produced and/or shipped, or any relevant agency thereof, impose a prohibition on export of the cargo	711
		to the place of discharge designated in or ordered under this Bill of Lading, carriers shall be entitled	712
		to require cargo owners forthwith to nominate an alternative discharge place for the discharge of the	713
		cargo, or such part of it as may be affected, which alternative place shall not be subject to the	714
		prohibition, and carriers shall be entitled to accept orders from cargo owners to proceed to and	715
		discharge at such alternative place. If cargo owners fail to nominate an alternative place within 72	716
		hours after they or their agents have received from carriers notice of such prohibition, carriers shall	717
		be at liberty to discharge the cargo or such part of it as may be affected by the prohibition at any safe	718
		place on which they or the master may in their or his absolute discretion decide and which is not	719
		subject to the prohibition, and such discharge shall constitute due performance of the contract	720
		contained in this Bill of Lading so far as the cargo so discharged is concerned".	721
		The foregoing provision shall apply mutatis mutandis to this charter, the references to a Bill of	722
		Lading being deemed to be references to this charter.	723
Business	41.	Owners will co-operate with Charterers to ensure that the "Business Principles", as amended	724
Principles		from time to time, of the Royal Dutch/Shell Group of Companies, which are posted on the Shell	725
		Worldwide Web ( <a href="http://www.Shell.com">www.Shell.com</a> ), are complied with.	726
Drugs and	42.	(a) Owners warrant that they have in force an active policy covering the vessel which meets or	727
Alcohol		exceeds the standards set out in the "Guidelines for the Control of Drugs and Alcohol On	728
		Board Ship" as published by the Oil Companies International Marine Forum (OCIMF) dated	729
		January 1990 (or any subsequent modification, version, or variation of these guidelines) and	730
		that this policy will remain in force throughout the charter period, and Owners will exercise	731
		due diligence to ensure the policy is complied with.	732
		(b) Owners warrant that the current policy concerning drugs and alcohol on board is acceptable	733
		to ExxonMobil and will remain so throughout the charter period.	734
Oil Major	43.	If, at any time during the charter period, the vessel becomes unacceptable to any Oil Major, Charterers	735
Acceptability		shall have the right to terminate the charter.	736
Pollution and	44.	Owners are to advise Charterers of organisational details and names of Owners personnel together	737
Emergency		with their relevant telephone/facsimile/e-mail/telex numbers, including the names and contact details	738
Response		of Qualified Individuals for OPA 90 response, who may be contacted on a 24 hour basis in the event of	739
		oil spills or emergencies.	740
ISPS	45.	(a) (i) From the date of coming into force of the International Code for the Security of Ships	741
Code/US		and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (ISPS	742
MTSA 2002		Code) and the US Maritime Transportation Security Act 2002 (MTSA) in relation to the	743
		Vessel and thereafter during the currency of this charter, Owners shall procure that both	744
		the Vessel and "the Company" (as defined by the ISPS Code) and the "owner" (as	745
		defined by the MTSA) shall comply with the requirements of the ISPS Code relating to	746
		the Vessel and "the Company" and the requirements of MTSA relating to the vessel and	747
		the "owner". Upon request Owners shall provide documentary evidence of compliance	748
		with this <a href="#">Clause 45(a) (i)</a> .	749
		(ii) Except as otherwise provided in this charter, loss, damage, expense or delay, caused by	750
		failure on the part of Owners or "the Company"/"owner" to comply with the	751
		requirements of the ISPS Code/MTSA or this Clause shall be for Owners' account.	752
	(b)	(i) Charterers shall provide Owners/Master with their full style contact details and shall	753
		ensure that the contact details of all sub-charterers are likewise provided to	754
		Owners/Master. Furthermore, Charterers shall ensure that all sub-charter parties they	755
		enter into during the period of this charter contain the following provision:	756
		"The Charterers shall provide the Owners with their full style contact details and, where	757
		sub-letting is permitted under the terms of the charter party, shall ensure that the	758

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	contact details of all sub-charterers are likewise provided to the Owners".	759
	(ii) Except as otherwise provided in this charter, loss, damage, expense or delay, caused by failure on the part of Charterers to comply with this <a href="#">sub-Clause 45(b)</a> shall be for Charterers' account.	760 761 762
	(c) Notwithstanding anything else contained in this charter costs or expenses related to security regulations or measures required by the port facility or any relevant authority in accordance with the ISPS Code/MTSA including, but not limited to, security guards, launch services, tug escorts, port security fees or taxes and inspections, shall be for Charterers' account, unless such costs or expenses result solely from Owners' negligence in which case such costs or expenses shall be for Owners' account. All measures required by Owners to comply with the security plan required by the ISPS Code/MTSA shall be for Owners' account.	763 764 765 766 767 768 769
	(d) Notwithstanding any other provision of this charter, the vessel shall not be off-hire where there is a loss of time caused by Charterers' failure to comply with the ISPS Code/MTSA (when in force).	770 771 772
	(e) If either party makes any payment which is for the other party's account according to this Clause, the other party shall indemnify the paying party.	773 774
Law and Litigation	46. (a) This charter shall be construed and the relations between the parties determined in accordance with the laws of England.	775 776
	(b) All disputes arising out of this charter shall be referred to Arbitration in London in accordance with the Arbitration Act 1996 (or any re-enactment or modification thereof for the time being in force) subject to the following appointment procedure:	777 778 779
	(i) The parties shall jointly appoint a sole arbitrator not later than 28 days after service of a request in writing by either party to do so.	780 781
	(ii) If the parties are unable or unwilling to agree the appointment of a sole arbitrator in accordance with (i) then each party shall appoint one arbitrator, in any event not later than 14 days after receipt of a further request in writing by either party to do so. The two arbitrators so appointed shall appoint a third arbitrator before any substantive hearing or forthwith if they cannot agree on a matter relating to the arbitration.	782 783 784 785 786
	(iii) If a party fails to appoint an arbitrator within the time specified in (ii) (the "Party in Default"), the party who has duly appointed his arbitrator shall give notice in writing to the Party in Default that he proposes to appoint his arbitrator to act as sole arbitrator.	787 788 789
	(iv) If the Party in Default does not within 7 days of the notice given pursuant to (iii) make The required appointment and notify the other party that he has done so the other party may appoint his arbitrator as sole arbitrator whose award shall be binding on both parties as if he had been so appointed by agreement.	790 791 792 793
	(v) Any Award of the arbitrator(s) shall be final and binding and not subject to appeal.	794
	(vi) For the purposes of this <a href="#">clause 46(b)</a> any requests or notices in writing shall be sent by fax, e-mail or telex and shall be deemed received on the day of transmission.	795 796
	(c) It shall be a condition precedent to the right of any party to a stay of any legal proceedings in which maritime property has been, or may be, arrested in connection with a dispute under this charter, that that party furnishes to the other party security to which that other party would have been entitled in such legal proceedings in the absence of a stay.	797 798 799 800
Confidentiality	47. All terms and conditions of this charter arrangement shall be kept private and confidential	801
Construction	48. The side headings have been included in this charter for convenience of reference and shall in no way affect the construction hereof.	802 803
	Appendix A: OCIMF Vessel Particulars Questionnaire for the vessel, as attached, shall be incorporated herein.	804 805
	Appendix B: Shell Safety and Environmental Monthly Reporting Template, as attached, shall be incorporated herein.	806 807
	Additional Clauses: As attached, shall be incorporated herein.	808
	SIGNED FOR OWNERS SIGNED FOR CHARTERERS	809
	FULL NAME _____ FULL NAME _____	810
	POSITION _____ POSITION _____	811

## SHELLTIME 4

<b>Shell Safety and Environmental Monthly Reporting Template</b>	Return to: Charterers marked for the attention of: Fax: Phone: Email:
--	---

Time Chartered Vessel Name	
Management Company	
Month	

<b>OIL SPILL INCIDENTS</b> (Any amount entering the water) Approximate volume in barrels and brief details	
<b>ANY OTHER INCIDENTS</b> resulting in or having potential for injury, damage or loss	

FOR DEFINITIONS OF INCIDENT CLASSIFICATION AND EXPOSURE HOURS PLEASE SEE OIL COMPANIES INTERNATIONAL MARINE FORUM (OCIMF) BOOKLET "Marine Injury Reporting Guidelines" (February 1997) or any subsequent version, amendment, or variation to them

A. No. Of crew:	
B. Days in month / period:	
<b>EXPOSURE HOURS</b> (A x B x 24):	

<b>LOST TIME INJURIES (LTI'S)</b> including brief details / any treatments

<b>TOTAL RECORDABLE CASE INJURIES (TRC'S)</b> including brief details / any treatments

## PLEASE CONFIRM YOUR RETURN CONTACT DETAILS:

Name:
Phone:
Fax:
Email:

Return for each calendar month – by 10<sup>th</sup> of following month.

<b>Shell Safety and Environmental Monthly Reporting Template</b>	Return to: Charterers marked for the attention of: Fax: Phone: Email:
--	---

Time Chartered Vessel Name	
Management Company	
Month	

Notes : Please enter zero i.e. "0" where any amount is nil (rather than entering "Nil" or N/A")  
Please do not enter a % sign in the entry boxes for Fuel Sulphur content i.e. if it is 3% then just enter "3".  
Cargo loaded for LNG vessels should also be reported as tonnes and not as m³.

Monthly Consumption – Fuel Oil mt	
Sulphur content of Fuel Oil (percentage weight)	
Monthly Consumption – Diesel and/or Gas Oil mt	
Monthly Consumption (LNG ships only) – Fuel Gases mt	

Please do not enter a % sign in the entry boxes for Fuel Sulphur content i.e. if it is 3% then just enter 3".  
Cargo loaded for LNG vessels should also be reported as tonnes and not as m3.

Monthly Distance Steamed	
Monthly Cargo Loaded - mt	

Refrigerant Gas Consumption - Type	
Refrigerant Gas Consumption – Quantity (litres)	

Garbage Disposal m3 – At Sea	
Garbage Disposal m3 – Incinerated on Board	
Garbage Disposal m3 – Sent Ashore	

OIL SPILL INCIDENTS  (Other than those entering the water) Approx. volume & brief details	
--	--

Return for each calendar month – by 10<sup>th</sup> of following month.



# Time Charter

GOVERNMENT FORM

Approved by the New York Produce Exchange

November 6th, 1913—Amended October 20th, 1921; August 6th, 1931; October 3rd, 1946

1 **This Charter Party**, made and concluded in ..... day of ..... 19 .....

2 Between .....

3 Owners of the good ..... { Steamship } ..... of .....

4 of ..... tons gross register, and ..... Motorship ..... tons net register, having engines of ..... indicated horse power

5 and with hull, machinery and equipment in a thoroughly efficient state, and classed .....

6 at ..... of about ..... cubic feet bale capacity, and about ..... ton of 2240 lbs.

7 deadweight capacity (cargo and bunkers, including fresh water and stores not exceeding one and one-half percent of ship's deadweight capacity,

8 allowing a minimum of fifty tons) on a draft of ..... feet ..... inches on ..... Summer freeboard, inclusive of permanent bunkers,

9 which are of the capacity of about ..... tons of fuel, and capable of steaming, fully laden, under good weather

10 conditions about ..... knots on a consumption of about ..... tons of best Welsh coal—best grade fuel oil—best grade Diesel oil,

11 now .....

12 ..... and ..... Charterers of the City of .....

13 **Witnesseth**, That the said Owners agree to let, and the said Charterers agree to hire the said vessel, from the time of delivery, for

14 about ..... within below mentioned trading limits.

15 Charterers to have liberty to sublet the vessel for all or any part of the time covered by this Charter, but Charterers remaining responsible for

16 the fulfillment of this Charter Party.

17 Vessel to be placed at the disposal of the Charterers, at .....

18 in such dock or at such wharf or place (where she may safely lie, always afloat, at all time of tide, except as otherwise provided in clause No. 6), as

19 the Charterers may direct. If such dock, wharf or place be not available time to count as provided for in clause No. 5. Vessel on her delivery to be

20 ready to receive cargo with clean-swept holds and tight, staunch, strong and in every way fitted for the service, having water ballast, winches and

21 donkey boiler with sufficient steam power, or if not equipped with donkey boiler, then other power sufficient to run all the winches at one and the same

22 time (and with full complement of officers, seamen, engineers and firemen for a vessel of her tonnage), to be employed, in carrying lawful merchan-

23 dise, including petroleum or its products, in proper containers, excluding .....

24 (vessel is not to be employed in the carriage of Live Stock, but Charterers are to have the privilege of shipping a small number on deck at their risk,

25 all necessary fittings and other requirements to be for account of Charterers), in such lawful trades, between safe port and/or ports in British North

26 America, and/or United States of America, and/or West Indies, and/or Central America, and/or Caribbean Sea, and/or Gulf of Mexico, and/or

27 Mexico, and/or South America ..... and/or Europe

28 and/or Africa, and/or Asia, and/or Australia, and/or Tasmania, and/or New Zealand, but excluding Magdalena River, River St. Lawrence between

29 October 31st and May 15th, Hudson Bay and all unsafe ports; also excluding, when out of season, White Sea, Black Sea and the Baltic,

30 ..... and/or

31 ..... and/or

32 ..... and/or

33 ..... and/or

34 as the Charterers or their Agents shall direct, on the following conditions:

35 1. That the Owners shall provide and pay for all provisions, wages and consular shipping and discharging fees of the Crew; shall pay for the

36 insurance of the vessel, also for all the cabin, deck, engine-room and other necessary stores, including boiler water and maintain her class and keep

37 the vessel in a thoroughly efficient state in hull, machinery and equipment for and during the service.

38 2. That the Charterers shall provide and pay for all the fuel except as otherwise agreed, Port Charges, Pilotages, Agencies, Commissions,

39 Consular Charges (except those pertaining to the Crew), and all other usual expenses except those before stated, but when the vessel puts into

40 a port for causes for which vessel is responsible, then all such charges incurred shall be paid by the Owners. Fumigations ordered because of

41 illness of the crew to be for Owners account. Fumigations ordered because of cargoes carried or ports visited while vessel is employed under this

42 charter to be for Charterers account. All other fumigations to be for Charterers account after vessel has been on charter for a continuous period

43 of six months or more.

44 Charterers are to provide necessary dunnage and shifting boards, also any extra fittings requisite for a special trade or unusual cargo, but

45 Owners to allow them the use of any dunnage and shifting boards already aboard vessel. Charterers to have the privilege of using shifting boards

46 for dunnage, they making good any damage thereto.

47 3. That the Charterers, at the port of delivery, and the Owners, at the port of re-delivery, shall take over and pay for all fuel remaining on

48 board the vessel at the current prices in the respective ports, the vessel to be delivered with not less than ..... tons and not more than

49 ..... tons and to be re-delivered with not less than ..... tons and not more than ..... tons.

50 4. That Charterers shall pay for the use and hire of the said Vessel at the rate of ..... United States Currency per ton on vessel's total deadweight carrying capacity, including bunkers and

51 stores, on ..... summer freeboard, per Calendar Month, commencing on and from the day of her delivery, as aforesaid, and at

52 and after the same rate for any part of a month; hire to continue until the hour of the day of her re-delivery in like good order and condition, ordinary

53 wear and tear excepted, to the Owners (unless lost) at ..... unless otherwise mutually agreed. Charterers are to give Owners not less than ..... days

54 notice of vessels expected date of re-delivery, and probable port.

55 5. Payment of said hire to be made in New York in cash in United States Currency, semi-monthly in advance, and for the last half month or

56 part of same the approximate amount of hire, and should same not cover the actual time, hire is to be paid for the balance day by day, as it becomes

57 due, if so required by Owners, unless bank guarantee or deposit is made by the Charterers, otherwise failing the punctual and regular payment of the

58 hire, or bank guarantee, or on any breach of this Charter Party, the Owners shall be at liberty to withdraw the vessel from the service of the Char-

59 terers, without prejudice to any claim they (the Owners) may otherwise have on the Charterers. Time to count from 7 a.m. on the working day

60 following that on which written notice of readiness has been given to Charterers or their Agents before 4 p.m., but if required by Charterers, they

61 to have the privilege of using vessel at once, such time used to count as hire.

62 Cash for vessel's ordinary disbursements at any port may be advanced as required by the Captain, by the Charterers on their Agents, subject

63 to 2½% commission and such advances shall be deducted from the hire. The Charterers, however, shall in no way be responsible for the application

64 of such advances.

65 6. That the cargo or cargoes be laden and/or discharged in any dock or at any wharf or place that Charterers or their Agents may

66 direct, provided the vessel can safely lie always afloat at any time of tide, except at such places where it is customary for similar size vessels to safely

67 lie aground.

68 7. That the whole reach of the Vessel's Hold, Decks, and usual places of loading (not more than she can reasonably stow and carry), also

69 accommodations for Supercargo, if carried, shall be at the Charterers' disposal, reserving only proper and sufficient space for Ship's officers, crew,

70 tackle, apparel, furniture, provisions, stores and fuel. Charterers have the privilege of passengers as far as accommodations allow, Charterers

71 paying Owners ..... per day per passenger for accommodations and meals. However, it is agreed that in case any fines or extra expenses are

72 incurred in the consequence of the carriage of passengers, Charterers are to bear such risk and expense.

73 8. That the Captain shall prosecute his voyages with the utmost despatch, and shall render all customary assistance with ship's crew and

74 boats. The Captain (although appointed by the Owners), shall be under the orders and directions of the Charterers as regards employment and

75 agency; and Charterers are to load, stow, and trim the cargo at their expense under the supervision of the Captain, who is to sign Bills of Lading for

76 cargo as presented, in conformity with Mate's or Tally Clerk's receipts.

77 9. That if the Charterers shall have reason to be dissatisfied with the conduct of the Captain, Officers, or Engineers, the Owners shall on

78 receiving particulars of the complaint, investigate the same, and, if necessary, make a change in the appointments.

79 10. That the Charterers shall have permission to appoint a Supercargo, who shall accompany the vessel and see that voyages are prosecuted

80 with the utmost despatch. He is to be furnished with free accommodation, and same fare as provided for Captain's table, Charterers paying at the

81 rate of \$1.00 per day. Owners to victual Pilots and Customs Officers, and also, when authorized by Charterers or their Agents, to victual Tally

82 Clerks, Stevedore's Foreman, etc., Charterers paying at the current rate per meal, for all such victualling.

83 11. That the Charterers shall furnish the Captain from time to time with all requisite instructions and sailing directions, in writing, and the

84 Captain shall keep a full and correct Log of the voyage or voyages, which are to be patent to the Charterers or their Agents, and furnish the Char-

85 terers, their Agents or Supercargo, when required, with a true copy of daily Logs, showing the course of the vessel and distance run and the con-

86 sumption of fuel.

87 12. That the captain shall use diligence in caring for the ventilation of the cargo.

88 13. That the Charterers shall have the option of continuing this charter for a further period of .....

89

90

91



92 on giving written notice thereof to the Owners or their Agents ..... days previous to the expiration of the first-named term, or any declared option.

93 14. That if required by Charterers, time not to commence before ..... and should vessel

94 not have given written notice of readiness on or before ..... but not later than 4 p.m. Charterers or

95 their Agents to have the option of cancelling this Charter at any time not later than the day of vessel's readiness.

96 15. That in the event of the loss of time from deficiency of men or stores, fire, breakdown or damages to hull, machinery or equipment,

97 grounding, detention by average accidents to ship or cargo, drydocking for the purpose of examination or painting bottom, or by any other cause,

98 preventing the full working of the vessel, the payment of hire shall cease for the time thereby lost; and if upon the voyage the speed be reduced by

99 defect in or breakdown of any part of her hull, machinery or equipment, the time so lost, and the cost of any extra fuel consumed in consequence

100 thereof, and all extra expenses shall be deducted from the hire.

101 16. That should the Vessel be lost, money paid in advance and not earned (reckoning from the date of loss or being last heard of) shall be

102 returned to the Charterers at once. The act of God, enemies, fire, restraint of Princes, Rulers and People, and all dangers and accidents of the Seas,

103 Rivers, Machinery, Boilers and Steam navigation, and errors of Navigation throughout this Charter Party, always mutually excepted.

104 The vessel shall have the liberty to sail with or without pilots, to tow and to be towed, to assist vessels in distress, and to deviate for the

105 purpose of saving life and property.

106 17. That should any dispute arise between Owners and the Charterers, the matter in dispute shall be referred to three persons at New York,

107 one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them, shall be final, and for

108 the purpose of enforcing any award, this agreement may be made a rule of the Court. The Arbitrators shall be commercial men.

109 18. That the Owners shall have a lien upon all cargoes, and all sub-freights for any amounts due under this Charter, including General Aver-

110 age contributions, and the Charterers to have a lien on the Ship for all monies paid in advance and not earned, and any overpaid hire or excess

111 deposit to be returned at once. Charterers will not suffer, nor permit to be continued, any lien or encumbrance incurred by them or their agents, which

112 might have priority over the title and interest of the owners in the vessel.

113 19. That all derelicts and salvage shall be for Owners' and Charterers' equal benefit after deducting Owners' and Charterers' expenses and

114 Crew's proportion. General Average shall be adjusted, stated and settled, according to Rules 1 to 15, inclusive, 17 to 22, inclusive, and Rule F of

115 York-Antwerp Rules 1924, at such port or place in the United States as may be selected by the carrier, and as to matters not provided for by these

116 Rules, according to the laws and usages at the port of New York. In such adjustment disbursements in foreign currencies shall be exchanged into

117 United States money at the rate prevailing on the dates made and allowances for damage to cargo claimed in foreign currency shall be converted at

118 the rate prevailing on the last day of discharge at the port or place of final discharge of such damaged cargo from the ship. Average agreement or

119 bond and such additional security, as may be required by the carrier, must be furnished before delivery of the goods. Such cash deposit as the carrier

120 or his agents may deem sufficient as additional security for the contribution of the goods and for any salvage and special charges thereon, shall, if

121 required, be made by the goods, shippers, consignees or owners of the goods to carrier before delivery. Such deposit shall, at the option of the

122 carrier, be payable in United States money and be remitted to the adjuster. When so remitted the deposit shall be held in a special account at the

123 place of adjustment in the name of the adjuster pending settlement of the General Average and refunds or credit balances, if any, shall be paid in

124 United States money.

125 In the event of accident, danger, damage, or disaster, before or after commencement of the voyage resulting from any cause whatsoever,

126 whether due to negligence or not, for which, or for the consequence of which, the carrier is not responsible, by statute, contract, or otherwise, the

127 goods, the shipper and the consignee, jointly and severally, shall contribute with the carrier in general average to the payment of any sacrifices,

128 losses, or expenses of a general average nature that may be made or incurred, and shall pay salvage and special charges incurred in respect of the

129 goods. If a salving ship is owned or operated by the carrier, salvage shall be paid for as fully and in the same manner as if such salving ship or

130 ships belonged to strangers.

131 Provisions as to General Average in accordance with the above are to be included in all bills of lading issued hereunder.

132 20. Fuel used by the vessel while off hire, also for cooking, condensing water, or for grates and stoves to be agreed to as to quantity, and the

133 cost of replacing same, to be allowed by Owners.

134 21. That as the vessel may be from time to time employed in tropical waters during the term of this Charter, Vessel is to be docked at a

135 convenient place, bottom cleaned and painted whenever Charterers and Captain think necessary, at least once in every six months, reckoning from

136 time of last painting, and payment of the hire to be suspended until she is again in proper state for the service.

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140 22. Owners shall maintain the gear of the ship as fitted, providing gear (for all derricks) capable of handling lifts up to three tons, also

141 providing ropes, falls, slings and blocks. If vessel is fitted with derricks capable of handling heavier lifts, Owners are to provide necessary gear for

142 same, otherwise equipment and gear for heavier lifts shall be for Charterers' account. Owners also to provide on the vessel lanterns and oil for

143 night work, and vessel to give use of electric light when so fitted, but any additional lights over those on board to be at Charterers' expense. The

144 Charterers to have the use of any gear on board the vessel.

145 23. Vessel to work night and day, if required by Charterers, and all winches to be at Charterers' disposal during loading and discharging;

146 steamer to provide one winchman per hatch to work winches day and night, as required, Charterers agreeing to pay officers, engineers, winchmen,

147 deck hands and donkeymen for overtime work done in accordance with the working hours and rates stated in the ship's articles. If the rules of the

148 port, or labor unions, prevent crew from driving winches, shore Winchmen to be paid by Charterers. In the event of a disabled winch or winches, or

149 insufficient power to operate winches, Owners to pay for shore engine, or engines, in lieu thereof, if required, and pay any loss of time occasioned

150 thereby.

151 24. It is also mutually agreed that this Charter is subject to all the terms and provisions of and all the exemptions from liability contained

152 in the Act of Congress of the United States approved on the 13th day of February, 1893, and entitled "An Act relating to Navigation of Vessels,

153 etc.," in respect of all cargo shipped under this charter to or from the United States of America. It is further subject to the following clauses, both

154 of which are to be included in all bills of lading issued hereunder:

155 **U.S.A. Clause Paramount**

156 This bill of lading shall have effect subject to the provisions of the Carriage of Goods by Sea Act of the United States, approved April

157 16, 1936, which shall be deemed to be incorporated herein, and nothing herein contained shall be deemed a surrender by the carrier of

158 any of its rights or immunities or an increase of any of its responsibilities or liabilities under said Act. If any term of this bill of lading

159 be repugnant to said Act to any extent, such term shall be void to that extent, but no further.

160 **Both-to-Blame Collision Clause**

161 If the ship comes into collision with another ship as a result of the negligence of the other ship and any act, neglect or default of the

162 Master, mariner, pilot or the servants of the Carrier in the navigation or in the management of the ship, the owners of the goods carried

163 hereunder will indemnify the Carrier against all loss or liability to the other or non-carrying ship or her owners in so far as such loss

164 or liability represents loss of, or damage to, or any claim whatsoever of the owners of said goods, paid or payable by the other or non-

165 carrying ship or her owners to the owners of said goods and set off, recouped or recovered by the other or non-carrying ship or her

166 owners as part of their claim against the carrying ship or carrier.

167 25. The vessel shall not be required to enter any ice-bound port, or any port where lights or light-ships have been or are about to be with-

168 drawn by reason of ice, or where there is risk that in the ordinary course of things the vessel will not be able on account of ice to safely enter the

169 port or to get out after having completed loading or discharging.

170 26. Nothing herein stated is to be construed as a demise of the vessel to the Time Charterers. The owners to remain responsible for the

171 navigation of the vessel, insurance, crew, and all other matters, same as when trading for their own account.

172 27. A commission of 2% per cent is payable by the Vessel and Owners to

173

174 on hire earned and paid under this Charter, and also upon any continuation or extension of this Charter.

175 28. An address commission of 2% per cent payable to ..... on the hire earned and paid under this Charter.

By cable authority from

The original Charter Party in our possession.

BROKERS.

As ..... For Owners

Code Name: "NYPE 93"

Recommended by:  
The Baltic and International Maritime Council (BIMCO)  
The Federation of National Associations of  
Ship Brokers and Agents (FONASBA)



## TIME CHARTER<sup>®</sup>

New York Produce Exchange Form  
Issued by the Association of Ship Brokers and Agents (U.S.A.), Inc.

November 6th, 1913 - Amended October 20th, 1921; August 6th, 1931; October 3rd, 1946;  
Revised June 12th, 1981; September 14th 1993.

**THIS CHARTER PARTY**, made and concluded in  
this \_\_\_\_\_ day of \_\_\_\_\_

19

Between

Owners of the Vessel described below, and

Charterers.

### Description of Vessel

Name	Flag	Built	(year).
Port and number of Registry			
Classed			
Deadweight		in	
stores not exceeding		long*/metric* tons (cargo and bunkers, including freshwater and	
on summer freeboard.		long*/metric* tons) on a salt water draft of	
Capacity		cubic feet grain	cubic feet bale space.
Tonnage	GT/GRT.		
Speed about		knots, fully laden, in good weather conditions up to and including maximum	
Force	on the Beaufort wind scale, on a consumption of about		long*/metric*
tons of			

\* Delete as appropriate.

For further description see Appendix "A" (if applicable)

### 1. Duration

The Owners agree to let and the Charterers agree to hire the Vessel from the time of delivery for a period  
of \_\_\_\_\_

within below mentioned trading limits.

### 2. Delivery

The Vessel shall be placed at the disposal of the Charterers at

The Vessel on her delivery  
shall be ready to receive cargo with clean-swept holds and tight, staunch, strong and in every way fitted  
for ordinary cargo service, having water ballast and with sufficient power to operate all cargo-handling gear  
simultaneously.

The Owners shall give the Charterers not less than \_\_\_\_\_ days notice of expected date of

delivery.	38
<b>3. <u>On-Off Hire Survey</u></b>	39
Prior to delivery and redelivery the parties shall, unless otherwise agreed, each appoint surveyors, for their respective accounts, who shall not later than at first loading port/last discharging port respectively, conduct joint on-hire/off-hire surveys, for the purpose of ascertaining quantity of bunkers on board and the condition of the Vessel. A single report shall be prepared on each occasion and signed by each surveyor, without prejudice to his right to file a separate report setting forth items upon which the surveyors cannot agree.	40 41 42 43 44
If either party fails to have a representative attend the survey and sign the joint survey report, such party shall nevertheless be bound for all purposes by the findings in any report prepared by the other party.	45 46
On-hire survey shall be on Charterers' time and off-hire survey on Owners' time.	47
<b>4. <u>Dangerous Cargo/Cargo Exclusions</u></b>	48
(a) The Vessel shall be employed in carrying lawful merchandise excluding any goods of a dangerous, injurious, flammable or corrosive nature unless carried in accordance with the requirements or recommendations of the competent authorities of the country of the Vessel's registry and of ports of shipment and discharge and of any intermediate countries or ports through whose waters the Vessel must pass. Without prejudice to the generality of the foregoing, in addition the following are specifically excluded: livestock of any description, arms, ammunition, explosives, nuclear and radioactive materials,	49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64
(b) If IMO-classified cargo is agreed to be carried, the amount of such cargo shall be limited to tons and the Charterers shall provide the Master with any evidence he may reasonably require to show that the cargo is packaged, labelled, loaded and stowed in accordance with IMO regulations, failing which the Master is entitled to refuse such cargo or, if already loaded, to unload it at the Charterers' risk and expense.	65 66 67 68 69
<b>5. <u>Trading Limits</u></b>	70
The Vessel shall be employed in such lawful trades between safe ports and safe places within	71 72
excluding	73 74 75
as the Charterers shall direct.	76
<b>6. <u>Owners to Provide</u></b>	77
The Owners shall provide and pay for the insurance of the Vessel, except as otherwise provided, and for all provisions, cabin, deck, engine-room and other necessary stores, including boiler water; shall pay for wages, consular shipping and discharging fees of the crew and charges for port services pertaining to the crew; shall maintain the Vessel's class and keep her in a thoroughly efficient state in hull, machinery and equipment for and during the service, and have a full complement of officers and crew.	78 79 80 81 82
<b>7. <u>Charterers to Provide</u></b>	83
The Charterers, while the Vessel is on hire, shall provide and pay for all the bunkers except as otherwise agreed; shall pay for port charges (including compulsory watchmen and cargo watchmen and compulsory garbage disposal), all communication expenses pertaining to the Charterers' business at cost, pilotages,	84 85 86

towages, agencies, commissions, consular charges (except those pertaining to individual crew members or flag of the Vessel), and all other usual expenses except those stated in Clause 6, but when the Vessel puts into a port for causes for which the Vessel is responsible (other than by stress of weather), then all such charges incurred shall be paid by the Owners. Fumigations ordered because of illness of the crew shall be for the Owners' account. Fumigations ordered because of cargoes carried or ports visited while the Vessel is employed under this Charter Party shall be for the Charterers' account. All other fumigations shall be for the Charterers' account after the Vessel has been on charter for a continuous period of six months or more.

The Charterers shall provide and pay for necessary dunnage and also any extra fittings requisite for a special trade or unusual cargo, but the Owners shall allow them the use of any dunnage already aboard the Vessel. Prior to redelivery the Charterers shall remove their dunnage and fittings at their cost and in their time.

## 8. Performance of Voyages

(a) The Master shall perform the voyages with due despatch, and shall render all customary assistance with the Vessel's crew. The Master shall be conversant with the English language and (although appointed by the Owners) shall be under the orders and directions of the Charterers as regards employment and agency; and the Charterers shall perform all cargo handling, including but not limited to loading, stowing, trimming, lashing, securing, dunnaging, unlashng, discharging, and tallying, at their risk and expense, under the supervision of the Master.

(b) If the Charterers shall have reasonable cause to be dissatisfied with the conduct of the Master or officers, the Owners shall, on receiving particulars of the complaint, investigate the same, and, if necessary, make a change in the appointments.

## 9. Bunkers

(a) The Charterers on delivery, and the Owners on redelivery, shall take over and pay for all fuel and diesel oil remaining on board the Vessel as hereunder. The Vessel shall be delivered with:  
long\*/metric\* tons of fuel oil at the price of per ton;  
tons of diesel oil at the price of per ton. The vessel shall  
be redelivered with: tons of fuel oil at the price of per ton;  
tons of diesel oil at the price of per ton.

\* Same tons apply throughout this clause.

(b) The Charterers shall supply bunkers of a quality suitable for burning in the Vessel's engines and auxiliaries and which conform to the specification(s) as set out in Appendix A.

The Owners reserve their right to make a claim against the Charterers for any damage to the main engines or the auxiliaries caused by the use of unsuitable fuels or fuels not complying with the agreed specification(s). Additionally, if bunker fuels supplied do not conform with the mutually agreed specification(s) or otherwise prove unsuitable for burning in the Vessel's engines or auxiliaries, the Owners shall not be held responsible for any reduction in the Vessel's speed performance and/or increased bunker consumption, nor for any time lost and any other consequences.

## 10. Rate of Hire/Redelivery Areas and Notices

The Charterers shall pay for the use and hire of the said Vessel at the rate of \$  
U.S. currency, daily, or \$ U.S. currency per ton on the Vessel's total deadweight  
carrying capacity, including bunkers and stores, on summer freeboard, per 30 days,  
commencing on and from the day of her delivery, as aforesaid, and at and after the same rate for any part  
of a month; hire shall continue until the hour of the day of her redelivery in like good order and condition,  
ordinary wear and tear excepted, to the Owners (unless Vessel lost) at

unless otherwise mutually agreed.

The Charterers shall give the Owners not less than	days notice of the Vessel's	135
expected date and probable port of redelivery.		136
For the purpose of hire calculations, the times of delivery, redelivery or termination of charter shall be		137
adjusted to GMT.		138
<b>11. Hire Payment</b>		139
(a) <u>Payment</u>		140
Payment of Hire shall be made so as to be received by the Owners or their designated payee in		141
, viz		142
		143
	in	144
	currency, or in United States Currency, in funds available to the	145
Owners on the due date, 15 days in advance, and for the last month or part of same the approximate		146
amount of hire, and should same not cover the actual time, hire shall be paid for the balance day by day		147
as it becomes due, if so required by the Owners. Failing the punctual and regular payment of the hire,		148
or on any fundamental breach whatsoever of this Charter Party, the Owners shall be at liberty to		149
withdraw the Vessel from the service of the Charterers without prejudice to any claims they (the Owners)		150
may otherwise have on the Charterers.		151
		152
At any time after the expiry of the grace period provided in Sub-clause 11 (b) hereunder and while the		153
hire is outstanding, the Owners shall, without prejudice to the liberty to withdraw, be entitled to withhold		154
the performance of any and all of their obligations hereunder and shall have no responsibility whatsoever		155
for any consequences thereof, in respect of which the Charterers hereby indemnify the Owners, and hire		156
shall continue to accrue and any extra expenses resulting from such withholding shall be for the		157
Charterers' account.		158
(b) <u>Grace Period</u>		159
Where there is failure to make punctual and regular payment of hire due to oversight, negligence, errors		160
or omissions on the part of the Charterers or their bankers, the Charterers shall be given by the Owners		161
clear banking days (as recognized at the agreed place of payment) written notice to rectify the		162
failure, and when so rectified within those	days following the Owners' notice, the payment shall	163
stand as regular and punctual.		164
Failure by the Charterers to pay the hire within	days of their receiving the Owners' notice as	165
provided herein, shall entitle the Owners to withdraw as set forth in Sub-clause 11 (a) above.		166
(c) <u>Last Hire Payment</u>		167
Should the Vessel be on her voyage towards port of redelivery at the time the last and/or the penultimate		168
payment of hire is/are due, said payment(s) is/are to be made for such length of time as the Owners and		169
the Charterers may agree upon as being the estimated time necessary to complete the voyage, and taking		170
into account bunkers actually on board, to be taken over by the Owners and estimated disbursements for		171
the Owners' account before redelivery. Should same not cover the actual time, hire is to be paid for the		172
balance, day by day, as it becomes due. When the Vessel has been redelivered, any difference is to be		173
refunded by the Owners or paid by the Charterers, as the case may be.		174
(d) <u>Cash Advances</u>		175
Cash for the Vessel's ordinary disbursements at any port may be advanced by the Charterers, as required		176
by the Owners, subject to 2½ percent commission and such advances shall be deducted from the hire.		177
The Charterers, however, shall in no way be responsible for the application of such advances.		178
<b>12. Berths</b>		179



The Vessel shall be loaded and discharged in any safe dock or at any safe berth or safe place that Charterers or their agents may direct, provided the Vessel can safely enter, lie and depart always afloat at any time of tide.

**13. Spaces Available**

(a) The whole reach of the Vessel's holds, decks, and other cargo spaces (not more than she can reasonably and safely stow and carry), also accommodations for supercargo, if carried, shall be at the Charterers' disposal, reserving only proper and sufficient space for the Vessel's officers, crew, tackle, apparel, furniture, provisions, stores and fuel.

(b) In the event of deck cargo being carried, the Owners are to be and are hereby indemnified by the Charterers for any loss and/or damage and/or liability of whatsoever nature caused to the Vessel as a result of the carriage of deck cargo and which would not have arisen had deck cargo not been loaded.

**14. Supercargo and Meals**

The Charterers are entitled to appoint a supercargo, who shall accompany the Vessel at the Charterers' risk and see that voyages are performed with due despatch. He is to be furnished with free accommodation and same fare as provided for the Master's table, the Charterers paying at the rate of per day. The Owners shall victual pilots and customs officers, and also, when authorized by the Charterers or their agents, shall victual tally clerks, stevedore's foreman, etc., Charterers paying at the rate of per meal for all such victualling.

**15. Sailing Orders and Logs**

The Charterers shall furnish the Master from time to time with all requisite instructions and sailing directions, in writing, in the English language, and the Master shall keep full and correct deck and engine logs of the voyage or voyages, which are to be patent to the Charterers or their agents, and furnish the Charterers, their agents or supercargo, when required, with a true copy of such deck and engine logs, showing the course of the Vessel, distance run and the consumption of bunkers. Any log extracts required by the Charterers shall be in the English language.

**16. Delivery/Cancelling**

If required by the Charterers, time shall not commence before Vessel not be ready for delivery on or before the Charterers shall have the option of cancelling this Charter Party.

**Extension of Cancelling**

If the Owners warrant that, despite the exercise of due diligence by them, the Vessel will not be ready for delivery by the cancelling date, and provided the Owners are able to state with reasonable certainty the date on which the Vessel will be ready, they may, at the earliest seven days before the Vessel is expected to sail for the port or place of delivery, require the Charterers to declare whether or not they will cancel the Charter Party. Should the Charterers elect not to cancel, or should they fail to reply within two days or by the cancelling date, whichever shall first occur, then the seventh day after the expected date of readiness for delivery as notified by the Owners shall replace the original cancelling date. Should the Vessel be further delayed, the Owners shall be entitled to require further declarations of the Charterers in accordance with this Clause.

**17. Off Hire**

In the event of loss of time from deficiency and/or default and/or strike of officers or crew, or deficiency of stores, fire, breakdown of, or damages to hull, machinery or equipment, grounding, detention by the arrest of the Vessel, (unless such arrest is caused by events for which the Charterers, their servants, agents or subcontractors are responsible), or detention by average accidents to the Vessel or cargo unless resulting from inherent vice, quality or defect of the cargo, drydocking for the purpose of examination or painting bottom, or by any other similar cause preventing the full working of the Vessel, the payment of

hire and overtime, if any, shall cease for the time thereby lost. Should the Vessel deviate or put back during a voyage, contrary to the orders or directions of the Charterers, for any reason other than accident to the cargo or where permitted in lines 257 to 258 hereunder, the hire is to be suspended from the time of her deviating or putting back until she is again in the same or equidistant position from the destination and the voyage resumed therefrom. All bunkers used by the Vessel while off hire shall be for the Owners' account. In the event of the Vessel being driven into port or to anchorage through stress of weather, trading to shallow harbors or to rivers or ports with bars, any detention of the Vessel and/or expenses resulting from such detention shall be for the Charterers' account. If upon the voyage the speed be reduced by defect in, or breakdown of, any part of her hull, machinery or equipment, the time so lost, and the cost of any extra bunkers consumed in consequence thereof, and all extra proven expenses may be deducted from the hire.

**18. Sublet**

Unless otherwise agreed, the Charterers shall have the liberty to sublet the Vessel for all or any part of the time covered by this Charter Party, but the Charterers remain responsible for the fulfillment of this Charter Party.

**19. Drydocking**

The Vessel was last drydocked

\*(a) The Owners shall have the option to place the Vessel in drydock during the currency of this Charter at a convenient time and place, to be mutually agreed upon between the Owners and the Charterers, for bottom cleaning and painting and/or repair as required by class or dictated by circumstances.

\*(b) Except in case of emergency no drydocking shall take place during the currency of this Charter Party.

*\* Delete as appropriate*

**20. Total Loss**

Should the Vessel be lost, money paid in advance and not earned (reckoning from the date of loss or being last heard of) shall be returned to the Charterers at once.

**21. Exceptions**

The act of God, enemies, fire, restraint of princes, rulers and people, and all dangers and accidents of the seas, rivers, machinery, boilers, and navigation, and errors of navigation throughout this Charter, always mutually excepted.

**22. Liberties**

The Vessel shall have the liberty to sail with or without pilots, to tow and to be towed, to assist vessels in distress, and to deviate for the purpose of saving life and property.

**23. Liens**

The Owners shall have a lien upon all cargoes and all sub-freights and/or sub-hire for any amounts due under this Charter Party, including general average contributions, and the Charterers shall have a lien on the Vessel for all monies paid in advance and not earned, and any overpaid hire or excess deposit to be returned at once.

The Charterers will not directly or indirectly suffer, nor permit to be continued, any lien or encumbrance, which might have priority over the title and interest of the Owners in the Vessel. The Charterers undertake that during the period of this Charter Party, they will not procure any supplies or necessities or services, including any port expenses and bunkers, on the credit of the Owners or in the Owners' time.

<b>24. <u>Salvage</u></b>	268
All derelicts and salvage shall be for the Owners' and the Charterers' equal benefit after deducting Owners' and Charterers' expenses and crew's proportion.	269 270
<b>25. <u>General Average</u></b>	271
General average shall be adjusted according to York-Antwerp Rules 1974, as amended 1990, or any subsequent modification thereof, in and settled in currency.	272 273 274
The Charterers shall procure that all bills of lading issued during the currency of the Charter Party will contain a provision to the effect that general average shall be adjusted according to York-Antwerp Rules 1974, as amended 1990, or any subsequent modification thereof and will include the "New Jason Clause" as per Clause 31.	275 276 277 278
Time charter hire shall not contribute to general average.	279
<b>26. <u>Navigation</u></b>	280
Nothing herein stated is to be construed as a demise of the Vessel to the Time Charterers. The Owners shall remain responsible for the navigation of the Vessel, acts of pilots and tug boats, insurance, crew, and all other matters, same as when trading for their own account.	281 282 283
<b>27. <u>Cargo Claims</u></b>	284
Cargo claims as between the Owners and the Charterers shall be settled in accordance with the Inter-Club New York Produce Exchange Agreement of February 1970, as amended May, 1984, or any subsequent modification or replacement thereof.	285 286 287
<b>28. <u>Cargo Gear and Lights</u></b>	288
The Owners shall maintain the cargo handling gear of the Vessel which is as follows:	289 290 291 292
providing gear (for all derricks or cranes) capable of lifting capacity as described. The Owners shall also provide on the Vessel for night work lights as on board, but all additional lights over those on board shall be at the Charterers' expense. The Charterers shall have the use of any gear on board the Vessel. If required by the Charterers, the Vessel shall work night and day and all cargo handling gear shall be at the Charterers' disposal during loading and discharging. In the event of disabled cargo handling gear, or insufficient power to operate the same, the Vessel is to be considered to be off hire to the extent that time is actually lost to the Charterers and the Owners to pay stevedore stand-by charges occasioned thereby, unless such disablement or insufficiency of power is caused by the Charterers' stevedores. If required by the Charterers, the Owners shall bear the cost of hiring shore gear in lieu thereof, in which case the Vessel shall remain on hire.	293 294 295 296 297 298 299 300 301 302
<b>29. <u>Crew Overtime</u></b>	303
In lieu of any overtime payments to officers and crew for work ordered by the Charterers or their agents, the Charterers shall pay the Owners, concurrently with the hire per month or pro rata.	304 305 306
<b>30. <u>Bills of Lading</u></b>	307
(a) The Master shall sign the bills of lading or waybills for cargo as presented in conformity with mates or tally clerk's receipts. However, the Charterers may sign bills of lading or waybills on behalf of the Master, with the Owner's prior written authority, always in conformity with mates or tally clerk's receipts.	308 309 310



(b) All bills of lading or waybills shall be without prejudice to this Charter Party and the Charterers shall indemnify the Owners against all consequences or liabilities which may arise from any inconsistency between this Charter Party and any bills of lading or waybills signed by the Charterers or by the Master at their request.

(c) Bills of lading covering deck cargo shall be claused: "Shipped on deck at Charterers', Shippers' and Receivers' risk, expense and responsibility, without liability on the part of the Vessel, or her Owners for any loss, damage, expense or delay howsoever caused."

### 31. Protective Clauses

This Charter Party is subject to the following clauses all of which are also to be included in all bills of lading or waybills issued hereunder:

#### (a) CLAUSE PARAMOUNT

"This bill of lading shall have effect subject to the provisions of the Carriage of Goods by Sea Act of the United States, the Hague Rules, or the Hague-Visby Rules, as applicable, or such other similar national legislation as may mandatorily apply by virtue of origin or destination of the bills of lading, which shall be deemed to be incorporated herein and nothing herein contained shall be deemed a surrender by the carrier of any of its rights or immunities or an increase of any of its responsibilities or liabilities under said applicable Act. If any term of this bill of lading be repugnant to said applicable Act to any extent, such term shall be void to that extent, but no further."

and

#### (b) BOTH-TO-BLAME COLLISION CLAUSE

"If the ship comes into collision with another ship as a result of the negligence of the other ship and any act, neglect or default of the master, mariner, pilot or the servants of the carrier in the navigation or in the management of the ship, the owners of the goods carried hereunder will indemnify the carrier against all loss or liability to the other or non-carrying ship or her owners insofar as such loss or liability represents loss of, or damage to, or any claim whatsoever of the owners of said goods, paid or payable by the other or non-carrying ship or her owners to the owners of said goods and set off, recouped or recovered by the other or non-carrying ship or her owners as part of their claim against the carrying ship or carrier."

The foregoing provisions shall also apply where the owners, operators or those in charge of any ships or objects other than, or in addition to, the colliding ships or objects are at fault in respect to a collision or contact."

and

#### (c) NEW JASON CLAUSE

"In the event of accident, danger, damage or disaster before or after the commencement of the voyage resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequences of which, the carrier is not responsible, by statute, contract, or otherwise, the goods, shippers, consignees, or owners of the goods shall contribute with the carrier in general average to the payment of any sacrifices, losses, or expenses of a general average nature that may be made or incurred, and shall pay salvage and special charges incurred in respect of the goods."

If a salving ship is owned or operated by the carrier, salvage shall be paid for as fully as if salving ship or ships belonged to strangers. Such deposit as the carrier or his agents may deem sufficient to cover the estimated contribution of the goods and any salvage and special charges thereon shall, if required, be made by the goods, shippers, consignees or owners of the goods to the carrier before delivery."

and

#### (d) U.S. TRADE - DRUG CLAUSE

"In pursuance of the provisions of the U.S. Anti Drug Abuse Act 1986 or any re-enactment thereof, the Charterers warrant to exercise the highest degree of care and diligence in preventing unmanifested narcotic drugs and marijuana to be loaded or concealed on board the Vessel."

Non-compliance with the provisions of this clause shall amount to breach of warranty for consequences 358  
of which the Charterers shall be liable and shall hold the Owners, the Master and the crew of the Vessel 359  
harmless and shall keep them indemnified against all claims whatsoever which may arise and be made 360  
against them individually or jointly. Furthermore, all time lost and all expenses incurred, including fines, 361  
as a result of the Charterers' breach of the provisions of this clause shall be for the Charterer's account 362  
and the Vessel shall remain on hire. 363

Should the Vessel be arrested as a result of the Charterers' non-compliance with the provisions of this 364  
clause, the Charterers shall at their expense take all reasonable steps to secure that within a reasonable 365  
time the Vessel is released and at their expense put up the bails to secure release of the Vessel. 366

The Owners shall remain responsible for all time lost and all expenses incurred, including fines, in the 367  
event that unmanifested narcotic drugs and marijuana are found in the possession or effects of the 368  
Vessel's personnel." 369

and 370

(e) WAR CLAUSES 371

"(i) No contraband of war shall be shipped. The Vessel shall not be required, without the consent of the 372  
Owners, which shall not be unreasonably withheld, to enter any port or zone which is involved in a state 373  
of war, warlike operations, or hostilities, civil strife, insurrection or piracy whether there be a declaration 374  
of war or not, where the Vessel, cargo or crew might reasonably be expected to be subject to capture, 375  
seizure or arrest, or to a hostile act by a belligerent power (the term "power" meaning any de jure or de 376  
facto authority or any purported governmental organization maintaining naval, military or air forces). 377

(ii) If such consent is given by the Owners, the Charterers will pay the provable additional cost of insuring 378  
the Vessel against hull war risks in an amount equal to the value under her ordinary hull policy but not 379  
exceeding a valuation of . In addition, the Owners may purchase and the 380  
Charterers will pay for war risk insurance on ancillary risks such as loss of hire, freight disbursements, 381  
total loss, blocking and trapping, etc. If such insurance is not obtainable commercially or through a 382  
government program, the Vessel shall not be required to enter or remain at any such port or zone. 383

(iii) In the event of the existence of the conditions described in (i) subsequent to the date of this Charter, 384  
or while the Vessel is on hire under this Charter, the Charterers shall, in respect of voyages to any such 385  
port or zone assume the provable additional cost of wages and insurance properly incurred in connection 386  
with master, officers and crew as a consequence of such war, warlike operations or hostilities. 387

(iv) Any war bonus to officers and crew due to the Vessel's trading or cargo carried shall be for the 388  
Charterers' account." 389

32. **War Cancellation** 390

In the event of the outbreak of war (whether there be a declaration of war or not) between any two or 391  
more of the following countries: 392

either the Owners or the Charterers may cancel this Charter Party. Whereupon, the Charterers shall 396  
redeliver the Vessel to the Owners in accordance with Clause 10; if she has cargo on board, after 397  
discharge thereof at destination, or, if debarred under this Clause from reaching or entering it, at a near 398  
open and safe port as directed by the Owners; or, if she has no cargo on board, at the port at which she 399  
then is; or, if at sea, at a near open and safe port as directed by the Owners. In all cases hire shall 400  
continue to be paid in accordance with Clause 11 and except as aforesaid all other provisions of this 401  
Charter Party shall apply until redelivery. 402

33. **Ice** 403

The Vessel shall not be required to enter or remain in any icebound port or area, nor any port or area 404

where lights or lightships have been or are about to be withdrawn by reason of ice, nor where there is risk that in the ordinary course of things the Vessel will not be able on account of ice to safely enter and remain in the port or area or to get out after having completed loading or discharging. Subject to the Owners' prior approval the Vessel is to follow ice-breakers when reasonably required with regard to her size, construction and ice class.

#### 34. Requisition

Should the Vessel be requisitioned by the government of the Vessel's flag during the period of this Charter Party, the Vessel shall be deemed to be off hire during the period of such requisition, and any hire paid by the said government in respect of such requisition period shall be retained by the Owners. The period during which the Vessel is on requisition to the said government shall count as part of the period provided for in this Charter Party.  
If the period of requisition exceeds months, either party shall have the option of cancelling this Charter Party and no consequential claim may be made by either party.

#### 35. Stevedore Damage

Notwithstanding anything contained herein to the contrary, the Charterers shall pay for any and all damage to the Vessel caused by stevedores provided the Master has notified the Charterers and/or their agents in writing as soon as practical but not later than 48 hours after any damage is discovered. Such notice to specify the damage in detail and to invite Charterers to appoint a surveyor to assess the extent of such damage.

(a) In case of any and all damage(s) affecting the Vessel's seaworthiness and/or the safety of the crew and/or affecting the trading capabilities of the Vessel, the Charterers shall immediately arrange for repairs of such damage(s) at their expense and the Vessel is to remain on hire until such repairs are completed and if required passed by the Vessel's classification society.

(b) Any and all damage(s) not described under point (a) above shall be repaired at the Charterers' option, before or after redelivery concurrently with the Owners' work. In such case no hire and/or expenses will be paid to the Owners except and insofar as the time and/or the expenses required for the repairs for which the Charterers are responsible, exceed the time and/or expenses necessary to carry out the Owners' work.

#### 36. Cleaning of Holds

The Charterers shall provide and pay extra for sweeping and/or washing and/or cleaning of holds between voyages and/or between cargoes provided such work can be undertaken by the crew and is permitted by local regulations, at the rate of per hold.

In connection with any such operation, the Owners shall not be responsible if the Vessel's holds are not accepted or passed by the port or any other authority. The Charterers shall have the option to re-deliver the Vessel with unclean/upswept holds against a lumpsum payment of in lieu of cleaning.

#### 37. Taxes

Charterers to pay all local, State, National taxes and/or dues assessed on the Vessel or the Owners resulting from the Charterers' orders herein, whether assessed during or after the currency of this Charter Party including any taxes and/or dues on cargo and/or freights and/or sub-freights and/or hire (excluding taxes levied by the country of the flag of the Vessel or the Owners).

#### 38. Charterers' Colors

The Charterers shall have the privilege of flying their own house flag and painting the Vessel with their own markings. The Vessel shall be repainted in the Owners' colors before termination of the Charter Party. Cost and time of painting, maintaining and repainting those changes effected by the Charterers shall be for the Charterers' account.

### 39. Laid up Returns

The Charterers shall have the benefit of any return insurance premium receivable by the Owners from their 451  
underwriters as and when received from underwriters by reason of the Vessel being in port for a minimum 452  
period of 30 days if on full hire for this period or pro rata for the time actually on hire. 453

## 40. Documentation

The Owners shall provide any documentation relating to the Vessel that may be required to permit the Vessel to trade within the agreed trade limits, including, but not limited to certificates of financial responsibility for oil pollution, provided such oil pollution certificates are obtainable from the Owners' P & I club, valid international tonnage certificate, Suez and Panama tonnage certificates, valid certificate of registry and certificates relating to the strength and/or serviceability of the Vessel's gear.

#### 41. Stowaways

- (a) (i) The Charterers warrant to exercise due care and diligence in preventing stowaways in gaining access to the Vessel by means of secreting away in the goods and/or containers shipped by the Charterers.
- (ii) If, despite the exercise of due care and diligence by the Charterers, stowaways have gained access to the Vessel by means of secreting away in the goods and/or containers shipped by the Charterers, this shall amount to breach of charter for the consequences of which the Charterers shall be liable and shall hold the Owners harmless and shall keep them indemnified against all claims whatsoever which may arise and be made against them. Furthermore, all time lost and all expenses whatsoever and howsoever incurred, including fines, shall be for the Charterers' account and the Vessel shall remain on hire.
- (iii) Should the Vessel be arrested as a result of the Charterers' breach of charter according to sub-clause (a)(ii) above, the Charterers shall take all reasonable steps to secure that, within a reasonable time, the Vessel is released and at their expense put up bail to secure release of the Vessel.
- (b) (i) If, despite the exercise of due care and diligence by the Owners, stowaways have gained access to the Vessel by means other than secreting away in the goods and/or containers shipped by the Charterers, all time lost and all expenses whatsoever and howsoever incurred, including fines, shall be for the Owners' account and the Vessel shall be off hire.
- (ii) Should the Vessel be arrested as a result of stowaways having gained access to the Vessel by means other than secreting away in the goods and/or containers shipped by the Charterers, the Owners shall take all reasonable steps to secure that, within a reasonable time, the Vessel is released and at their expense put up bail to secure release of the Vessel.

## 42. Smuggling

In the event of smuggling by the Master, Officers and/or crew, the Owners shall bear the cost of any fines, taxes, or imposts levied and the Vessel shall be off hire for any time lost as a result thereof.

### 43. Commissions

A commission of \_\_\_\_\_ percent is payable by the Vessel and the Owners to \_\_\_\_\_  
on hire earned and paid under this Charter, and also upon any continuation or extension of this Charter.

#### 44. Address Commission

An address commission of \_\_\_\_\_ percent is payable to \_\_\_\_\_ 493

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on hire earned and paid under this Charter.

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45. **Arbitration**

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(a) **NEW YORK**

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All disputes arising out of this contract shall be arbitrated at New York in the following manner, and subject to U.S. Law:

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One Arbitrator is to be appointed by each of the parties hereto and a third by the two so chosen. Their decision or that of any two of them shall be final, and for the purpose of enforcing any award, this agreement may be made a rule of the court. The Arbitrators shall be commercial men, conversant with shipping matters. Such Arbitration is to be conducted in accordance with the rules of the Society of Maritime Arbitrators Inc.

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For disputes where the total amount claimed by either party does not exceed US \$ \*\*, the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators Inc.

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(b) **LONDON**

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All disputes arising out of this contract shall be arbitrated at London and, unless the parties agree forthwith on a single Arbitrator, be referred to the final arbitrament of two Arbitrators carrying on business in London who shall be members of the Baltic Mercantile & Shipping Exchange and engaged in Shipping, one to be appointed by each of the parties, with power to such Arbitrators to appoint an Umpire. No award shall be questioned or invalidated on the ground that any of the Arbitrators is not qualified as above, unless objection to his action be taken before the award is made. Any dispute arising hereunder shall be governed by English Law.

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For disputes where the total amount claimed by either party does not exceed US \$ \*\*, the arbitration shall be conducted in accordance with the Small Claims Procedure of the London Maritime Arbitrators Association.

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*\*Delete para (a) or (b) as appropriate*

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*\*\* Where no figure is supplied in the blank space this provision only shall be void but the other provisions of this clause shall have full force and remain in effect.*

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If mutually agreed, clauses to , both inclusive, as attached hereto are fully incorporated in this Charter Party.

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**APPENDIX "A"**

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To Charter Party dated  
Between  
and

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**Further details of the Vessel:**



**CIRCULAR REF: 2011/028**

**CIRCULATED TO ALL MEMBERS, BROKERS AND DIRECTORS  
ATTENTION INSURANCE DEPARTMENT**

**1 SEPTEMBER 2011  
MDA/PO**

**INTER-CLUB NEW YORK PRODUCE EXCHANGE AGREEMENT 1996 (AS AMENDED SEPTEMBER 2011)**

The Inter-Club New York Produce Exchange Agreement, which was first formulated and entered into by Clubs in 1970 (the CA), provides a relatively simple mechanism whereby liability for cargo claims arising under New York Produce Exchange Form (NYPE) or Asbatime charterparties and/or contracts of carriage authorised under such charterparties, can be swiftly and fairly apportioned between Owners and Charterers. The purpose behind the development of the ICA was to avoid costly and protracted litigation.

The ICA, since its inception, has been amended on two occasions. The first in 1984 was to meet one particular shortcoming relating to the time limit for making claims. The second in 1996, whilst not deviating from the fundamental nature of the ICA, was more substantial and was introduced in particular to meet the needs of the container trade. It took the form of re-arranging the text in a more logical way and:

- (a) broadened the definition of what constituted a Cargo Claim under the ICA
- (b) included claims arising under through or combined transport bills of lading in certain defined circumstances
- (c) amended the time bar provision to cater for the possibility that the Hamburg Rules might apply to a Cargo Claim.

Following the 1996 amendment, the ICA was renamed the Inter-Club New York Produce Exchange Agreement 1996 (the 1996 Agreement).

Both the ICA and the 1996 Agreement have worked well, been widely adopted by the maritime industry and have achieved their purpose.

However, Clubs, members of the International Group of P&I Clubs (the Group), have recently expressed concern about the time and costs associated with dealing with issues of and demands for security as between Owners and Charterers under the 1996 Agreement and felt that a greater degree of co-operation between Clubs (in the spirit of the 1996 Agreement), could substantially reduce such costs.

Clause (4)(c) of the 1996 Agreement provides:

*“(4) Apportionment under this Agreement shall only be applied to Cargo Claims where .....  
(c) the claim has been properly settled or compromised and paid.”*

**CIRCULAR**

**NORTH OF ENGLAND P&I ASSOCIATION LIMITED 100 The Quayside, Newcastle upon Tyne, UK, NE1 3DU**  
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The North of England Protecting and Indemnity Association Limited. Registered in England No. 505456. Registered Office above  
Hong Kong: Room 2503, COSCO Tower, 183 Queen's Road, Central, Hong Kong Telephone: +852 25446813 Fax: +852 25424424  
Greece: 5-7 Aghiou Nikolaou, GR 185 37 Piraeus, Greece Telephone: +30 210 4283038 Fax: +30 210 4280920.  
Singapore: 80 Anson Road, #26-04 Fuji Xerox Towers, Singapore 079907 Telephone: +65 64110160 Fax: +65 62240160.  
Tokyo: Akiyoshi Kyobashi Building, 8th Floor, 1-17-2 Kyobashi, Chuo-ku, Tokyo, Japan 104-0031 Tel: +81 (3) 5159 5373 Fax: +81 (3) 5250 0003  
North Insurance Management Limited. Registered in England No. 3922841. Registered Office above. Regulated in the UK by the Financial Services Authority

The Group has taken the view, which Counsel has confirmed, that this provision makes payment of a Cargo Claim (as defined under clause (3) of the 1996 Agreement) a condition precedent to a right to indemnity. Accordingly in the absence of payment, no accrued cause of action crystallises and there is therefore no right, prior to payment, for the party sued in respect of a Cargo Claim to require that the other party to the charterparty, provide security (which could be sought, by, for example, arresting or threatening to arrest a vessel or other property).

The Group believes that this situation is unsatisfactory and has led to unnecessary, wasteful and costly disputes between Clubs.

The Group has therefore taken a decision to incorporate a new provision into the 1996 Agreement, which creates an entitlement to security on the basis of reciprocity, once one of the parties to a charterparty has put up security in respect of a Cargo Claim, provided that the time limits set out in clause (6) of the 1996 Agreement have been complied with (the Security Provision).

The amended 1996 Agreement, which has been named "Inter-Club New York Produce Exchange Agreement 1996 (as amended September 2011)" (the 2011 Agreement) is attached. The Security Provision has been incorporated into the 2011 Agreement as clause (9). As will be seen, it has also been necessary to make a number of additional consequential but not substantive amendments to the 1996 Agreement.

The 2011 Agreement will take effect from 1 September 2011.

Contractually the 2011 Agreement:

(a) will not, subject to (c) below, apply to charterparties entered into prior to 01/09/11 or to claims arising under such charterparties whether such claims arise before or after 01/09/11.

(b) will apply to charterparties entered into on or after 01/09/11 and to claims arising under such charterparties if the 2011 Agreement is incorporated into such charterparties either by way of:

- (i) a specific reference to the "ICA 1996 (as amended September 2011)"; or
- (ii) if the charterparty contains a reference to the ICA 1996 'or any amendments thereto' or similar wording

(c) can be incorporated into charterparties entered into before 01/09/11 and to claims arising under such charterparties if the parties to such charterparties agree that it should e.g. by way of an addendum to the charterparty.

Notwithstanding the contractual application of the 2011 Agreement, as set out in the preceding paragraph, Clubs will nevertheless, in accordance with the second paragraph of the preamble to the 2011 Agreement, recommend to their Members that they apply the 2011 Agreement to all NYPE / Asbatime charterparties and claims arising under such charterparties whenever entered into and whether or not they incorporate the 1996 Agreement or the 2011 Agreement.

The Club recommends that Members specifically incorporate the 2011 Agreement into NYPE and Asbatime charterparties entered into on or after 01/09/11.

All Group Clubs have issued a similar Circular.

MICHAEL ASHERSON  
ASSOCIATE DIRECTOR - North Insurance Management Limited  
As Managers on behalf of the North of England P&I Association Limited

CIRCULAR

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## **Inter-Club New York Produce Exchange Agreement 1996 (as amended September 2011)**

This Agreement, the Inter-Club New York Produce Exchange Agreement 1996 (as amended September 2011) (the Agreement), made on 1 September 2011 between the P&I Clubs being members of The International Group of P&I Associations listed below (hereafter referred to as "the Clubs") amends the Inter-Club New York Produce Exchange Agreement 1996 in respect of all charterparties specified in clause (1) hereof and shall continue in force until varied or terminated. Any variation to be effective must be approved in writing by all the Clubs but it is open to any Club to withdraw from the Agreement on giving to all the other Clubs not less than three months' written notice thereof, such withdrawal to take effect at the expiration of that period. After the expiry of such notice the Agreement shall nevertheless continue as between all the Clubs, other than the Club giving such notice who shall remain bound by and be entitled to the benefit of this Agreement in respect of all Cargo Claims arising out of charterparties commenced prior to the expiration of such notice.

The Clubs will recommend to their Members without qualification that their Members adopt this Agreement for the purpose of apportioning liability for claims in respect of cargo which arise under, out of or in connection with all charterparties on the New York Produce Exchange Form 1946 or 1993 or Asbatime Form 1981 (or any subsequent amendment of such Forms), whether or not this Agreement has been incorporated into such charterparties.

### **Scope of application**

- (1) This Agreement applies to any charterparty which is entered into after the date hereof on the New York Produce Exchange Form 1946 or 1993 or Asbatime Form 1981 (or any subsequent amendment of such Forms).
- (2) The terms of this Agreement shall apply notwithstanding anything to the contrary in any other provision of the charterparty; in particular the provisions of clause (6) (time bar) shall apply notwithstanding any provision of the charterparty or rule of law to the contrary.
- (3) For the purposes of this Agreement, Cargo Claim(s) mean claims for loss, damage, shortage (including slackage, ullage or pilferage), overcarriage of or delay to cargo including customs dues or fines in respect of such loss, damage, shortage, overcarriage or delay and include:
  - (a) any legal costs claimed by the original person making any such claim;
  - (b) any interest claimed by the original person making any such claim;
  - (c) all legal, Club correspondents' and experts' costs reasonably incurred in the defence of or in the settlement of the claim made by the original person, but shall not include any costs of whatsoever nature incurred in making a claim under this Agreement or in seeking an indemnity under the charterparty.
- (4) Apportionment under this Agreement shall only be applied to Cargo Claims where:
  - (a) the claim was made under a contract of carriage, whatever its form,
    - (i) which was authorised under the charterparty;
    - or
    - (ii) which would have been authorised under the charterparty but for the inclusion in that contract of carriage of Through Transport or Combined Transport provisions, provided that



- (iii) in the case of contracts of carriage containing Through Transport or Combined Transport provisions (whether falling within (i) or (ii) above) the loss, damage, shortage, overcarriage or delay occurred after commencement of the loading of the cargo on to the chartered vessel and prior to completion of its discharge from that vessel (the burden of proof being on the Charterer to establish that the loss, damage, shortage, overcarriage or delay did or did not so occur); and
  - (iv) the contract of carriage (or that part of the transit that comprised carriage on the chartered vessel) incorporated terms no less favourable to the carrier than the Hague or Hague Visby Rules, or, when compulsorily applicable by operation of law to the contract of carriage, the Hamburg Rules or any national law giving effect thereto; and
- (b) the cargo responsibility clauses in the charterparty have not been materially amended. A material amendment is one which makes the liability, as between Owners and Charterers, for Cargo Claims clear. In particular, it is agreed solely for the purposes of this Agreement:
  - (i) that the addition of the words "and responsibility" in clause 8 of the New York Produce Exchange Form 1946 or 1993 or clause 8 of the Asbatime Form 1981, or any similar amendment of the charterparty making the Master responsible for cargo handling, is not a material amendment; and
  - (ii) that if the words "cargo claims" are added to the second sentence of clause 26 of the New York Produce Exchange Form 1946 or 1993 or clause 25 of the Asbatime Form 1981, apportionment under this Agreement shall not be applied under any circumstances even if the charterparty is made subject to the terms of this Agreement; and
- (c) the claim has been properly settled or compromised and paid.
- (5) This Agreement applies regardless of legal forum or place of arbitration specified in the charterparty and regardless of any incorporation of the Hague, Hague Visby Rules or Hamburg Rules therein.

#### **Time Bar**

- (6) Recovery under this Agreement by an Owner or Charterer shall be deemed to be waived and absolutely barred unless written notification of the Cargo Claim has been given to the other party to the charterparty within 24 months of the date of delivery of the cargo or the date the cargo should have been delivered, save that, where the Hamburg Rules or any national legislation giving effect thereto are compulsorily applicable by operation of law to the contract of carriage or to that part of the transit that comprised carriage on the chartered vessel, the period shall be 36 months. Such notification shall if possible include details of the contract of carriage, the nature of the claim and the amount claimed.

#### **The apportionment**

- (7) The amount of any Cargo Claim to be apportioned under this Agreement shall be the amount in fact borne by the party to the charterparty seeking apportionment, regardless of whether that claim may be or has been apportioned by application of this Agreement to another charterparty.
- (8) Cargo Claims shall be apportioned as follows:
  - (a) Claims in fact arising out of unseaworthiness and/or error or fault in navigation or management of the vessel:

100% Owners

save where the Owner proves that the unseaworthiness was caused by the loading, stowage, lashing, discharge or other handling of the cargo, in which case the claim shall be apportioned under sub-clause (b).

- (b) Claims in fact arising out of the loading, stowage, lashing, discharge, storage or other handling of cargo:

100% Charterers

unless the words "and responsibility" are added in clause 8 or there is a similar amendment making the Master responsible for cargo handling in which case:

50% Charterers

50% Owners

save where the Charterer proves that the failure properly to load, stow, lash, discharge or handle the cargo was caused by the unseaworthiness of the vessel in which case:

100% Owners

- (c) Subject to (a) and (b) above, claims for shortage or overcarriage:

50% Charterers

50% Owners

unless there is clear and irrefutable evidence that the claim arose out of pilferage or act or neglect by one or the other (including their servants or sub-contractors) in which case that party shall then bear 100% of the claim.

- (d) All other cargo claims whatsoever (including claims for delay to cargo):

50% Charterers

50% Owners

unless there is clear and irrefutable evidence that the claim arose out of the act or neglect of the one or the other (including their servants or sub-contractors) in which case that party shall then bear 100% of the claim.

## **Security**

- (9) If a party to the charterparty provides security to a person making a Cargo Claim, that party shall be entitled upon demand to acceptable security for an equivalent amount in respect of that Cargo Claim from the other party to the charterparty, regardless of whether a right to apportionment between the parties to the charterparty has arisen under this Agreement provided that:

- (a) written notification of the Cargo Claim has been given by the party demanding security to the other party to the charterparty within the relevant period specified in clause (6); and

- (b) the party demanding such security reciprocates by providing acceptable security for an equivalent amount to the other party to the charterparty in respect of the Cargo Claim if requested to do so.

## **Governing Law**

- (10) This Agreement shall be subject to English Law and the exclusive Jurisdiction of the English Courts, unless it is incorporated into the charterparty (or the settlement of claims in respect of cargo under the charterparty is made subject to this Agreement), in which case it shall be subject to the law and jurisdiction provisions governing the charterparty.

American Steamship Owners Mutual Protection & Indemnity Association, Inc.

Assuranceforeningen Gard

Gard P&I (Bermuda) Ltd

Assuranceforeningen Skuld

The Britannia Steam Ship Insurance Association Ltd.

The Japan Ship Owners' Mutual Protection and Indemnity Association

The London Steam-Ship Owners' Mutual Insurance Association Ltd.

The North of England Protecting and Indemnity Association Ltd.

The Shipowners' Mutual Protection and indemnity Association (Luxembourg)

Skuld Mutual Protection and Indemnity Association (Bermuda) Ltd.

The Standard Steamship Owners' Protection and Indemnity Association (Asia) Ltd

The Standard Steamship Owners' Protection & Indemnity Association (Bermuda) Ltd.

The Standard Steamship Owners' Protection and Indemnity Association (Europe) Ltd

The Standard Steamship Owners' Protection and Indemnity Association (London) Ltd

The Steamship Mutual Underwriting Association Ltd

The Steamship Mutual Underwriting Association (Bermuda) Ltd.

Sveriges Angfartygs Assurans Forening (The Swedish Club)

The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Ltd.

United Kingdom Mutual Steam Ship Assurance Association (Europe) Ltd

The West of England Ship Owners Mutual Insurance Association (Luxembourg)



Part I

1. Shipbroker	<b>RECOMMENDED</b> <b>THE BALTIC AND INTERNATIONAL MARITIME COUNCIL</b> <b>UNIFORM GENERAL CHARTER (AS REVISED 1922, 1976 and 1994)</b> <b>(To be used for trades for which no specially approved form is in force)</b> <b>CODE NAME: "GENCON"</b>
	2. Place and date
3. Owners/Place of business (Cl. 1)	4. Charterers/Place of business (Cl. 1)
5. Vessel's name (Cl. 1)	6. GT/NT (Cl. 1)
7. DWT all told on summer load line in metric tons (abt.) (Cl. 1)	8. Present position (Cl. 1)
9. Expected ready to load (abt.) (Cl. 1)	
10. Loading port or place (Cl. 1)	11. Discharging port or place (Cl. 1)
12. Cargo (also state quantity and margin in Owners' option, if agreed; if full and complete cargo not agreed state "part cargo") (Cl. 1)	
13. Freight rate (also state whether freight prepaid or payable on delivery) (Cl. 4)	14. Freight payment (state currency and method of payment; also beneficiary and bank account) (Cl. 4)
15. State if vessel's cargo handling gear shall not be used (Cl. 5)	16. Laytime (if separate laytime for load. and disch. is agreed, fill in a) and b). If total laytime for load. and disch., fill in c) only) (Cl. 6)
17. Shippers/Place of business (Cl. 6)	a) Laytime for loading
18. Agents (loading) (Cl. 6)	b) Laytime for discharging
19. Agents (discharging) (Cl. 6)	c) Total laytime for loading and discharging
20. Demurrage rate and manner payable (loading and discharging) (Cl. 7)	21. Cancelling date (Cl. 9)
	22. General Average to be adjusted at (Cl. 12)
23. Freight Tax (state if for the Owners' account) (Cl. 13 (c))	24. Brokerage commission and to whom payable (Cl. 15)
25. Law and Arbitration (state 19 (a), 19 (b) or 19 (c) of Cl. 19; if 19 (c) agreed also state Place of Arbitration) (if not filled in 19 (a) shall apply) (Cl. 19)	
(a) State maximum amount for small claims/shortened arbitration (Cl. 19)	26. Additional clauses covering special provisions, if agreed

It is mutually agreed that this Contract shall be performed subject to the conditions contained in this Charter Party which shall include Part I as well as Part II. In the event of a conflict of conditions, the provisions of Part I shall prevail over those of Part II to the extent of such conflict.

Signature (Owners)	Signature (Charterers)
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## PART II

### "Gencon" Charter (As Revised 1922, 1976 and 1994)

1. It is agreed between the party mentioned in Box 3 as the Owners of the Vessel named in Box 5, of the GT/NT indicated in Box 6 and carrying about the number of metric tons of deadweight capacity all told on summer loadline stated in Box 7, now in position as stated in Box 8 and expected ready to load under this Charter Party about the date indicated in Box 9, and the party mentioned as the Charterers in Box 4 that:
- The said Vessel shall, as soon as her prior commitments have been completed, proceed to the loading port(s) or place(s) stated in Box 10 or so near thereto as she may safely get and lie always afloat, and there load a full and complete cargo (if shipment of deck cargo agreed same to be at the Charterers' risk and responsibility) as stated in Box 12, which the Charterers bind themselves to ship, and being so loaded the Vessel shall proceed to the discharging port(s) or place(s) stated in Box 11 as ordered on signing Bills of Lading, or so near thereto as she may safely get and lie always afloat, and there deliver the cargo.
2. **Owners' Responsibility Clause**
- The Owners are to be responsible for loss of or damage to the goods or for delay in delivery of the goods only in case the loss, damage or delay has been caused by personal want of due diligence on the part of the Owners or their Manager to make the Vessel in all respects seaworthy and to secure that she is properly manned, equipped and supplied, or by the personal act or default of the Owners or their Manager.
- And the Owners are not responsible for loss, damage or delay arising from any other cause whatsoever, even from the neglect or default of the Master or crew or some other person employed by the Owners on board or ashore for whose acts they would, but for this Clause, be responsible, or from unseaworthiness of the Vessel on loading or commencement of the voyage or at any time whatsoever.
3. **Deviation Clause**
- The Vessel has liberty to call at any port or ports in any order, for any purpose, to sail without pilots, to tow and/or assist Vessels in all situations, and also to deviate for the purpose of saving life and/or property.
4. **Payment of Freight**
- (a) The freight at the rate stated in Box 13 shall be paid in cash calculated on the intaken quantity of cargo.
- (b) Prepaid. If according to Box 13 freight is to be paid on shipment, it shall be deemed earned and non-returnable, Vessel and/or cargo lost or not lost. Neither the Owners nor their agents shall be required to sign or endorse bills of lading showing freight prepaid unless the freight due to the Owners has actually been paid.
- (c) On delivery. If according to Box 13 freight, or part thereof, is payable at destination it shall not be deemed earned until the cargo is thus delivered. Notwithstanding the provisions under (a), if freight or part thereof is payable on delivery of the cargo the Charterers shall have the option of paying the freight on delivered weight/quantity provided such option is declared before breaking bulk and the weight/quantity can be ascertained by official weighing machine, joint draft survey or tally.
- Cash for Vessel's ordinary disbursements at the port of loading to be advanced by the Charterers, if required, at highest current rate of exchange, subject to two (2) per cent to cover insurance and other expenses.
5. **Loading/Discharging**
- (a) Costs/Risks
- The cargo shall be brought into the holds, loaded, stowed and/or trimmed, tallied, lashed and/or secured and taken from the holds and discharged by the Charterers, free of any risk, liability and expense whatsoever to the Owners. The Charterers shall provide and lay all dunnage material as required for the proper stowage and protection of the cargo on board, the Owners allowing the use of all dunnage available on board. The Charterers shall be responsible for and pay the cost of removing their dunnage after discharge of the cargo under this Charter Party and time to count until dunnage has been removed.
- (b) Cargo Handling Gear
- Unless the Vessel is gearless or unless it has been agreed between the parties that the Vessel's gear shall not be used and stated as such in Box 15, the Owners shall throughout the duration of loading/discharging give free use of the Vessel's cargo handling gear and of sufficient motive power to operate all such cargo handling gear. All such equipment to be in good working order. Unless caused by negligence of the stevedores, time lost by breakdown of the Vessel's cargo handling gear or motive power - pro rata the total number of cranes/winches required at that time for the loading/discharging of cargo under this Charter Party - shall not count as laytime or time on demurrage. On request the Owners shall provide free of charge cranes/winchen from the crew to operate the Vessel's cargo handling gear, unless local regulations prohibit this, in which latter event shore labourers shall be for the account of the Charterers. Cranesmen/winchen shall be under the Charterers' risk and responsibility and as stevedores to be deemed as their servants but shall always work under the supervision of the Master.
- (c) Stevedore Damage
- The Charterers shall be responsible for damage (beyond ordinary wear and tear) to any part of the Vessel caused by Stevedores. Such damage shall be notified as soon as reasonably possible by the Master to the Charterers or their agents and to their Stevedores, failing which the Charterers shall not be held responsible. The Master shall endeavour to obtain the Stevedores' written acknowledgement of liability.
- The Charterers are obliged to repair any stevedore damage prior to completion of the voyage, but must repair stevedore damage affecting the Vessel's seaworthiness or class before the Vessel sails from the port where such damage was caused or found. All additional expenses incurred shall be for the account of the Charterers and any time lost shall be for the account of and shall be paid to the Owners by the Charterers at the demurrage rate.
6. **Laytime**
- (a) Separate laytime for loading and discharging
- The cargo shall be loaded within the number of running days/hours as indicated in Box 16, weather permitting, Sundays and holidays excepted, unless used, in which event time used shall count.
- The cargo shall be discharged within the number of running days/hours as indicated in Box 16, weather permitting, Sundays and holidays excepted, unless used, in which event time used shall count.
- (b) Total laytime for loading and discharging
- The cargo shall be loaded and discharged within the number of total running days/hours as indicated in Box 16, weather permitting, Sundays and holidays excepted, unless used, in which event time used shall count.
- (c) Commencement of laytime (loading and discharging)
- Laytime for loading and discharging shall commence at 13.00 hours, if notice of readiness is given up to and including 12.00 hours, and at 06.00 hours next working day if notice given during office hours after 12.00 hours. Notice of readiness at loading port to be given to the Shippers named in Box 17 or if not named, to the Charterers or their agents named in Box 18. Notice of readiness at the discharging port to be given to the Receivers or, if not known, to the Charterers or their agents named in Box 19.
- If the loading/discharging berth is not available on the Vessel's arrival at or off the port of loading/discharging, the Vessel shall be entitled to give notice of readiness within ordinary office hours on arrival there, whether in free pratique or not, whether customs cleared or not. Laytime or time on demurrage shall then count as if she were in berth and in all respects ready for loading/discharging provided that the Master warrants that she is in fact ready in all respects. Time used in moving from the place of waiting to the loading/discharging berth shall not count as laytime.
- If, after inspection, the Vessel is found not to be ready in all respects to load/discharge time lost after the discovery thereof until the Vessel is again ready to load/discharge shall not count as laytime.
- Time used before commencement of laytime shall count.
- \* Indicate alternative (a) or (b) as agreed, in Box 16.
7. **Demurrage**
- Demurrage at the loading and discharging port is payable by the Charterers at the rate stated in Box 20 in the manner stated in Box 20 per day or pro rata for any part of a day. Demurrage shall fall due day by day and shall be payable upon receipt of the Owners' invoice.
- In the event the demurrage is not paid in accordance with the above, the Owners shall give the Charterers 96 running hours written notice to rectify the failure. If the demurrage is not paid at the expiration of this time limit and if the vessel is in or at the loading port, the Owners are entitled at any time to terminate the Charter Party and claim damages for any losses caused thereby.
8. **Lien Clause**
- The Owners shall have a lien on the cargo and on all sub-freights payable in respect of the cargo, for freight, deadfreight, demurrage, claims for damages and for all other amounts due under this Charter Party including costs of recovering same.
9. **Cancelling Clause**
- (a) Should the Vessel not be ready to load (whether in berth or not) on the cancelling date indicated in Box 21, the Charterers shall have the option of cancelling this Charter Party.
- (b) Should the Owners anticipate that, despite the exercise of due diligence, the Vessel will not be ready to load by the cancelling date, they shall notify the Charterers thereof without delay stating the expected date of the Vessel's readiness to load and asking whether the Charterers will exercise their option of cancelling the Charter Party, or agree to a new cancelling date.
- Such option must be declared by the Charterers within 48 running hours after the receipt of the Owners' notice. If the Charterers do not exercise their option of cancelling, then this Charter Party shall be deemed to be amended such that

"Gencon" Charter (As Revised 1922, 1976 and 1994)

at any time during the voyage to the port or ports of loading or after her arrival 220  
there, the Master or the Owners may ask the Charterers to declare, that they 221  
agree to reckon the laydays as if there were no strike or lock-out. Unless 222  
the Charterers have given such declaration in writing (by telegram, if necessary) 223  
within 24 hours, the Owners shall have the option of cancelling this Charter 224  
Party. If part cargo has already been loaded, the Owners must proceed with 225  
same, (freight payable on loaded quantity only) having liberty to complete with 226  
other cargo on the way for their own account. 227

(b) If there is a strike or lock-out affecting or preventing the actual discharging of the cargo on or after the Vessel's arrival at or off port of discharge and same has not been settled within 48 hours, the Charterers shall have the option of keeping the Vessel waiting until such strike or lock-out is at an end against paying half demurrage after expiration of the time provided for discharging until the strike or lock-out terminates and thereafter full demurrage shall be payable until the completion of discharging, or of ordering the Vessel to a safe port where she can safely discharge without risk of being detained by strike or lock-out. Such orders to be given within 48 hours after the Master or the Owners have given notice to the Charterers of the strike or lock-out affecting the discharge. On delivery of the cargo at such port, all conditions of this Charter Party and of the Bill of Lading shall apply and the Vessel shall receive the same freight as if she had discharged at the original port of destination, except that if the distance to the substituted port exceeds 100 nautical miles, the freight on the cargo delivered at the substituted port to be increased in proportion.

(c) Except for the obligations described above, neither the Charterers nor the Owners shall be responsible for the consequences of any strikes or lock-outs preventing or affecting the actual loading or discharging of the cargo.

(1) For the purpose of this Clause, the words: 248

(a) The "Owners" shall include the shipowners, bareboat charterers, 249  
disponent owners, managers or other operators who are charged with the 250  
management of the Vessel, and the Master; and 251

(b) "War Risks" shall include any war (whether actual or threatened), act of 252  
war, civil war, hostilities, revolution, rebellion, civil commotion, warlike 253  
operations, the laying of mines (whether actual or reported), acts of piracy, 254  
acts of terrorists, acts of hostility or malicious damage, blockades 255  
(whether imposed against all Vessels or imposed selectively against 256  
Vessels of certain flags or ownership, or against certain cargoes or crews 257  
or otherwise howsoever), by any person, body, terrorist or political group, 258  
or the Government of any state whatsoever, which, in the reasonable 259  
judgement of the Master and/or the Owners, may be dangerous or are 260  
likely to be or to become dangerous to the Vessel, her cargo, crew or other 261  
persons on board the Vessel. 262

(2) If at any time before the Vessel commences loading, it appears that, in the reasonable judgement of the Master and/or the Owners, performance of the Contract of Carriage, or any part of it, may expose, or is likely to expose, the Vessel, her cargo, crew or other persons on board the Vessel to War Risks, the Owners may give notice to the Charterers cancelling this Contract of Carriage, or may refuse to perform such part of it as may expose, or may be likely to expose, the Vessel, her cargo, crew or other persons on board the Vessel to War Risks: provided always that if this Contract of Carriage provides that loading or discharging is to take place within a range of ports, and at the port or ports nominated by the Charterers the Vessel, her cargo, crew, or other persons onboard the Vessel may be exposed, or may be likely to be exposed, to War Risks, the Owners shall first require the Charterers to nominate any other safe port which lies within the range for loading or discharging, and may only cancel this Contract of Carriage if the Charterers shall not have nominated such safe port or ports within 48 hours of receipt of notice of such requirement.

(3) The Owners shall not be required to continue to load cargo for any voyage, or to sign Bills of Lading for any port or place, or to proceed or continue on any voyage, or on any part thereof, or to proceed through any canal or waterway, or to proceed to or remain at any port or place whatsoever, where it appears, either after the loading of the cargo commences, or at any stage of the voyage thereafter before the discharge of the cargo is completed, that, in the reasonable judgement of the Master and/or the Owners, the Vessel, her cargo (or any part thereof), crew or other persons on board the Vessel (or any one or more of them) may be, or are likely to be, exposed to War Risks. If it should so appear, the Owners may by notice request the Charterers to nominate a safe port for the discharge of the cargo or any part thereof, and if within 48 hours of the receipt of such notice, the Charterers shall not have nominated such a port, the Owners may discharge the cargo at any safe port of their choice (including the port of loading) in complete fulfilment of the Contract of Carriage. The Owners shall be entitled to recover from the Charterers the extra expenses of such discharge and, if the discharge takes place at any port other than the loading port, to receive the full freight as though the cargo had been

(a) If there is a strike or lock-out affecting or preventing the actual loading of the cargo, or any part of it, when the Vessel is ready to proceed from her last port or

## PART II

### "Gencon" Charter (As Revised 1922, 1976 and 1994)

- carried to the discharging port and if the extra distance exceeds 100 miles, to additional freight which shall be the same percentage of the freight contracted for as the percentage which the extra distance represents to the distance of the normal and customary route, the Owners having a lien on the cargo for such expenses and freight.
- (4) If at any stage of the voyage after the loading of the cargo commences, it appears that, in the reasonable judgement of the Master and/or the Owners, the Vessel, her cargo, crew or other persons on board the Vessel may be, or are likely to be, exposed to War Risks on any part of the route (including any canal or waterway) which is normally and customarily used in a voyage of the nature contracted for, and there is another longer route to the discharging port, the Owners shall give notice to the Charterers that this route will be taken. In this event the Owners shall be entitled, if the total extra distance exceeds 100 miles, to additional freight which shall be the same percentage of the freight contracted for as the percentage which the extra distance represents to the distance of the normal and customary route.
- (5) The Vessel shall have liberty:-
- (a) to comply with all orders, directions, recommendations or advice as to departure, arrival, routes, sailing in convoy, ports of call, stoppages, destinations, discharge of cargo, delivery or in any way whatsoever which are given by the Government of the Nation under whose flag the Vessel sails, or other Government to whose laws the Owners are subject, or any other Government which so requires, or any body or group acting with the power to compel compliance with their orders or directions;
- (b) to comply with the orders, directions or recommendations of any war risks underwriters who have the authority to give the same under the terms of the war risks insurance;
- (c) to comply with the terms of any resolution of the Security Council of the United Nations, any directives of the European Community, the effective orders of any other Supranational body which has the right to issue and give the same, and with national laws aimed at enforcing the same to which the Owners are subject, and to obey the orders and directions of those who are charged with their enforcement;
- (d) to discharge at any other port any cargo or part thereof which may render the Vessel liable to confiscation as a contraband carrier;
- (e) to call at any other port to change the crew or any part thereof or other persons on board the Vessel when there is reason to believe that they may be subject to internment, imprisonment or other sanctions;
- (f) where cargo has not been loaded or has been discharged by the Owners under any provisions of this Clause, to load other cargo for the Owners' own benefit and carry it to any other port or ports whatsoever, whether backwards or forwards or in a contrary direction to the ordinary or customary route.
- (6) If in compliance with any of the provisions of sub-clauses (2) to (5) of this Clause anything is done or not done, such shall not be deemed to be a deviation, but shall be considered as due fulfilment of the Contract of Carriage.

#### 18. General Ice Clause

- Port of loading*
- (a) In the event of the loading port being inaccessible by reason of ice when the Vessel is ready to proceed from her last port or at any time during the voyage or on the Vessel's arrival or in case frost sets in after the Vessel's arrival, the Master for fear of being frozen in is at liberty to leave without cargo, and this Charter Party shall be null and void.
- (b) If during loading the Master, for fear of the Vessel being frozen in, deems it advisable to leave, he has liberty to do so with what cargo he has on board and to proceed to any other port or ports with option of completing cargo for the Owners' benefit for any port or ports including port of discharge. Any part cargo thus loaded under this Charter Party to be forwarded to destination at the Vessel's expense but against payment of freight, provided that no extra expenses be thereby caused to the Charterers, freight being paid on quantity delivered (in proportion if lumpsum), all other conditions as per this Charter Party.
- (c) In case of more than one loading port, and if one or more of the ports are closed by ice, the Master or the Owners to be at liberty either to load the part cargo at the open port and fill up elsewhere for their own account as under section (b) or to declare the Charter Party null and void unless the Charterers agree to load full cargo at the open port.

- Port of discharge*
- (a) Should ice prevent the Vessel from reaching port of discharge the Charterers shall have the option of keeping the Vessel waiting until the re-opening of navigation and paying demurrage or of ordering the Vessel to a safe and immediately accessible port where she can safely discharge without risk of detention by ice. Such orders to be given within 48 hours after the Master or the Owners have given notice to the Charterers of the impossibility of reaching port

- of destination.
- (b) If during discharging the Master for fear of the Vessel being frozen in deems it advisable to leave, he has liberty to do so with what cargo he has on board and to proceed to the nearest accessible port where she can safely discharge.
- (c) On delivery of the cargo at such port, all conditions of the Bill of Lading shall apply and the Vessel shall receive the same freight as if she had discharged at the original port of destination, except that if the distance of the substituted port exceeds 100 nautical miles, the freight on the cargo delivered at the substituted port to be increased in proportion.

#### 19. Law and Arbitration

- (a) This Charter Party shall be governed by and construed in accordance with English law and any dispute arising out of this Charter Party shall be referred to arbitration in London in accordance with the Arbitration Acts 1950 and 1979 or any statutory modification or re-enactment thereof for the time being in force. Unless the parties agree upon a sole arbitrator, one arbitrator shall be appointed by each party and the arbitrators so appointed shall appoint a third arbitrator, the decision of the three-man tribunal thus constituted or any two of them, shall be final. On the receipt by one party of the nomination in writing of the other party's arbitrator, that party shall appoint their arbitrator within fourteen days, failing which the decision of the single arbitrator appointed shall be final.
- For disputes where the total amount claimed by either party does not exceed the amount stated in Box 25\*\* the arbitration shall be conducted in accordance with the Small Claims Procedure of the London Maritime Arbitrators Association.
- (b) This Charter Party shall be governed by and construed in accordance with Title 9 of the United States Code and the Maritime Law of the United States and should any dispute arise out of this Charter Party, the matter in dispute shall be referred to three persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final, and for purpose of enforcing any award, this agreement may be made a rule of the Court. The proceedings shall be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc..
- For disputes where the total amount claimed by either party does not exceed the amount stated in Box 25\*\* the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc..
- (c) Any dispute arising out of this Charter Party shall be referred to arbitration at the place indicated in Box 25, subject to the procedures applicable there. The laws of the place indicated in Box 25 shall govern this Charter Party.
- (d) If Box 25 in Part 1 is not filled in, sub-clause (a) of this Clause shall apply.
- (a), (b) and (c) are alternatives; indicate alternative agreed in Box 25.*
- \*\* Where no figure is supplied in Box 25 in Part 1, this provision only shall be void but the other provisions of this Clause shall have full force and remain in effect.*

October 1977

ASBATANKVOY

## TANKER VOYAGE CHARTER PARTY

### PREAMBLE

Place

Date

IT IS THIS DAY AGREED between \_\_\_\_\_

chartered owner/owner (hereinafter called the "Owner") of the \_\_\_\_\_

SS/MS \_\_\_\_\_ (hereinafter called the "Vessel")

and \_\_\_\_\_ (hereinafter called the "Charterer")

that the transportation herein provided for will be performed subject to the terms and conditions of this Charter Party, which includes this Preamble and Part I and Part II. In the event of a conflict, the provisions of Part I will prevail over those contained in Part II.

### PART I

#### A. Description and Position of Vessel:

Deadweight: \_\_\_\_\_ tons (2240 lbs.)

Classed:

Loaded draft of Vessel on assigned summer freeboard \_\_\_\_\_ ft. \_\_\_\_\_ in. in salt water.

Capacity for cargo: \_\_\_\_\_ tons (of 2240 lbs. each) \_\_\_\_\_ % more or less, Vessel's option.

Coated: ☐ Yes ☐ No

Coiled: ☐ Yes ☐ No

Last two cargoes:

Now:

Expected Ready:

#### B. Laydays:

Commencing:

Cancelling:

#### C. Loading Port(s)

Charterer's Option

#### D. Discharging Port(s):

Charterer's Option

#### E. Cargo:

Charterer's Option

#### F. Freight Rate:

per ton (of 2240 lbs. each).

#### G. Freight Payable to:

at



- H. Total Laytime in Running Hours:
- I. Demurrage per day:
- J. Commission of % is payable by Owner to  
on the actual amount freight, when and as freight is paid.
- K. The place of General Average and arbitration proceedings to be London/New York (strike out one).
- L. Tovalop: Owner warrants vessel to be a member of TOVALOP scheme and will be so maintained throughout duration of this charter.
- M. Special Provisions:

IN WITNESS WHEREOF, the parties have caused this Charter, consisting of a Preamble, Parts I and II, to be executed in duplicate as of the day and year first above written.

Witness the signature of:

\_\_\_\_\_

By: \_\_\_\_\_

Witness the Signature of:

\_\_\_\_\_

By: \_\_\_\_\_

## PART II

1. **WARRANTY-VOYAGE-CARGO.** The vessel, classed as specified in Part I hereof, and to be so maintained during the currency of this Charter, shall, with all convenient dispatch, proceed as ordered to Loading Port(s) named in accordance with Clause 4 hereof, or so near thereunto as she may safely get (always afloat), and being seaworthy, and having all pipes, pumps and heater coils in good working order, and being in every respect fitted for the voyage, so far as the foregoing conditions can be attained by the exercise of due diligence, perils of the sea and any other cause of whatsoever kind beyond the Owner's and/or Master's control excepted, shall load (always afloat) from the factors of the Charterer a full and complete cargo of petroleum and/or its products in bulk, not exceeding what she can reasonably stow and carry over and above her bunker fuel, consumable stores, boiler feed, culinary and drinking water, and complement and their effects (sufficient space to be left in the tanks to provide for the expansion of the cargo), and being so loaded shall forthwith proceed, as ordered on signing Bills of Lading, direct to the Discharging Port(s), or so near thereunto as she may safely get (always afloat), and deliver said cargo. If heating of the cargo is requested by the Charterer, the Owner shall exercise due diligence to maintain the temperatures requested.

2. **FREIGHT.** Freight shall be at the rate stipulated in Part I and shall be computed on intake quantity (except deadfreight as per Clause 3) as shown on the Inspector's Certificate of Inspection. Payment of freight shall be made by Charterer without discount upon delivery of cargo at destination, less any disbursements or advances made to the Master or Owner's agents at ports of loading and/or discharge and cost of insurance thereon. No deduction of freight shall be made for water and/or sediment contained in the cargo. The services of the Petroleum Inspector shall be arranged and paid for by the Charterer who shall furnish the Owner with a copy of the Inspector's Certificate.

3. **DEADFREIGHT.** Should the Charterer fail to supply a full cargo, the Vessel may, at the Master's option, and shall, upon request of the Charterer, proceed on her voyage, provided that the tanks in which cargo is loaded are sufficiently filled to put her in seaworthy condition. In that event, however, deadfreight shall be paid at the rate specified in Part I hereof on the difference between the intake quantity and the quantity the Vessel would have carried if loaded to her minimum permissible freeboard for the voyage.

4. **NAMING LOADING AND DISCHARGE PORTS.**

(a) The Charterer shall name the loading port or ports at least twenty-four (24) hours prior to the Vessel's readiness to sail from the last previous port of discharge, or from bunkering port for the voyage, or upon signing this Charter if the Vessel has already sailed. However, Charterer shall have the option of ordering the Vessel to the following destinations for wireless orders:

	<i>On a voyage to a port or ports in:</i>
ST. KITTS	Caribbean or U.S. Gulf loading port(s)
PORT SAID	Eastern Mediterranean or Persian Gulf loading port(s) (from ports west of Port Said.)

(b) If lawful and consistent with Part I and with the Bills of Lading, the Charterer shall have the option of nominating a discharging port or ports by radio to the Master on or before the Vessel's arrival at or off the following places:

<i>Place</i>	<i>On a voyage to a port or ports in:</i>
LAND'S END	United Kingdom/Continent (Bordeaux/Hamburg range) or Scandinavia (including Denmark)
SUEZ Mediterranean	(from Persian Gulf)
GIBRALTER	Mediterranean (from Western Hemisphere).

(c) Any extra expense incurred in connection with any change in loading or discharging ports (so named) shall be paid for by the Charterer and any time thereby lost to the Vessel shall count as used laytime.

5. **LAYDAYS.** Laytime shall not commence before the date stipulated in Part I, except with the Charterer's sanction. Should the Vessel not be ready to load by 4:00 o'clock P.M. (local time) on the cancelling date stipulated in Part I, the Charterer shall have the option of cancelling this Charter by giving Owner notice of such cancellation within twenty-four (24) hours after such cancellation date; otherwise this Charter to remain in full force and effect.

6. **NOTICE OF READINESS.** Upon arrival at customary anchorage at each port of loading or discharge, the Master or his agent shall give the Charterer or his agent notice by letter, telegraph, wireless or telephone that the Vessel is ready to load or discharge cargo, berth or no berth, and laytime, as hereinafter provided, shall commence upon the expiration of six (6) hours after receipt of such notice, or upon the Vessel's arrival in berth (i.e., finished mooring when at a sealoading or discharging terminal and all fast when loading or

discharging alongside a wharf), whichever first occurs. However, where delay is caused to Vessel getting into berth after giving notice of readiness for any reason over which Charterer has no control, such delay shall not count as used laytime.

7. **HOURS FOR LOADING AND DISCHARGING.** The number of running hours specified as laytime in Part I shall be permitted the Charterer as laytime for loading and discharging cargo; but any delay due to the Vessel's condition or breakdown or inability of the Vessel's facilities to load or discharge cargo within the time allowed shall not count as used laytime. If regulations of the Owner or port authorities prohibit loading or discharging of the cargo at night, time so lost shall not count as used laytime; if the Charterer, shipper or consignee prohibits loading or discharging at night, time so lost shall count as used laytime. Time consumed by the vessel in moving from loading or discharge port anchorage to her loading or discharge berth, discharging ballast water or slops, will not count as used laytime.

8. **DEMURRAGE.** Charterer shall pay demurrage per running hour and pro rata for a part thereof at the rate specified in Part I for all time that loading and discharging and used laytime as elsewhere herein provided exceeds the allowed laytime elsewhere herein specified. If, however, demurrage shall be incurred at ports of loading and/or discharge by reason of fire, explosion, storm or by a strike, lockout, stoppage or restraint of labor or by breakdown of machinery or equipment in or about the plant of the Charterer, supplier, shipper or consignee of the cargo, the rate of demurrage shall be reduced one-half of the amount stated in Part I per running hour or pro rata for part of an hour for demurrage so incurred. The Charterer shall not be liable for any demurrage for delay caused by strike, lockout, stoppage or restraint of labor for Master, officers and crew of the Vessel or tugboat or pilots.

9. **SAFE BERTHING-SHIFTING.** The vessel shall load and discharge at any safe place or wharf, or alongside vessels or lighters reachable on her arrival, which shall be designated and procured by the Charterer, provided the Vessel can proceed thereto, lie at, and depart therefrom always safely afloat, any lighterage being at the expense, risk and peril of the Charterer. The Charterer shall have the right of shifting the Vessel at ports of loading and/or discharge from one safe berth to another on payment of all towage and pilotage shifting to next berth, charges for running lines on arrival at and leaving that berth, additional agency charges and expense, customs overtime and fees, and any other extra port charges or port expenses incurred by reason of using more than one berth. Time consumed on account of shifting shall count as used laytime except as otherwise provided in Clause 15.

10. **PUMPING IN AND OUT.** The cargo shall be pumped into the Vessel at the expense, risk and peril of the Charterer, and shall be pumped out of the Vessel at the expense of the Vessel, but at the risk and peril of the Vessel only so far as the Vessel's permanent hose connections, where delivery of the cargo shall be taken by the Charterer or its consignee. If required by Charterer, Vessel after discharging is to clear shore pipe lines of cargo by pumping water through them and time consumed for this purpose shall apply against allowed laytime. The Vessel shall supply her pumps and the necessary power for discharging in all ports, as well as necessary hands. However, should the Vessel be prevented from supplying such power by reason of regulations prohibiting fires on board, the Charterer or consignee shall supply, at its expense, all power necessary for discharging as well as loading, but the Owner shall pay for power supplied to the Vessel for other purposes. If cargo is loaded from lighters, the Vessel shall furnish steam at Charterer's expense for pumping cargo into its Vessel, if requested by the Charterer, providing the Vessel has facilities for generating steam and is permitted to have fires on board. All overtime of officers and crew incurred in loading and/or discharging shall be for account of the Vessel.

11. **HOSES: MOORING AT SEA TERMINALS.** Hoses for loading and discharging shall be furnished by the Charterer and shall be connected and disconnected by the Charterer, or, at the option of the Owner, by the Owner at the Charterer's risk and expense. Laytime shall continue until the hoses have been disconnected. When Vessel loads or discharges at a sea terminal, the Vessel shall be properly equipped at Owner's expense for loading or discharging at such place, including suitable ground tackle, mooring lines and equipment for handling submarine hoses.

12. **DUES-TAXES-WHARFAGE.** The Charterer shall pay all taxes, dues and other charges on the cargo, including but not limited to Customs overtime on the cargo, Venezuelan Habilitation Tax, C.I.M. Taxes at Le Havre and Portuguese Irnposto de Comercio Maritime. The Charterer shall also pay all taxes on freight at loading or discharging ports and any unusual taxes, assessments and governmental charges which are not presently in effect but which may be imposed in the future on the Vessel or freight, The Owner shall pay all dues and other charges on the Vessel (whether or not such dues or charges are assessed on the basis of quantity of cargo), including but not limited to French droits de quai and Spanish derramas taxes. The Vessel shall be free of charges for the use of any wharf, dock, place or mooring facility arranged by the Charterer for the purpose of loading or discharging cargo; however, the Owner shall be responsible for charges for such berth when used solely for

Vessel's purposes, such as awaiting Owner's orders, tank cleaning, repairs, etc. before, during or after loading or discharging.

13. (a). **CARGOES EXCLUDED VAPOR PRESSURE.** Cargo shall not be shipped which has a vapor pressure at one hundred degrees Fahrenheit (100°F.) in excess of thirteen and one-half pounds (13.5 lbs.) as determined by the current A.S.T.M. Method (Reid) D-323.

(b) **FLASH POINT.** Cargo having a flash point under one hundred and fifteen degrees Fahrenheit (115°F.) (closed cup) A.S.T.M. Method D-56 shall not be loaded from lighters but this clause shall not restrict the Charterer from loading or topping off Crude Oil from vessels or barges inside or outside the bar at any port or place where bar conditions exist.

14. (a). **ICE.** In case port of loading or discharge should be inaccessible owing to ice, the Vessel shall direct her course according to Master's judgment, notifying by telegraph or radio, if available, the Charterers, shipper or consignee, who is bound to telegraph or radio orders for another port, which is free from ice and where there are facilities for the loading or reception of the cargo in bulk. The whole of the time occupied from the time the Vessel is diverted by reason of the ice until her arrival at an ice-free port of loading or discharge, as the case may be, shall be paid for by the Charterer at the demurrage rate stipulated in Part I.

(b) If on account of ice the Master considers it dangerous to enter or remain at any loading or discharging place for fear of the Vessel being frozen in or damaged, the Master shall communicate by telegraph or radio, if available, with the Charterer, shipper or consignee of the cargo, who shall telegraph or radio him in reply, giving orders to proceed to another port as per Clause 14(a) where there is no danger of ice and where there are the necessary facilities for the loading or reception of the cargo in bulk, or to remain at the original port at their risk, and in either case Charterer to pay for the time that the Vessel may be delayed, at the demurrage rate stipulated in Part I.

15. **TWO OR MORE PORTS COUNTING AS ONE.** To the extent that the freight rate standard of reference specified in Part I F hereof provides for special groupings or combinations of ports or terminals, any two or more ports or terminals within each such grouping or combination shall count as one port for purposes of calculating freight and demurrage only, subject to the following conditions:

(a) Charterer shall pay freight at the highest rate payable under Part I F hereof for a voyage between the loading and discharge ports used by Charterer.

(b) All charges normally incurred by reason of using more than one berth shall be for Charterer's account as provided in Clause 9 hereof.

(c) Time consumed shifting between the ports or terminals within the particular grouping or combination shall not count as used laytime.

(d) Time consumed shifting between berths within one of the ports or terminals of the particular grouping or combination shall count as used laytime.

16. **GENERAL CARGO.** The Charterer shall not be permitted to ship any packaged goods or non-liquid bulk cargo of any description; the cargo the Vessel is to load under this Charter is to consist only of liquid bulk cargo as specified in Clause I.

17. (a). **QUARANTINE.** Should the Charterer send the Vessel to any port or place where a quarantine exists, any delay thereby caused to the Vessel shall count as used laytime; but should the quarantine not be declared until the Vessel is on passage to such port, the Charterer shall not be liable for any resulting delay.

(h) **FUMIGATION.** If the Vessel, prior to or after entering upon this Charter, has docked or docks at any wharf which is not rat-free or stegomyia-free, she shall, before proceeding to a rat-free or stegomyia-free wharf, be fumigated by the Owner at his expense, except that if the Charterer ordered the Vessel to an infected wharf the Charterer shall bear the expense of fumigation.

18. **CLEANING.** The Owner shall clean the tanks, pipes and pumps of the Vessel to the satisfaction of the Charterer's Inspector. The Vessel shall not be responsible for any admixture if more than one quality of oil is shipped, nor for leakage, contamination or deterioration in quality of the cargo unless the admixture, leakage, contamination or deterioration results from (a) unseaworthiness existing at the time of loading or at the inception of the voyage which was discoverable by the exercise of due diligence, or (b) error or fault of the servants of the Owner in the loading, care or discharge of the cargo.

19. **GENERAL EXCEPTIONS CLAUSE.** The Vessel, her Master and Owner shall not, unless otherwise in this Charter expressly provided, be responsible for any loss or damage, or delay or failure in performing hereunder, arising or resulting from:- any act, neglect, default or barratry of the Master, pilots, mariners or other servants of the Owner in the navigation or management of the Vessel; fire, unless caused by the personal design or neglect of the Owner; collision, stranding or peril, danger or accident of the sea or other navigable waters; saving or attempting to save life or property; wastage in weight or bulk, or any other loss or damage arising from inherent

defect, quality or vice of the cargo; any act or omission of the Charterer or Owner, shipper or consignee of the cargo, their agents or representatives; insufficiency of packing, insufficiency or inadequacy of marks; explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, equipment or machinery; unseaworthiness of the Vessel unless caused by want of due diligence on the part of the Owner to make the Vessel seaworthy or to have her properly manned, equipped and supplied; or from any other cause of whatsoever kind arising without the actual fault of privity of the Owner. And neither the Vessel nor Master or Owner, nor the Charterer, shall, unless otherwise in this Charter expressly provided, be responsible for any loss of damage or delay or failure in performing hereunder, arising or resulting from:- Act of God; act of war; perils of the seas; act of public enemies, pirates or assailing thieves; arrest or restraint of princes, rulers or people; or seizure under legal process provided bond is promptly furnished to release the Vessel or cargo; strike or lockout or stoppage or restraint of labor from whatever cause, either partial or general; or riot or civil commotion.

**20. ISSUANCE AND TERMS OF BILLS OF LADING**

(a) The Master shall, upon request, sign Bills of Lading in the form appearing below for all cargo shipped but without prejudice to the rights of the Owner and Charterer under the terms of this Charter. The Master shall not be required to sign Bills of Lading for any port which, the Vessel cannot enter, remain at and leave in safety and always afloat nor for any blockaded port.

(b) The carriage of cargo under this Charter Party and under all Bills of Lading issued for the cargo shall be subject to the statutory provisions and other terms set forth or specified in sub-paragraphs (i) through (vii) of this clause and such terms shall be incorporated verbatim or be deemed incorporated by the reference in any such Bill of Lading. In such sub-paragraphs and in any Act referred to therein, the word "carrier" shall include the Owner and the Chartered Owner of the Vessel.

(i) **CLAUSE PARAMOUNT.** This Bill of Lading shall have effect subject to the provisions of the Carriage of Goods by Sea Acts of the United States, approved April 16, 1936, except that if this Bill of Lading is issued at a place where any other Act, ordinance or legislation gives statutory effect to the International Convention for the Unification of Certain Rules relating to Bills of Lading at Brussels, August 1924, then this Bill of Lading shall have effect, subject to the provisions of such Act, ordinance or legislation. The applicable Act, ordinance or legislation (hereinafter called the "Act") shall be destined to be incorporated herein and nothing herein contained shall be deemed a surrender by the Owner of any of its rights or immunities or an increase of any of its responsibilities or liabilities under the Act. If any term of this Bill of Lading be repugnant to the Act to any extent, such term shall be void to the extent but no further.

(ii) **JASON CLAUSE.** In the event of accident, danger, damage or disaster before or after the commencement of the voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequence of which, the Owner is not responsible, by statute, contract or otherwise, the cargo shippers, consignees or owners of the cargo shall contribute with the Owner in General Average to the payment of any sacrifices, losses or expenses of a General Average nature that may be made or incurred and shall pay salvage and special charges incurred in respect of the cargo. If a salving ship is owned or operated by the Owner, salvage shall be paid for as fully as if the said salving ship or ships belonged to strangers. Such deposit as the Owner or his agents may deem sufficient to cover the estimated contribution of the cargo and any salvage and special charges thereon shall, if required, be made by the cargo, shippers, consignees or owners of the cargo to the carrier before delivery.

(iii) **GENERAL AVERAGE.** General Average shall be adjusted, stated and settled according to York/Antwerp Rules 1950 and, as to matters not provided for by those rules, according to the laws and usages at the port of New York or at the port of London, whichever place is specified in Part I of this Charter. If a General Average statement is required, it shall be prepared at such port or place in the United States or United Kingdom, whichever country is specified in Part I of this Charter, as may be selected by the Owner, unless otherwise mutually agreed, by an Adjuster appointed by the Owner and approved by the Charterer. Such Adjuster shall attend to the settlement and the collection of the General Average, subject to customary charges. General Average Agreements and/or security shall be furnished by the Owner and/or Charterer, and/or Owner and/or Consignee of cargo, if requested. Any cash deposits being made as security to pay General Average and/or salvage shall be remitted to the Average Adjuster and shall be held by him at his risk in a special account in a duly authorized and licensed bank at the place where the General Average statement is prepared.

(iv) **BOTH TO BLAME.** If the Vessel comes into collision with another ship as a result of the negligence of the other ship and any act, neglect or default of the Master, mariner, pilot or the servants of the Owner in the navigation or in the management of the Vessel, the owners of the cargo carried hereunder shall indemnify the Owner against all loss or liability to the other or non-carrying ship or her owners in so far as such loss or liability represents loss of, or damage to, or any claim whatsoever of the owners of said cargo, paid or

payable by the other or recovered by the other or non-carrying ship or her owners as part of their claim against the carrying ship or Owner. The foregoing provisions shall also apply where the owners, operators or those in charge of any ships or objects other than, or in addition to, the colliding ships or object are at fault in respect of a collision or contact.

(v) **LIMITATION OF LIABILITY.** Any provision of this Charter to the contrary notwithstanding, the Owner shall have the benefit of all limitations of, and exemptions from, liability accorded to the owner or chartered owner of vessels by any statute or rule of law for the time being in force.

(vi) **WAR RISKS.** (a) If any port of loading or of discharge named in this Charter Party or to which the Vessel may properly be ordered pursuant to the terms of the Bills of Lading be blockaded, or

(b) If owing to any war, hostilities, warlike operations, civil war, civil commotions, revolutions or the operation of international law (a) entry to any such port of loading or of discharge or the loading or discharge of cargo at any such port be considered by the Master or Owners in his or their discretion dangerous or prohibited or (b) it be considered by the Master or Owners in his or their discretion dangerous or impossible for the Vessel to reach any such port of loading or discharge - the Charterers shall have the right to order the cargo or such part of it as may be affected to be loaded or discharged at any other safe port of loading or of discharge within the range of loading or discharging ports respectively established under the provisions of the Charter Party (provided such other port is not blockaded or that entry thereto or loading or discharge of cargo thereat is not in the Master's or Owner's discretion dangerous or prohibited). If in respect of a port of discharge no orders be received from the Charterers within 48 hours after they or their agents have received from the Owners a request for the nomination of a substitute port, the Owners shall then be at liberty to discharge the cargo at any safe port which they or the Master may in their or his discretion decide on (whether within the range of discharging ports established under the provisions of the Charter Party or not) and such discharge shall be deemed to be due fulfillment of the contract or contracts of affreightment so far as cargo so discharged is concerned. In the event of the cargo being loaded or discharged at any such other port within the respective range of loading or discharging ports established under the provisions of the Charter Party, the Charter Party shall be read in respect of freight and all other conditions whatsoever as if the voyage performed were that originally designated. In the event, however, that the Vessel discharges the cargo at a port outside the range of discharging ports established under the provisions of the Charter Party, freight shall be paid as for the voyage originally designated and all extra expenses involved in reaching the actual port of discharge and or discharging the cargo thereat shall be paid by the Charterers or Cargo Owners. In the latter event the Owners shall have a lien on the cargo for all such extra expenses.

(c) The Vessel shall have liberty to comply with any directions or recommendations as to departure, arrival, routes, ports of call, stoppages, destinations, zones, waters, delivery or in any otherwise whatsoever given by the government of the nations under whose flag the Vessel sails or any other government or local authority including any de facto government or local authority or by any person or body acting or purporting to act as or with the authority of any such government or authority or by any committee or person having under the terms of the war risks insurance on the vessel the right to give any such directions or recommendations. If by reason of or in compliance with any such directions or recommendations, anything is done or is not done such shall not be deemed a deviation.

If by reason of or in compliance with any such direction or recommendation the Vessel does not proceed to the port or ports of discharge originally designated or to which she may have been ordered pursuant to the terms of the Bills of Lading, the Vessel may proceed to any safe port of discharge which the Master or Owners in his or their discretion may decide on and there discharge the cargo. Such discharge shall be deemed to be due fulfillment of the contract or contracts of affreightment and the Owners shall be entitled to freight as if discharge has been effected at the port or ports originally designated or to which the vessel may have been ordered pursuant to the terms of the Bills of Lading. All extra expenses involved in reaching and discharging the cargo at any such other port of discharge shall be paid by the Charterers and/or Cargo Owners and the Owners shall have a lien on the cargo for freight and all such expenses.

(vii) **DEVIATION CLAUSE.** The Vessel shall have liberty to call at any ports in any order, to sail with or without pilots, to tow or to be towed, to go to the assistance of vessels in distress, to deviate for the purpose of saving life or property or of landing any ill or injured person on board, and to call for fuel at any port or ports in or out of the regular course of the voyage. Any salvage shall be for the sole benefit of the Owner.

21. **LIEN.** The Owner shall have an absolute lien on the cargo for all freight, deadfreight, demurrage and costs, including attorney fees, of recovering the same, which lien shall continue after delivery of the cargo into the possession of the Charterer, or of the holders of any Bills of Lading covering the same or of any storageman.

22. **AGENTS.** The Owner shall appoint Vessel's agents at all ports.

23. **BREACH.** Damages for breach of this Charter shall include all provable damages, and all costs of suit and attorney fees incurred in any action hereunder.

24. **ARBITRATION.** Any and all differences and disputes of whatsoever nature arising out of this Charter shall be put to arbitration in the City of New York or in the City of London whichever place is specified in Part I of this charter pursuant to the laws relating to arbitration there in force, before a board of three persons, consisting of one arbitrator to be appointed by the Owner, one by the Charterer, and one by the two so chosen. The decision of any two of the three on any point or points shall be final. Either party hereto may call for such arbitration by service upon any officer of the other, wherever he may be found, of a written notice specifying the name and address of the arbitrator chosen by the first moving party and a brief description of the disputes or differences which such party desires to put to arbitration. If the other party shall not, by notice served upon an officer or the first moving party within twenty days of the service of such first notice, appoint its arbitrator to arbitrate the dispute or differences specified, then the first moving party shall have the right without further notice to appoint a second arbitrator, who shall be a disinterested person with precisely the same force and effect as if said second arbitrator has been appointed by the other party. In the event that the two arbitrators fail to appoint a third arbitrator within twenty days of the appointment of the second arbitrator, either arbitrator may apply to a Judge of any court of maritime jurisdiction in the city above mentioned for the appointment of a third arbitrator, and the appointment of such arbitrator by such Judge on such application shall have precisely the same force and effect as if such arbitrator had been appointed by the two arbitrators. Until such time as the arbitrators finally close the hearings either party shall have the right by written notice served on the arbitrators and on an officer of the other party to specify further disputes or differences under this Charter for hearing and determination. Awards made in pursuance to this clause may include costs, including a reasonable allowance for attorney's fees, and judgment may be entered upon any award made hereunder in any Court having jurisdiction in the premises.

25. **SUBLET.** Charterer shall have the right to sublet the Vessel. However, Charterer shall always remain responsible for the fulfillment of this Charter in all its terms and conditions.

26. **OIL POLLUTION CLAUSE.** Owner agrees to participate in Charterer's program covering oil pollution avoidance. Such program prohibits discharge overboard of all oily water, oily ballast or oil in any form of a persistent nature, except under extreme circumstances whereby the safety of the vessel, cargo or life at sea would be imperiled.

Upon notice being given to the Owner that Oil Pollution Avoidance controls are required, the Owner will instruct the Master to retain on board the vessel all oily residues from consolidated tank washings, dirty ballast, etc., in one compartment, after separation of all possible water has taken place. All water separated to be discharged overboard.

If the Charterer requires that demulsifiers shall be used for the separation of oil/water, such demulsifiers shall be obtained by the Owner and paid for by Charterer.

The oil residues will be pumped ashore at the loading or discharging terminal, either as segregated oil, dirty ballast or co-mingled with cargo as it is possible for Charterers to arrange. If it is necessary to retain the residue on board co-mingled with or segregated from the cargo to be loaded, Charterers shall pay for any deadfreight so incurred.

Should it be determined that the residue is to be co-mingled or segregated on board, the Master shall arrange that the quantity of tank washings be measured in conjunction with cargo suppliers and a note of the quantity measured made in the vessel's ullage record.

The Charterer agrees to pay freight as per the terms of the Charter Party on any consolidated tank washings, dirty ballast, etc., retained on board under Charterer's instructions during the loaded portion of the voyage up to a maximum of 1% of the total deadweight of the vessel that could be legally carried for such voyage. Any extra expenses incurred by the vessel at loading or discharging port in pumping ashore oil residues shall be for Charterer's account, and extra time, if any, consumed for this operation shall count as used laytime.







# BIMCO

## CONGENBILL 2007

### BILL OF LADING

To be used with charter parties

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Shipper	Bill of Lading No.	Reference No.
Consignee	Vessel	
Notify address	Port of loading	
	Port of discharge	
Shipper's description of goods		Gross weight
(of which          on deck at shipper's risk; the Carrier not being responsible for loss or damage howsoever arising)		
Freight payable as per CHARTER PARTY dated:	<b>SHIPPED</b> at the Port of Loading in apparent good order and condition on the Vessel for carriage to the Port of Discharge or so near thereto as the Vessel may safely get the goods specified above.	
FREIGHT ADVANCE Received on account of freight:	Weight, measure, quality, quantity, condition, contents and value unknown.  IN WITNESS whereof the Master or Agent of the said vessel has signed the number of Bills of Lading indicated below all of this tenor and date, any one of which being accomplished the others shall be void.  FOR CONDITIONS OF CARRIAGE SEE OVERLEAF.	
	Date shipped on board	Place and date of issue
		Number of original Bills of Lading
Signature:  (i) .....Master Or Master's name and signature  (ii) .....as Agent for the Master Agent's name and signature  Or (iii) .....as Agent for the Owner* Agent's name and signature  ..... Owner *if option (iii) filled in, state Owner's name above		

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# CONGENBILL 2007

## BILL OF LADING

To be used with charter parties

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### Conditions of Carriage

- (1) All terms and conditions, liberties and exceptions of the Charter Party, dated as overleaf, including the Law and Arbitration Clause/Dispute Resolution Clause, are herewith incorporated.

(2) **General Paramount Clause**

The International Convention for the Unification of Certain Rules of Law relating to Bills of Lading signed at Brussels on 25 August 1924 ("the Hague Rules") as amended by the Protocol signed at Brussels on 23 February 1968 ("the Hague-Visby Rules") and as enacted in the country of shipment shall apply to this Contract. When the Hague-Visby Rules are not enacted in the country of shipment, the corresponding legislation of the country of destination shall apply, irrespective of whether such legislation may only regulate outbound shipments.

When there is no enactment of the Hague-Visby Rules in either the country of shipment or in the country of destination, the Hague-Visby Rules shall apply to this Contract save where the Hague Rules as enacted in the country of shipment or if no such enactment is in place, the Hague Rules as enacted in the country of destination apply compulsorily to this Contract.

The Protocol signed at Brussels on 21 December 1979 ("the SDR Protocol 1979") shall apply where the Hague-Visby Rules apply, whether mandatorily or by this Contract.

The Carrier shall in no case be responsible for loss of or damage to cargo arising prior to loading, after discharging, or while the cargo is in the charge of another carrier, or with respect to deck cargo and live animals.

(3) **General Average**

General Average shall be adjusted, stated and settled according to York-Antwerp Rules 1994 in London unless another place is agreed in the Charter Party.

Cargo's contribution to General Average shall be paid to the Carrier even when such average is the result of a fault, neglect or error of the Master, Pilot or Crew.

(4) **New Jason Clause**

In the event of accident, danger, damage or disaster before or after the commencement of the voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequence of which, the Carrier is not responsible, by statute, contract or otherwise, the cargo, shippers, consignees or the owners of the cargo shall contribute with the Carrier in General Average to the payment of any sacrifices, losses or expenses of a General Average nature that may be made or incurred and shall pay salvage and special charges incurred in respect of the cargo. If a salving vessel is owned or operated by the Carrier, salvage shall be paid for as fully as if the said salving vessel or vessels belonged to strangers. Such deposit as the Carrier, or his agents, may deem sufficient to cover the estimated contribution of the goods and any salvage and special charges thereon shall, if required, be made by the cargo, shippers, consignees or owners of the goods to the Carrier before delivery.

(5) **Both-to-Blame Collision Clause**

If the Vessel comes into collision with another vessel as a result of the negligence of the other vessel and any act, neglect or default of the Master, Mariner, Pilot or the servants of the Carrier in the navigation or in the management of the Vessel, the owners of the cargo carried hereunder will indemnify the Carrier against all loss or liability to the other or non-carrying vessel or her owners in so far as such loss or liability represents loss of, or damage to, or any claim whatsoever of the owners of said cargo, paid or payable by the other or non-carrying vessel or her owners to the owners of said cargo and set-off, recouped or recovered by the other or non-carrying vessel or her owners as part of their claim against the carrying Vessel or the Carrier.

The foregoing provisions shall also apply where the owners, operators or those in charge of any vessel or vessels or objects other than, or in addition to, the colliding vessels or objects are at fault in respect of a collision or contact.

For particulars of cargo, freight, destination, etc., see overleaf