# There is so much more in

# LAYTIME !!

**A Layman's guide to Laytime**

**Erwin de Zwarte**
**Arklow**
**16th April 2007**

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**Cover showing Dublin Port as seen from the bridge of the Mv 'Arklow Sky' carrying a container crane under and on deck.**

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## *What is laytime ?*

**The definition of LAYTIME by Bimco, The Baltic and International Maritime Conference, Copenhagen Denmark (the world's leading Shipowners/ Shipbrokers organisation) is :**

***'the period of time agreed between the parties during which the Owner will make and keep the vessel available for loading or discharging without payment additional to the freight'.***

**Consequently, when there are delays involved in loading and discharging the pre-agreed laytime allowed for loading and discharging can be exceeded. If this is the case, additional freight is due to the Owner.**

**This additional freight is commonly known as 'demurrage'.**

**Bimco's definition of demurrage is :**

***'an agreed amount payable to the Owner in respect of delay to the vessel beyond the laytime, for which the Owner is not responsible. Demurrage shall not be subject to laytime exceptions'.***

**This last sentence is known as :**
***'Once on demurrage, always on demurrage'!!***

**Weather and weekends, which can be usual interruptions in a laytime calculation cannot influence anymore the vessel being on demurrage. So the demurrage clock starts ticking until the vessel has completed her loading or discharge operations.**

**Many fixtures in shortsea shipping are done on the basis of, for example, 24/36 hrs or 2000/2000 mton per day for loading and discharging without realising what the consequences could be for each individual fixture.**

**It can happen that you can easily allow available laytime to Charterers/Shippers and/or Receivers until the next Monday and sit the whole weekend in the port without being on demurrage (=income).**

**So actually, the ship is caught without having the pressure on the party loading or discharging the ship to hurry up with the threat of 'better finish the ship, otherwise she will be on demurrage'…!!!**

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**There is not much the Owner can do, unless paying for overtime themselves, if available or if stevedores are willing to accept.**

**A guarantee for loading or fixing shorter hours for loading and/or discharging can expedite the voyage considerably which means greater revenue on the ships voyage / income.**

**Obviously, these quicker terms for loading and discharging and/or guarantees are always 'market permitting'. If the freight market does not allow you to make your point it will be down to a commercial decision whether to accept the best terms achievable or look for other options (if available).**

**What also a point of concern is that ships command sometimes too easily (in a rush for the tide?) signs the documents presented to them like for example the Statement of Facts. If these contain incorrect information, the Owner might be disadvantaged in their laytime calculation and so not be entitled to the demurrage, which could be due to them.**

**In the next chapters, the commonly used methods for calculating laytime will be reviewed.**
- **Where clauses in the Gencon 1994 Charter Party in relation to laytime are,**
- **which ones are of importance to compute a laytime calculation and,**
- **where emphasis should be in the diagnosis of a prospective or running voyage.**

**Also some suggestions for the operations department of the Owners what to keep in mind during a portstay and what ships command should look at, whilst carefully screening the documents presented to them for signature, are reviewed.**

**In 9 out of 10 voyages (or perhaps 19 out of 20) there will be no demurrage. However, with the improved knowledge in post-fixture one can quickly determine if there is a demurrage case or not and if one can improve the bill or not.**

**On the chartering and operational side of the fixture/voyage, with weekends involved, a guarantee for loading/discharging might do miracles. Also with raintimes sometimes just added on the Statement of Facts (just for the sake of it), a bit more research and care in signing official documents, and most of all, with the 'now' improved knowledge about laytime, one can save a lot of money, or earn some extra income (=demurrage).**

**Happy reading (and learning) !!**

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# 1 FIXTURE RECAP

**Before laytime can be calculated, the vessel needs to be fixed first. No fixture, no voyage, no laytime… !!**

**Every voyage starts with a fixture. The chartering team of the Owners will fix (sometimes through the intermediary of a Broker) a cargo for their ship.**

**A recapitulation of a fixture (in short 'recap') will contain the 'mainterms' of the fixture.**

**Additional clauses, as attached to a proforma or executed Charter Party, are usually being discussed after the Charterers and Owners have reached agreement on mainterms.**

**The following information will appear in a**

## fixture recap

- **First there is a brief description of the vessel**

- **Thereafter follows the name of the Charterers**
- **Followed by information about the load-/dischport, cargotype + quantity, freightrate, laytime, demurrage etc…**

**The following sequence of information is usually adapted**

- **Ships description**

- **Charterers full style**

- **Loadport / Dischargeport**
- **Cargo quantity and description + stowagefactor + any special notations if the cargo is hazardous or not**
- **Laydays / cancellingdate (These are the dates in which the vessel needs to present herself in a loadready condition in the port of loading)**
- **Freightrate (can be lumpsum or per mton intaken/delivered)**
- **Payment terms**
- **Laytime allowed for loading and discharging + weekend clause**
- **Demurrage rate per day pro rata / free or half despatch**
- **Agents at both ends**
- **Extra terms/conditions (for example a guarantee for loading, special taxes/dues etc..)**
- **Charter Party form**
- **Commission (address commission + Brokers commission)**
- **Details of Charter Party**

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**Short and sweet, here below could be a perfect example of such a fixture recap.**

**As you see, first a brief description of the vessel followed by the conditions under which the cargo and vessel are fixed.**

**Mv A.S.**
**-------**
**abt 3000dwcc – abt 167000cbft grain/bale – box singledecker steelfloored – 1 hold (2 movable bulkheads) / 1 hatch draft 4.60m fully laden – built 2000 – Irish flag**

**for**

**- account Tom, Dick and Harry Shipping, Rotterdam, NL**

**- Rotterdam, 1 good safe berth / Cork, 1 good safe berth**
**- Min 2800mton Fertilisers in bulk stdw, Charterers option upto a full and complete cargo**
**- Laycan 18/20th April 2007**
**- Freight Euro 17.- per mton intaken FIOT**
**- Payable within 3 bankdays after right and true delivery directly into Owners nominated bankaccount less commission**
**- 24 hrs for loading / 1500mton per day discharge – W.P. SSHEX UU – fri5pm/mon8am both ends – laytime to be non reversible**
**- Demurrage Euro 3,250.- per day pro rata / free despatch**
**- Charterers agent in loadport / Owners agent in dischargeport**
**- If vessel is loadready latest 20th April 2007 07.30hrs, Charterers guarantee completion of loading by latest same day 24.00hrs W.P. and subject Force Majeure, otherwise the vessel will be on demurrage until completion of loading**
**- Gencon 1994 Charter Party**
**- 2.5pct ttl commission including address commission**
**- Details as per Charterers proforma Charter Party as faxed and agreed by Owners including logical alterations as per mainterms agreed**

**For laytime purposes the main items to look at are**

**- the quantity fixed,**
**- the laycan**
**- the time allowed for loading and discharging,**
**- the demurrage rate and**
**- the Charter Party form**
**- and any other terms/conditions which are specifically mentioned e.g. guarantee for load and/or discharge**

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# 2 GENCON 1994 CHARTER PARTY

**The Gencon 1994 Charter Party is, for general and bulk cargoes, the most used Charter Party form. 1994 reflects the year in which the latest revision of the Gencon Charter Party took place. Before that, the Gencon 1976 Charter Party was the form most commonly used.**

**Enclosure A) shows a blank Gencon 1994 Charter Party with a box layout (Part I) in which the mainterms of the recap are filled out in each box.**

## Clauses/boxes referring to laytime

**For the laytime, following boxes of Part I are of importance :**
- **Box 16 a + b + c confirm the laytime**
- **Box 20 confirms the demurrage rate**

**In part II (the 'boring' printed text) following clauses deserve some more attention. We have**

- **Clause 6 - Laytime is the clause to look at (see next page)**

- **Clause 16 - General Strike Clause (Chapter 11 / page 48)**

- **Clause 18 - Ice clause (Chapter 11 / page 53)**

- **Clause 5 b - for geared ships, also contains provisions for calculating laytime – but mainly interesting when the crane is out of order… Also for this clause, further review at a later stage (Chapter 14 / page 79)**

- **Clause 5 c – Stevedores damage clause will also be briefly reviewed (Chapter 14 / page 74)**

**The small print at the bottom of box 26 and above the boxes for signatures should be carefully taken into account.**

**Read the 2nd line**

**quote**
**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 unquote.**

**Above all, in case of conflicting conditions, the additional clauses attached to the Charter Party are overriding of those in the printed text.**

**When you have a dispute, always read the full Charter Party so to avoid disappointment….**

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# Part II Clause 6

**Lets take clause 6 immediately apart for a closer look.**

**Clause 6 is for Laytime a very important clause as it describes exactly the rules to play :**

**Clause 6a : Separate laytime for load/discharge**
**Clause 6b : Total time for load/discharge**
**Clause 6c : Commencement of Laytime**
**Gencon 2pm/8am Notice Clause**
**Shifting from anchorage to berth**
**Prior time**

## Clause 6a Separate laytime for loading and discharging

**90 a) Separate laytime for loading and discharging**
**91 The cargo shall be loaded within the number of running days/hours as**
**92 indicated in Box 16, weather permitting, Sundays and holidays excepted,**
**93 unless used, in which event time used shall count.**
**94 The cargo shall be discharged within the number of running days/hours as**
**95 indicated in Box 16, weather permitting, Sundays and holidays excepted,**
**96 unless used, in which event time used shall count.**

## Clause 6b Total laytime for loading and discharging

**is more or less the same only a combination of loading and discharging port**

**This unaltered clause is quite clear and straightforward.**
**A suggested 'pro-forma' Charter Party forwarded by the Charterers or their Brokers can sometimes include alterations or deletions in certain parts of the printed text.**
**These alterations/deletions can change the meaning of such a clause considerably.**

**An example of such an alteration to clause 6 is the weekend clause. For example if you include the word 'Saturday' before the word 'Sunday' in line 92, 95, 98.**
**Very often you will see in an additional clause attached to the Charter Party an exact description of the weekend clause. For example the 'Friday 5pm/Monday 8am weekend clause' is very popular.**

**And as we now know, additional clauses are overriding the printed text of the Charter Party.**

**Further reference to weekend clauses can be found in Chapter 6 page 30.**

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**Another change to clause 6 is to alter the word 'unless' into 'even if' in lines 93, 96 and 100. This now means that there is no time to count at all, even if there was work performed during the Saturday and Sunday (see also Chapter 6 / page 31).**

## Clause 6c Commencement of Laytime

**This clause refers to the Commencement of Laytime and is the so-called 'Notice clause'.**
**This clause explains when time commences to count in relation to the time the vessel tendered a (valid) Notice of Readiness.**

**We read in Clause 6c**

```
101 Commencement of laytime (loading and discharging)
102 Laytime for loading and discharging shall commence at 13.00 hours if
103 Notice of Readiness is given up to and including 12.00hours, and at 06.00hours
104 next working day if Notice given during office hours after 12.00hours. Notice of
105 Readiness at loading port to be given to the Shippers named in box 17 or
106 if not named, to the Charterers or their agents named in Box 18. Notice of
Readiness
107 at the dischargeport to be given to the Receivers or, if not known, to
108 the Charterers or their agents named in Box 19.
109 If the loading/discharging berth is not available on the Vessel's arrival at or
off
110 the port of loading/discharging, the Vessel shall be entitled to give Notice of
111 Readiness within ordinary office hours on arrival there, whether in free pratique
112 or not, whether customs cleared or not. Laytime or time on demurrage shall
113 then count as if she were in berth and in all respects ready for loading/
114 discharging provided that the Master warrants that she is in fact ready in all
115 respects.  Time used in moving from the place of waiting to the loading/
116 discharging berth shall not count as laytime.
117 If, after inspection, the Vessel is found not to be ready in all respects to load/
118 discharge time lost after the discovery thereof until the Vessel is again ready to
119 load/discharge shall not count as laytime.
120 Time used before commencement of laytime shall count.
```

**Reading this clause 6c carefully, it will become clear the rules to play in respect of the moment when laytime is to commence to count.**

**Line 102/103**
**If Notice of Readiness is tendered before/or latest noon, laytime to commence 13.00hrs and if Notice of Readiness tendered in the afternoon time to commence at 06.00hrs the next working day.**

## Gencon 2pm/8am clause

**One should know that in 99pct of the Gencon 1994 Charter Parties the commencement of laytime is adjusted to 14.00hrs and 08.00hrs. This is commonly known as the Gencon 2pm/8am notice clause!. To be absolutely sure in your fixture, check the Charter Party !!**

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## Clause 6c line 115 - Shifting roads to berth

**Also note line 115: 'time from waiting berth or anchorage to the working berth is not to count'.**

**It means that same is being considered as a continuation of the voyage. Was the berth free, than vessel was to sail straight to the berth and Notice of Readiness could only be tendered when arrived and all fast on the working berth.**
**See also Chapter 8 / page 38.**

## Clause 6c line 120 – Prior time

**What happens if the vessel start working before it is 14.00hrs or 08.00hrs ?**

**This time before the laytime commences is called 'prior time'.**

**In clause 6c we can find this and we read the last sentence.**

**Line 120 'Time used before commencement of laytime shall count'.**

**For example if a ship arrives early in the morning and tenders her Notice of Readiness, laytime to commence at 14.00hrs (as per amended line 102-103 Gencon 2pm/8am notice clause).**
**In case the ship starts working already at 08.00hrs the actual laytime used prior to 14.00hrs shall count.**

**Read carefully, only 'actual' time used is to count - so meal/coffee breaks are not to count as laytime.**

**However, this line 120 is usually deleted or amended to: …. shall NOT count.**

**The result is that even if work was performed on the ship, no laytime is to count.**

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# 3 NOTICE OF READINESS

**What is Bimco's definition of the 'Notice of Readiness'.**

**NOTICE OF READINESS - means *the notice to Charterer, Shipper, Receiver or other person as required by the Charter Party that the Vessel has arrived at the port or berth, as the case may be, and is ready to load or discharge.***

**Enclosure B) is a standard form of a Notice of Readiness which to be filled out by the Master and handed over to Shippers/Receivers/Agents on arrival at the port.**

**In a Notice of Readiness the Master declares that his ship is 'in all respects ready to load or discharge'.**

## In all respects ready to load

**According to one executed Charter Party, this is :**

**The vessel's hold(s) have to be clean and dry, free from loose rust or paint scales and any traces of previous cargoes, also free from smell before commencement of loading to the entire satisfaction of the Shippers/Surveyors before Master can tender vessels Notice of Readiness.**

**There are various 'additional clauses' in the Charter Party referring to the tendering/acceptance of a VALID Notice of Readiness.**

**A VALID Notice of Readiness is usually subject to :**

- **being sent in writing by cable (in the old days) to the agent, now by fax/email and usually upon arrival the 'hard copy' is to be handed over to the boarding agent.**
- **being given during office hours only (usually Monday/Friday 0800-1700 hours)**
- **not being tendered before the laydays (please check relevant Charter Party). See also Chapter 6 / page 32.**

**Some Charter Parties even stipulate that a valid Notice of Readiness may :**
- **not be tendered until individual ballast tanks either completely full or completely empty (this can sometimes be required by a draftsurveyor when vessels intake/loaded weight is to be established by draftsurvey).**
- **not be tendered until hatch beams have been removed.**

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# Where can a Notice of Readiness be tendered ?

**- Do we have a Port Charter or a Berth Charter ?**
**- If the berth is occupied on arrival by another vessel ?**
**- If the berth is tidal and not always accessible ?**

## Port or Berth Charter

**The answer whether we have a Port or Berth Charter can be found in the 'recap' or in the relevant Charter Party.**

**Strictly speaking, we have a 'Berth Charter'**
**- when there is reference made to a specific berth and**
**- when the reference to a (good/safe?) berth is mentioned before the name of the port.**

**An example of a Berth Charter is when we see following :**

**Rotterdam, EBS berth or EBS berth, Rotterdam**

**Notice of Readiness may only be tendered when the vessel arrives physically at the EBS berth in Rotterdam.**

**But also the wording**

**1 good safe berth (1gsb) Rotterdam**

**means we have a Berth Charter.**

**However, as below, the same words but the other way around makes it a Port Charter**

**'Rotterdam, 1 good safe berth (1gsb)'**

**In a 'Port Charter' the Notice of Readiness can be tendered from arrival at the port limits which could already be on arrival at the outer pilot station.**

**In a 'Berth Charter' a valid Notice of Readiness can only be tendered from arrival at the fixed berth, unless that berth is occupied.**
**If that berth was/is available, vessel cannot tender Notice of Readiness from any other place than that fixed berth.**

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## Berth is occupied

**If the berth is occupied and vessel has to remain outside at anchorage, the Notice of Readiness can be tendered from the roads in accordance with Clause 6c line 109-111.**

**Sometimes these clauses are accompanied by the expressions:**

**WIBON/WIPON/WIFPON/WICCON**

**These abbreviations are :**
**Whether In Berth Or Not**
**Whether In Port Or Not**
**Whether In Free Pratique Or Not**
**Whether In Customs Clearance Or Not.**

**Basically, Vessel can tender Notice of Readiness from the anchorage regardless.**

**Ensure the Statement of Facts are claused that the berth was occupied on arrival and Notice of Readiness tendered from the anchorage accordingly.**
**This will make it easier to support a claim for demurrage.**

**From a laytime point of view, one might profit from remaining outside if Notice of Readiness can just be tendered from the anchorage either prior to or latest noon, or just within office hours.**
**For example, those 3 extra hours steaming to the berth could mean that Notice of Readiness could only be tendered just after noon or just outside office hours.**

**On the other hand, best is always to go in immediately and start port operations. A voyage is always better when there is no demurrage – which means quicker turnaround than anticipated.**

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## Berth is tidal

**If the berth is tidal, the vessel has to wait until High Water (HW) until she can proceed to the berth. On arrival 'all fast' Notice of Readiness can be validly tendered and time to count as per Charter Party.**

**The situation could be a bit more complicated when the port is tidal and the berth is occupied !!**

**What time do we take for tendering and accepting a valid Notice of Readiness ?**

**- Is it the arrival time at the anchorage ?**
**- Or is it the time of High Water (HW) as per tidetable ?**

**My opinion is the arrival time at the anchorage. Not only because it is earlier and you have a better chance to have your laytime to count earlier, but we can have following supporting arguments for same :**

**- Charterers failed to have a ready berth available on arrival**
**- At certain ports, ships are taken in early on the flood and can/will berth prior to the actual time of High Water.**

**For example if HW is at 17.15hours and vessels usually berth 30 minutes prior to HW (in this case 16.45hours) you will loose valuable Notice Time as Notice of Readiness can usually be tendered during office hours only.**

**At HW 17.15hours, Notice of Readiness to be tendered only the following day in office hours at 08.00hours and time to count as from 14.00hours.**
**If Notice of Readiness can be tendered at 16.45hours, so still within office hours, time to count the following morning at 08.00hrs.**

**Therefor, in my opinion, there is more support to take the time of arrival as the time Notice of Readiness was validly tendered than there is support for the time of HW.**

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## Some practical information

**- Notice of Readiness accepted**
**- Notice of Readiness rejected**
**- Beware of a 2nd Notice of Readiness**
**- Notice of Readiness drawn up by the agent**

## Notice of Readiness accepted

**Special care should be taken to the following wording :**

**'Notice of Readiness accepted'.**

**When Master tendered his Notice of Readiness, he declared his ship is ready to load/discharge. The time of tendering and acceptance of the Notice of Readiness should be the same.**

**When these times are different, you will often see that the later acceptance time is a time either shortly after noon or just outside office hours or only the following day at 09.00hrs (mainly with the purpose of a later commencement of laytime – see notice clause 6c – line 101-104).**

**A valid excuse for accepting Notice of Readiness later than when same has been tendered is, when the Charter Party is claused that 'Vessel may not tender her Notice of Readiness before her laydays' and the vessel has actually arrived before the laydays in the port of loading**

**Also acceptable is if the vessel arrived during the weekend or at night and the Charter Party has been claused that 'vessel may only tender the Notice of Readiness during office hours.**

**Any other reason should be rejected by ships command.**
**To overcome a discussion between Owners/Agents/Master about 'accepting' a Notice of Readiness later or not, one can agree that in stead of 'accepted', the Notice of Readiness has been 'received' (by the agent) and 'time to count as per relevant Charter Party'.**

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## Notice of Readiness rejected

**Charterers/Shippers have a point in rejecting a Notice of Readiness when vessel does not pass her holdsurvey and the vessel has to do additional holdcleaning operations.**

**In this case it is obvious that Charterers wish to accept the Notice of Readiness at a later time than when it was tendered.**

**Special provisions will appear in the Charter Party to cover any time lost. We can read in the printed text of the Gencon 1994 Charter Party (check line 117-119 and beware these are not deleted..!!) that**
**'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'.**

**For example, if the vessel was outside the port at anchorage waiting 3 days for berth and, on berthing, vessels holds are rejected, it will protect the Owners from having no laytime to count until holds were accepted. With this clause, the Laytime will only be interrupted for the time she was cleaning hold.**

## Beware for 2nd Notice of Readiness ??!!

**On fixing and screening a Charter Party one should look out for the provision that, in case the hold is rejected, the original Notice of Readiness is to be considered as null and void. Consequently a new Notice of Readiness is/has to be tendered.**
**With such a provision the Owners expose themselves to losing big time waiting for nothing at the anchorage. New Notice of Readiness means new Notice Clause / Notice time and all the days waiting at the anchorage are considered 'null and void'. Hence, a simple rejection of the hold is already enough to protect Charterers from a huge demurrage claim.**

**Yes, these clauses do exist and should NOT be accepted !!**

## Notice of Readiness drawn up by the agent

**Very often, Agents, when boarding the vessel on arrival, do have already worked out on their computer a fancy looking standard 'Notice of Readiness'.**

**Only the signature of the Master is required to have the document validated. Ship's command should exercise great care in signing such a document and first check if all times/dates and wordings are correct.**

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# 4 STATEMENT OF FACTS

**There is no official definition of 'Statement of Facts' available and that is actually not really necessary.**

**The name already speaks for itself - Statement of Facts**

**Abbreviated as 'SoF', the Statement of Facts are a true summary of all events happened in the port/roads pertaining to the vessels call at/off the port. So a summary of all FACTS.**

**The Statement of Facts is 'THE' document to work from when making a laytime calculation.**
**In enclosure C) you will find a blank form (issued by Bimco) and one can see what facts are required to be mentioned for a ships call at/off a port.**

**At the bottom of the paper, the signatures of the Agents and the Master are required and in many occasions, also the Shippers or Receivers are required to sign the document confirming by their signature the correctness of its contents.**

**Because it's a true summary, utmost attention by all parties, but especially by ships command (to protect Owners interests), should be exercised to the contents of the Statement of Facts so that it really can be seen as a Statement of FACTS.**

## Which parts are of interest to us ?

**Besides the logical boxes like Port and Ships Name, for us, making the laytime calculation, Box 17 (Vessel arrived on roads) and Box 5 (Vessel berthed) are the ones to start with.**

**Is the difference 1 or 2 hours, one can assume the vessel got straight in on arrival (but always double-check when times are critical say just before noon or closing office hours at 17.00hrs).**

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**Is the difference between these two times more than 2 hours than you might check :**
- **Is the port/berth tidal ? I.e., can the vessel only berth on the tide and had to wait for high water ?**
- **Is the approach from the pilot station to the berth a long distance (is the port a good way up-river) ?**
- **Was the berth perhaps occupied by another vessel ?**
- **Was perhaps the pilot not available ?**
- **Was the port closed due to adverse weather ?**

**Ask yourself the question, what was the reason for the huge/exceeded difference in times, or for not berthing the vessel on arrival ?**

**If the berth was occupied by another vessel (even if its just for half an hour…), vessel may tender Notice of Readiness (Box 19) from the roads and time to count as per Charter Party.**

**Master/Agents should clause the Statement of Facts (in the box general remarks) the reason for not berthing the vessel on arrival. As this is a true fact, nobody can argue when the Statement of Facts are claused as such.**

**If the berth is tidal, also this should be claused on the Statement of Facts stating the time/day of first high water after ships arrival (Box 21). This to clarify the possible waiting time on the roads prior entering the port.**

**What I find missing in the printed form is a special box to clause the time the pilot was on board to bring the vessel in. As the steaming time from the roads to the berth is usually to be deducted from the laytime calculation, the boarding time of the pilot should be claused on the Statement of Facts as this will be the start time of the continuation of the voyage until the vessel is 'all fast' (see Gencon 1994 Charter Party clause 6 line 115/116).**
**Obviously the box general remarks can be used to insert these times.**

**Special attention should be paid to Box 14 – working hours/ meal hours of the port – this can be of importance when the actual time before commencement of laytime is to count (Gencon 1994 Charter Party line 120) as meal hours are not working time. Also during the weekend these breaks should be taken into account (and to be deducted) when drawing up the laytime calculation and 'actual time used is to count as laytime'.**

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## Are the Statement of Facts clear ?

**It is good practice that whenever you see a Statement of Facts being faxed/emailed to swiftly look at it and check if the comments are all clear.**

**If you, as 'laytime calculator', find some wordings on the Statement of Facts unclear and it is critical/vital to your laytime calculation, don't hesitate to ask the Master what was meant by that wording and assist him in clearing this matter with the relevant Portagent immediately.**

**It is not a crime to adjust the document later for the sake of clarity. The earlier its done, the better people remember the situation.**
**These days, with many Masters on board not fully fluent in writing the English language, some situations are sometimes not phrased fully correct on the Statement of Facts and as a consequence, avoidable mistakes in your calculations are easily made.**

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# Various examples of remarks on Statement of Facts

**Various remarks can appear on the Statement of Facts.**

**Below is just a summary of what was once included as remarks on the Statement of Facts by Agents/Masters and others.**

**raintimes (or snow/hail/sleet),**
**breakdowns of (shore)cranes,**
**high winds (preventing the cranes to operate = W.P.),**
**ship not ready for loading/discharging (vessel could not open hatches due to hatchcover problems),**
**shifting times between berths,**
**vessel deballasting,**
**settling of cargo (cement),**
**awaiting high tide for sailing,**
**discharge interrupted due to lack of barges,**
**all cargo discharged as per Bill of Lading – hold empty on completion of discharge,**
**setting up gear,**
**electrical fault on loading equipment,**
**meal-/coffee-/teabreak times of the port as follows,**
**plant breakdown,**
**no work – local holiday,**
**breakdown of hopper,**
**vessel drifting at outer roads waiting for suitable tide to enter. First available tide at !!!!,**
**Port closed due to swell,**
**Vessel did not berth at this tide as both berths occupied with priority vessels.**
**Waiting for cargo,**
**loading bulk,**
**shifting ship from roads to loadingberth,**
**open hatches prepare start labour,**
**lack of lorries,**
**early finish,**
**vessel shifted from 1st to 2nd loading berth,**
**intermediate draftsurvey,**
**Vessel berthed on first tide after arrival at the pilotstation,**
**vessel sailed on first tide after completion of loading operations,**
**vessel worked on 24hour basis,**

**…….And many many more. Whichever party concerned find certain issues/facts worthwhile to be mentioned it can be claused on the Statement of Facts. Of course, such a wording must be acceptable to the other parties signing the document!!**

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# 5 HOW TO WORK OUT AVAILABLE LAYTIME

**There are several possibilities in chartering as to how to agree a certain laytime for loading and discharging and the most frequently used**

**Defined conditions of laytime are:**

**Fixed hours – an agreed number of hours for loading or discharging**

**Calculated time – an agreed number of metric tons per day**

**Total hours – an agreed total time for loading and discharging altogether**

**Per hatch per day – an agreed number of mtons per workable hatch**

**The below is superseding fixed laytime**

**Guarantee for loading or discharging**

## Undefined conditions for laytime

**There are also undefined conditions for laytime.**

**We can mention**

**CQD/COP – Customary Quick Despatch / Custom of Port**

**TMS – Taxi Meter System**

**These conditions will be reviewed later in Chapter 12 / page 61/64 as these terms are not regularly fixed.**

**Although CQD/COP load and discharge are not recommended to agree to, these are interesting enough to be reviewed. Also some suggestions to protect Owners interests in case these terms are (being) fixed.**

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## Fixed laytime

**Fixed hours, say 24 hours, 36, 48 or whatever hours are agreed. This is the number of hours per port for your laytime calculation. Not more, not less – as easy as that.**

## Laytime non reversible

**Just check if the usual addition 'laytime non reversible' is agreed, this means any time 'not used' in loadport CANNOT be added to time in the dischargeport (or the other way around). For example if, on a fixed 24hrs laytime for loading, the cargo is loaded in 20 hours, the 4-hours left or 'not used' cannot be added to the laytime allowed in dischargeport.**

## Calculated laytime

**In 'our' fixture recap of Chapter 1, we see that the vessel was fixed to load**

**- min 2800mton and**
**- discharge agreed at a rate of 1500mton per day.**

**To calculate back to hours and minutes is as follows**

**2800mt / 1500mt = 1.86666 day or 44 hrs 47 minutes**

**If vessel was given a full cargo of 3000mt the calculation would be 3000mt / 1500mt = 2.0 days or 48 hrs.**

**However, if vessel was only given 2600mton of cargo, Owners would rightfully have claimed deadfreight of 200mton upto the min agreed 2800mton where she was fixed for.**

**Laytime is always to be calculated on the quantity paid for, which is in this example the 2800mton.**

## Total time for loading and discharging

**Total time for loading and discharging is for example 48 total hours, or 72, 96 or whatever number of hours or days is agreed for loading and discharging.**

**The laytime used in loadport stops on completion of loading and continues to count in the dischargeport with the usual/agreed notice time and exemptions for weekends and weather.**

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**A possible demurrage can be calculated by starting your calculation of the dischargeport with the number of hours used in the loadport.**

**For example if 72 total hours are agreed for loading and discharging and in loadport 30 hours were used, you start your calculation in dischargeport with 30 hours and continue to count laytime upto the 72 hours. If laytime exceeds these 72 hours the vessel will be on demurrage.**

## Vessel already on demurrage in loadport

**In case the vessel is already on demurrage in the loadport, demurrage continues to count in dischargeport on expiry of the notice time (see Chapter 2 / page 12 - Gencon 1994 Charter Party clause 6c). If prior time (Chapter 2 / page 13) is to count, only the actual 'prior time used' is to count as demurrage before time on demurrage continues to count in full on expiry of notice time. This is usually 14.00hrs or 08.00hrs next working day (as per 2pm/8am notice clause).**

## Per hatch per day

**This wording is more used in larger size tonnage where more holds/hatches are available for work.**

**For example, fixture reads**
**500mton phpd (=per hatch per day)**

**The laytime is to be calculated by multiplying the agreed daily rate per hatch by the number of vessels hatches (for example 4).**

**This gives a total number of mtons per day which should be divided through the total quantity of cargo (or cargo being paid for in case of deadfreight).**

**Example:**
**Quantity of cargo divided by (daily rate x number of hatches)**

**10,000mton / (500mt x 4 hatches) 2,000mton = 5 days or 120 hours**

**It is accepted that parallel twin hatches shall count as one hatch. Nevertheless a (large) hatch which is capable of being worked by two gangs simultaneously shall be counted as two hatches.**

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## Guarantee for loading / discharging

**Sometimes the fixed laytime agreed can be (temporarily) overruled when fixing a load/discharge guarantee.**

**Such a guarantee is usually undertaken by the Charterers/ Shippers/Receivers and ensures the Owners to have completed cargo operations in the loadport or dischargeport prior to or latest at the pre-agreed time (like a weekend or holiday).**

**The only obligation of the Owners/Vessel is to have the vessel, if we have for example a loadguarantee, in a loadready condition at the agreed port/berth at the latest agreed time ready for cargo operations.**

**Such a guarantee is regardless of the agreed laytime for loading respectively discharging as per Charter Party. You will see that 99pct of the guarantees are for the port of loading. The most common wording for a guarantee is (as per Chapter 1 / fixture recap):**

**If vessel is loadready latest 20th April 2007 07.30hrs, Charterers guarantee completion of loading by latest same day 24.00hrs W.P. and subject Force Majeure, otherwise the vessel will be on demurrage until completion of loading**

**All guarantees are on the basis of Weather Permitting and Subject Force Majeure.**

**Force Majeure can be a crane breakdown, an accident on the road preventing the trucks to bring/take the cargo to/from the port, electrical fault in belt system, etc...**
**If Charterers call upon Force Majeure, proof should be provided to support their claim of Force Majeure.**

**If, on account of Weather or Force Majeure, a guarantee becomes null and void, than the agreed laytime in the Charter Party will come in force again and the portstay will need to be calculated in accordance with those terms agreed (in our example in Chapter 1, this will then be 24 hours for loading).**

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# 6 LAYTIME – THE CALCULATION

## Which documents do we need ?

**There are a few documents we need in order to make a proper laytime calculation:**

**a) Recap of fixture,**

**b) Notice of Readiness from load- and discharge port**

**c) Statement of Facts from load- and discharge port**

**d) Copy of the relevant Charter Party in order to check**
- **Notice clause**
- **Prior time**
- **Weekend clause + abbreviations to define them**
- **2nd port clause**

## a) Recap of fixture

**First find out in the recap how much laytime has been agreed for loading and discharging. If same is to be calculated, please look back to Chapter 5 / page 25 for further reference.**

## b) Notice of Readiness

**When did the vessel arrive at the port/roads and tendered a valid Notice of Readiness (Chapter 3 / page 14)?**
**Satisfy yourself that same was done in accordance with Charter Party terms/conditions (within office hours and not before laydays).**

**If Notice of Readiness was tendered out of office hours then for calculation purposes, please assume (unless you have reference in the Charter Party to the contrary) that Notice of Readiness was tendered next working day 08.00hrs and time to count as per Charter Party (notice clause).**
**If Notice of Readiness was tendered before laydays and same is not allowed, please assume same tendered on opening office hours on the first layday agreed and time to count as per Charter Party (notice clause).**

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## c) Statement of Facts

**Screen the Statement of Facts carefully on remarks and additional documents.**

**It can happen that the Statement of Facts makes reference to a separate local weatherreport or Stevedores load/disch report.**

**Stoppages claused on such reports are to be incorporated into the Statement of Facts.**

**Obviously these additional documents are to be countersigned by the Master.**

**Also worthwhile to check if it is a local weather report, a report from 100km away does not make sense.**

## d) Copy of the relevant Charter Party

**In the Charter Party we have to look up the**

### Notice clause

**We have to ascertain when the laytime commences to count on the basis of the time the Notice of Readiness has been (validly) tendered.**

**In the Gencon 1994 Charter Party the notice clause is clause 6c usually amended to 2pm/8am (see Chapter 2 / page 12).**

### Prior time

**Also check in the Charter Party if 'prior time' is to count or not (Gencon 1994 Charter Party line 120 - Time used before commencement of laytime shall count).**

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## Weekend clauses

**If during the portstay a weekend was involved, please look in the relevant Charter Party for the weekend clause.**

### Friday 5pm / Monday 8am clause

**In the Gencon 1994 Charter Party this is Clause 6a or 6b (see Chapter 6 / page 11). Please note that very often further references are made to additional clauses in the Charter Party specifying the days/times Charterers consider 'weekend'.**

**One of the most frequent used weekend clauses is :**

**Time from Friday 17.00hrs until Monday 08.00hrs, or from 17.00hrs on the day preceding a legal/local holiday until 08.00hrs the next working day, are not to count ….**

**Some common used abbreviations in addition to a weekend clause are to specify how to count laytime if work was done during the weekend. These abbreviations can be :**

### SSHEX UU

**Saturdays, Sundays, Holidays EXcluded Unless Used**

**= Time during the weekend is not to count as laytime, unless any loading or discharging was done during the weekend.**

**In such case you might see the following abbreviation as well**

### ATUTC

**Actual Time Used To Count**

**= Here we just count the actual time worked during the excepted periods (holiday/weekend).**

**The Statement of Facts will reveal which times were worked. Please look up for any meal breaks and/or tea/coffee breaks mentioned somewhere (maybe in small print at the bottom) – these times are not to be incorporated in the laytime calculation as during these breaks NO actual loading/ discharging was done on the vessel.**

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## HTUTC

**Half Time Used To Count**

**= Half the time worked in the exempted period is to be incorporated in the laytime calculation.**

**Was there for example 1 hour worked, only 30 minutes are to count. Also here, beware of the meal/tea/coffee breaks.**

**Next one is:**

## SSHEX EIU

**Saturdays Sundays Holidays EXcluded Even If Used**

**= This is the weekend clause where there is no time to count AT ALL during the weekend even if the ship has worked for many hours day/night.**

**From a calculation point of view this is an easy one – stop counting at 17.00hrs on Friday and resume your calculation on 08.00hrs Monday.**
**However from Owners point of view very frustrating when a lot of work is done and no time is to count.**

**On the other hand, when the vessel is loading/discharging during the weekend it will speed up the total operation, so beneficial anyway…!!**

**Completely opposite to SSHEX EIU is**

## SHINC

**Sundays Holidays INCluded**

**= No weekend clause, you can just continue to count your laytime without any interruption for weekend whatsoever.**
**Obviously, weather delays etc.. are still to be deducted.**
**Also coffee/tea and mealbreaks are to count as laytime.**

**When SHINC terms are fixed, also the Notice of Readiness can be tendered SHINC and have to be accepted during the weekend and holidays.**

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# Notice of Readiness not to be tendered before the laydays

**Usually, the Charter Party is claused that the Notice of Readiness may not be tendered before the laydays.**

**In the very rare case that the vessel IS allowed to tender her Notice of Readiness before the laydays, the question is : 'When will laytime starts to count?'**

**In any case, on FIOS terms, the laytime will not count until the first layday. The time on the first layday is 00.00hrs.**

**For the exact time on the first layday, We have to look at 2 things :**

- **When exactly was the Notice of Readiness tendered ?**
- **What Notice clause has been agreed ?**

**For example, lets imagine following**

- **Laydays as per 'recap' start on the Wednesday**
- **Notice of Readiness tendered Tuesday afternoon and within office hours**
- **Gencon 2pm/8am Notice clause**

**As per notice clause, the laytime commences to count as from 8 am the next day. This is the Wednesday and the first layday.**

**However, if**

- **Notice of Readiness was tendered on the Tuesday morning (latest 12.00hrs) and with the same**
- **Gencon 2pm/8am Notice clause**

**The laytime would usually commences to count as from 14.00hrs on that same tuesday as per the 2pm/8am notice clause.**

**As the laydays only start on the Wednesday the laytime will now commence to count at 00.00hrs on the Wednesday with the usual exceptions for weather etc.. to remain in place.**

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**The Synacomex Charter Party (mostly used for grain cargoes) has covered this situation in line 43 stating :**
**At port of loading laytime shall not count before 0800hrs on the …(first layday).**

**Where the above was on FIOS terms, you will see in Chapter 13 page 67, that on Liner terms there is no first layday as the agreed dates for shipment are all 'about' – See Conlinebooking 2000 box 'Time for shipment (about)'.**

**Also the non-availability of a notice clause indicates that time is to count on arrival or first commencement of work.**

**Only with specific additional clauses in the relevant Charter Party regarding Notice time / cargo not available prior to a certain date some streamlining can be effected in respect of available time and possible claims for detention.**

## 2nd Port Clause

**If a vessel has to load and/or discharge in two ports then the Charter Party will provide a specific clause of how laytime will be counted, especially in the 2nd port.**

**The first port is 'as normal' with notice time etc.. to be applied to the laytime calculation.**

**The most common clause for the 2nd load- and/or dischargeport reads as follows :**

**Time in 2nd port to count immediately upon vessels arrival if same is within normal working hours otherwise from first resumption of work.**

**Other options are:**

**Time in 2nd port to count from next working period after vessel's arrival unless commenced earlier (here the Statement of Facts should clearly indicate the working times in the port)**

**Time in 2nd port to count from 08.00hrs next working day unless commenced earlier when only actual time used to count.**

**The excepted periods (weekends/holidays) should always be adhered to in a 2nd port.**
**If the vessel for example arrives in her 2nd port during the weekend, laytime should resume from 08.00hrs on the Monday (provided such a weekend clause has been agreed).**

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## Already on demurrage in the first port

**If the vessel is already on demurrage in the first port, the demurrage resumes to count in the dischargeport on arrival at 'all fast', or if the berth is occupied from the time the vessel dropped anchor. Shiftingtime from anchorage to berth not to count as time on demurrage.**

## Vessel to remain in Seaworthy trim between ports

**An additional requirement to 2nd port clauses for loading and/or discharge is that**

**'Vessel to be kept in a seaworthy trim between the 2 ports'.**

**If Stevedores, despite directions given by ships command, do not leave the vessel in a seaworthy trim than time lost to rectify the problem should be counted as laytime.**

**Master, after speaking to his operations department in the office, would obviously need to clause the Statement of Facts accordingly (and as clear as possible) enabling you to successfully protect your Owners interests.**

## Weekend clauses in other countries

**In Moslim countries you have to be aware of a different weekend clause. Instead of the Friday 5pm/Monday 8am clause the weekend clause will read:**

**Laytime shall not count between 19.00hrs on Wednesday or 18.00hrs on a day preceding a holiday and 08.00hrs on Saturday or 08.00hrs on the following day (and then even if used, unless used, whatever is agreed)**

**Israel traders can come across a weekend clause from Thursday 17.00hrs until Sunday 8am. Wording as above but 'logically' amended.**

**Obviously this also means that Notice of Readiness cannot be tendered during this weekend (unless otherwise agreed).**

**As already commented a few times – always check the relevant Charter Party for the exact weekend clause. The ones here mentioned are just the most common ones seen.**

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# 7 WEATHER PERMITTING / WEATHER WORKING DAY WWDAY OF 24 CONSECUTIVE HOURS

**The above 3 wordings are defining when weather circumstances (like rain/snow/wind) can be deducted from the laytime calculation and when these do not influence the calculation.**

**Before going further into detail, very important is the present change in legal view on the differences between the 3 weather exceptions as listed above.**

**More about that later, what are the Bimco definitions :**

## W.P. = Weather Permitting

***Means that any time when weather prevents the loading or discharging of the vessel shall not count as laytime.***

## WWD = Weather Working Day

***Means a working day or part of a working day during which it is or, if the vessel is still waiting for her turn, it would be possible to load/discharge without interference due to the weather. If such interference occurs (or would have occurred if work had been in progress), there shall be excluded from the laytime a period calculated by reference to the ratio which the duration of the interference bears to the time which would have or could have been worked but for the interference.***

## WWD of 24CH = Weather Working Day of 24 Consecutive Hours

***Means a working day or part of a working day of 24 hours during which it is or, if the ship is still waiting for her turn, it would be possible to load/discharge the cargo without interference due to the weather. If such interference occurs (or would have occurred if work had been in progress) there shall be excluded from the laytime the period during which the weather interfered or would have interfered with the work.***

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**In detail**

## W.P. Weather Permitting

**= only interruptions for weather DURING cargo operations can be deducted from the laytime.**

**Please ensure port working hours are mentioned on the Statement of Facts and also the hours of overtime worked if applicable.**

**If vessel was waiting for a berth on the roads and has validly tendered her Notice of Readiness, weather periods in the port cannot be deducted from the laytimecalculation.**

## WWD – Weather Working Day

**= same as W.P. but with the exception that when vessel was waiting for berth (cargo operations not started yet), weather interruptions which would have prevented working the ship, can be deducted from the laytime provided same occurred during the port working hours.**

**Also here, please ensure that port working hours are mentioned on the Statement of Facts.**
**This will prevent unnecessary discussions later about whether or not the port worked longer/different hours in order to please the Charterers in rejecting claims for demurrage.**

## WWD of 24CH – Weather Working Day of 24 Consecutive Hours

**= here all weather delays mentioned on the Statement of Facts can be deducted from the laytimecalculation.**

**Whether day or night, whether vessel on the berth working or outside waiting for berth, during any weather interruption in the port, the laytime does not count.**

**Needless to say, once vessel on demurrage, she is ALWAYS on demurrage.**

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## Legal changes

**Now back to the legal interpretations as mentioned in the beginning of this chapter.**

**If one can speak of a 'trend' in jurisdiction, Scandinavian and German Law seems to rule that 'bad weather' must in fact interrupt cargo operations.**

**Whether WP/WWD/WWD of 24CH is agreed, bad weather during the night when all are at sleep should not be deducted from the laytime calculation.**

**English Law is taking the difference between the 3 as marginal if there is already a difference.**

**WP is coming closer to the WWDAY and there remains still the difference between WWDAY and WWDAY of 24CH.**

**As you can read above – the latter one deducts all the rainperiods from the laytime calculation whilst the WWDAY only during the port working hours.**

**So when you study a Statement of Facts and you see rain during the night, first check obviously what weather exceptions are agreed but also check under what jurisdiction the Charter Party is governed.**
**German or Scandinavian Law could give you some more possibilities to leave the rain to what it is and you can just continue time to count as laytime.**

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# 8 OTHER EXCLUDED PERIODS IN LAYTIME

**Not only the weekend or weather might give reason to interrupt the time counting in your laytime calculation.**

**There are also other items which can interrupt laytime.**
**As already mentioned a few times, always check the Charter Party first if you find reference of same whether the interruption as claused on the Statement of Facts is to be deducted or not.**

**We can have following situations**

- **Shifting time roads to berth**
- **Shifting between berth's in port**
- **Opening/Closing of hatches**
- **Shifting hatchcovers**
- **Notice of Readiness not to be tendered before the laydays**

## Shifting time roads/berth

**As mentioned in Chapter 2 / page 13 this situation is already covered in the Gencon 1994 Charter Party (line 115-116) and time is not to count a laytime.**
**This shifting is considered to be a continuation of the voyage.**

**Some ambitious agents give many times to indicate what all happened during the shifting. From 'engine started', via 'heaved anchor' to 'pilot on board' and 'started inbound passage' (the agents can also use obviously any other wording) the whole shift can be defined what happened each minute.**

**The latter one (started inbound passage) is to my opinion the correct time to stop laytime counting whilst on the roads 'waiting for berth'.**
**Laytime to resume again when vessel is 'all fast'.**

**If there is any confusion over times or if the whole avalanche of times makes the total picture unclear, it is best to visualise the shifting and picture for yourself what the best time is for stop/resume timecounting.**

**If it still remains unclear, a small message to the master on board can clarify the situation for you. As a result, you are convinced you have worked out the calculation to the best of your ability and can defend your interpretation using good well-thought arguments.**

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## Shifting between berth's in port

**There is no rule of thumb here about timecounting or not.**

**It is all down to what has been agreed during the negotiations or, if not in mainterms/recap, what is in the Charter Party terms/conditions.**

**Shifting berth's in port always involves 2 things.**

**- Costs for pilot and boatmen for mooring and unmooring**
**- The time used for shifting.**

**Mostly there is some sort of agreement that 1 party takes the costs and the other the time. But as said, it is all down to what has been agreed between parties concerned.**

## Opening/Closing of hatches

**There can be some differences of opinion whether these times are deductible from the laytime or not.**

**Charterers (of course, who else…?) are usually of the opinion that the master/crew are making the ship ready to load/discharge and during these times, the Charterers (or their stevedores) are not able to load/discharge the ship.**

**Their claim could be a valid one from their point of view.**

**However, if there is nothing mentioned in the recap, we must check the Charter Party thoroughly if any reference is found about the times used for opening and closing of hatches.**

**The printed text of the Gencon 1994 Charter Party does not give any answer on this subject therefor we need to go through the additional clauses attached to the Charter Party.**

**This can be anything. One of the common used wordings are : Opening and closing of hatches to be effected by vessels crew, if permitted by local regulations. Time used for same not to count as laytime.**

**This can also be restricted to 'first opening and last closing' not to count as laytime which would mean that all intermediate openings and closings are to count as laytime.**

**Obviously, if nothing is mentioned – Time used for opening and closing of hatchcovers to count as laytime.**

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## Shifting hatchcovers

**Some vessels are equipped with a Hatchcoversystem using pontoon hatches. A 3 or 4000tonner has about 10 pontoon hatches. Each pontoonhatch is about 6 meters long and can weigh upto some 10/12mt.**
**Due to stability reasons for the cargo to be loaded, the pontoon hatches can/will be stowed partly forward and aft on the hatchcoaming.**

**A full opening or closing of all pontoon hatches can take upto 30 minutes.**

**When the vessel has to load various grades of cargo, it might happen that the vessel has to shift her pontoon hatches various times in order allow the different grades be loaded in the different holdcompartments.**

**Also, when the weather is threatening, ships command will decide to only open 1 or 2 pontoon hatches. Master/Owners have a responsibility of care for the cargo, if the cargo is rainsensitive, the vessel (and/or master/owners) can be held responsible for watercontamination of cargo.**

**Consequently some additional interruptions for shifting pontoon hatches will be obvious.**

**Of course you can always continue time to count as laytime and claim the extra shifting of pontoon hatches was purely 'to prevent cargo from being exposed to weather'. Or 'Charterers knew the vessel had pontoon hatches, so interruptions were to be expected'.**

**You might not have a leg to stand on but, Never try, Never win !!**

### True example

**A true example of regular 'shifting hatchcovers' was found in a North German port where loading was interrupted various times due to 'shifting hatchcovers'.**

**Charterers, under the terms and conditions of the Charter Party, had the right to deduct these times from the laytime calculation and so they did.**

**Further investigation however learned that the Shippers of the cargo insisted the vessel to keep open minimal number of hatchcovers in order to prevent dustpollution whilst loading (as per local regulations).**

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**The result however was a more frequent interruption of loading for shifting hatchcovers than normally required, as the vessel needed to continue loading the cargo also in other sections of the hold.**

**When Charterers were made aware of this, it was agreed that these interruptions for 'shifting hatchcovers' were not to be deducted from the laytime anymore.**

**So, when you are regularly trading certain cargoes, it appears to be worthwhile going into detail in a portoperation.**
**You might be deducting time from your calculation which was not necessary at all !!**

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# 9 ADDITIONAL LAYTIME CLAUSES

**The clauses on the following pages are found in various Charter Parties.**

**Some clauses refer to specific situations where (usually) laytime is NOT to count.**
**Other clauses are just to clarify who is responsible in certain situations and how/if it will effect laytime.**

**There are even additional clauses found in some Charter Parties, which are just a repeat of those already in the printed text of part II of the Gencon 1994 Charter Party.**
**Don't ask me why or how come, just don't know.**

**As an Owners broker, when screening a Charter Party prior to fixing, you can try to modify some clauses to make them, so to speak, more Owner friendly. A better laytime clause can sometimes be more valuable than the last Euro 0.25 on freight.**

**Success depends on your arguments and how you can convince the people you are talking to.**
**Success also depends very much on market conditions. If the Owner is in a strong position, it is easier to modify Charter Party clauses to more Owner friendly ones.**
**Otherwise, it will be a commercial decision whether or not to accept the Charter Party as it is.**

## A summary of clauses found in Charter Parties

**To argue about the rights or wrongs of each clause is in this Chapter not relevant. This is just a happy summary of the creativity of various people. … and best one saved for last !!**

**Before we start, perhaps you can ask yourself after each clause in whose favour such a clause is.**
**Is it protecting the Charterers or is the clause in Owners favour or is the clause a general/obvious observation ?**

**Some clauses can be modified to suit the other party. If so, how ? The answers to these are not given, just use your Own creativity!!**

**Take your time and have fun, ..as here we go.. !!**

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**Owners guarantee vessel suitable for grab discharge and loading. However, should any cargo be loaded in compartments inaccessible to Shippers or Receiver's grabs, then additional costs incurred to loading or discharging to be for Owner's account and any additional time lost on account of cargo being inaccessible to Shippers or Receivers grabs to be added to the laytime.**

**Time lost in waiting for berth to count as laytime, provided that all exempted periods applicable to the loading and discharging itself shall apply.**

**All opening and closing of hatches and removal of hatchbeams at loading and discharging to be done and paid for by the vessel in Owner's time.**

**Upon completion of loading the Owners are to seal the vessel's hatches with marine tape. The cost for marine tape to be for Owner's account and the crew to effect the sealing in the vessel's time.**

**Time used for opening and closing of hatches, also intermediate, not to count as laytime and all expenses to be for Owners account.**

**Notice of Readiness will not be accepted until holds are found clean up to Charterers inspector satisfaction, and time not to count until hold acceptance.**

**In case sworn Weighers and Measurers would not be able to ascertain quantity to load due to the fact that necessary scales and plans are not on board on the arrival of the vessel, the shippers will have the option to delay the start of loading operations and time not to count.**

**(Sneaky sneaky – the recap showed that 2000/2000mt load/disch was agreed but have discovered this single line in additional clauses of the Charter Party)**
**Laytime to be reversible between loading and discharging ports.**

**Cargo to be loaded with normal top levelling, any further trimming if requested by the Master to be for Owner's account and in Owner's time.**

**On completion of loading Shippers will supply the vessel with plastic sheeting to put on top of cargo. This operation to be done by ship's crew free of expense to the Charterers and in Owners time.**

**Shifting time and time lost for deballasting will not count as laytime, even if vessel is already on demurrage.**

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**Should boycott be imposed or other difficulties arise due to Vessel's flag, labour conditions on board or nationality of crew, time thereby lost shall not count as laytime and Owners shall remain responsible for the consequences thus resulting.**

**Reference Master's advice of loadreadiness it is understood that Charterers will be allowed an extra day laytime for each failure or delay by Master to give any of the pre-arrival notices as per Charter Party.**

**Separations, if any, to be done in Charterers time and for their risk, unless same is required by Owners/Master or by reason of vessel's stability and/or safe trim, in which case same to be for Owner's/vessels risk and expense and any time lost not to count as laytime or time on demurrage.**

**After vessel has passed inspection(s) as per Charter Party, Charterers privilege to fumigate hold(s) and/or cargo at their expense and actual time used to count as laytime as per Charter Party.**

**At Shippers/Receivers request vessel to shift alongside berth free of charge to Charterers, but time to count.**

**Seen in a Stevedore damage clause: Time lost for repairing such damage not to count as laytime provided Vessel's class or seaworthiness is not affected by the damage.**

**Any time lost due to Stevedores damage to the vessel being caused and/or Stevedore damage repair operations, and/or any circumstances resulting therefrom, both at loading and dischargingport, are not to count as laytime.**

**Owners to bring vessel in as soon as lay-by berth available. Time used in shifting from anchorage to lay-by berth and from lay-by berth to loading berth as well as time for clearing Customs and obtaining Grain Inspector's certificate is not to count.**

**Shifting time roads/berth to be added to notice time.**

**Vessel to provide light for nightwork, any time lost due to lack or deficiency of such to be deducted from laytime.**

**Intermediate draft surveys shall not be performed unless specifically requested and costs and any time used therefor shall be for account of requesting party.**

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## The best 'Force Majeure' clause ever created

**Last but not least, the Force Majeure clause. There are many Force Majeure clauses swerving around the maritime globe but this one is the absolute no. 1 (and the inventor should not be proud of it…)**

**Here we go – take a deep breath as it is just 1 sentence:**

**The Owners shall not be liable to Charterers nor will the Charterers be liable to Owners for any delay or failure in the performance of obligations hereunder, if such failure or delay is due to or result from an act of war or the anticipated imminence thereof, between any national body(s), restraints of rulers, governments, or people; legislation, decrees, orders, regulations or the like in the country of origin or vessel's flag; blockade, sanctions, civil commotion, political disturbances, riots, strike and lockouts; industrial disturbances, breakdowns, accidents and/or fire at Shipper's or Receiver's works or wharf, landslips; or stoppages whether total or partial, at ports, on railways, or other means of transport to or from the ports, on river, canal navigation; epidemics, quarantine; Act(s) of God; weather (including drought, fog, frosts, floods, snow, storms, tempest or washways) or any financial impecuniosity's of Charterers intended Buyers or other related default/s, in circumstances where, if relevant, alternative cargoes are not (in Charterers discretion) commercially attainable or any other event or occurrence of any nature or kind whatsoever beyond the reasonable control of the Owners or Charterers.**

**Yes, look back, just 1 sentence, black smoke from my Wordprocessor now…!!**

**If you read each occurrence carefully you will realise that no matter what happens, the Charterers will not hold the Owners liable (how nice, good boy!!) but also the Owners may not hold the Charterers liable for, amongst others, 'delay'. In other words – no time counting – no demurrage, just nothing !! Nice one !**

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# 10 DEMURRAGE / HALF DESPATCH – 'WORKING/LAY' TIME SAVED

**Despatch – in short sea not really 'done' – in deepsea nearly every voyage is fixed on basis of :**

## Half despatch

**means : any time saved on the allowed laytime, so time not used but allowed under the Charter Party conditions, is to be paid back to the Charterers at half the demurrage rate.**

**Easy example**
**– 5 days allowed for loading under the Charter Party**
**– Demurrage Usd 10,000.- per day pro rata / half despatch**
**– Only 4 days actually used for loading**
**- So 1 day laytime is saved by the Charterers**

**Owners to pay back this 1 day laytime saved, which is called 'despatch', at half the demurrage rate.**

**In our example : half of Usd 10,000.- is Usd 5,000.-.**

**No commission is to be calculated on despatch.**
**Brokerage commissions are payable on income to Owners.**
**Freight, deadfreight and demurrage are income to Owners.**
**Despatch is a payment back to Charterers.**

**If 6 days were used for loading – Charterers had to pay 1 day demurrage at Usd 10,000.- to Owners (less commission).**

## Abbreviations for despatch

**Most of the time you will see in offers/recaps abbreviations of despatch, for example 'HDWTSBE' which is**

**'Half Despatch Working Time Saved Both Ends'.**

**So we know its Half Despatch (HD) in load and discharge port (BE= Both Ends).**

**The WTS means 'Working Time Saved' or sometimes its replaced by 'LTS' – 'LayTime saved'.**

**Here the simple laytime calculation can be made as per Chapter 6 / page 28-34) and all the laytime used has to be deducted from the laytime allowed to end up with the laytime saved.**

**On the laytime saved Owners have to pay back to Charterers at half the demurrage rate.**

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## Beware for despatch on ALL time saved

**A tricky addition (which is not seen that much lately), but better draw attention to your Chartering desk, is half despatch ATS – All Time Saved.**

**All time saved can include weekends as well and is to be calculated as per following example:**

**- The ship finished loading on the Friday say at noon with**
**- 1 day laytime left**
**- Assuming a weekend clause of Friday 5pm/Monday 8am**

**The calculation is to be continued until the time the laytime allowed would expire.**
**So, upto the moment the vessel would come on demurrage.**

**In figures**
**Friday 1200 – Friday 1700 hrs = 5 hours**
**Monday 0800 – Monday 2400 hrs = 16 hours (ttl 21 hrs)**
**Tuesday 0000 – Tuesday 0300 hrs = 3 hours (ttl 24 hrs)**

**So Tuesday 0300 hrs is the moment laytime would expire.**

**Now with 'ALL time saved' the calculations runs from**

**- Friday 1200 hours to Tuesday 0300hrs which are**
**- 3 days and 15 hours at half the demurrage rate.**

**In our example of Usd 10,000.- per day pro rata this is a despatch of 3.625day x Usd 5,000.- (= half demurrage rate) = Usd 18,125.- return to Charterers.**

**Compared to WORKING TIME SAVED 1 day despatch at Usd 5,000.- the difference in the one word (Working time compared to All time) is Usd 13,125.-**

**Better check carefully before fixing as this can cost you big time !! Fortunately, as said, we do not come across this tricky wording anymore, but better be warned !!**

**Obviously, when fixed 'All time saved' and when you are working for the Owner you can always start your final calculations on the basis of working time saved. You can always give in and say sorry !!**

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# 11 STRIKE CLAUSE / ICE CLAUSE

**The strike clause and the Ice clause are perhaps one of the most underestimated clauses of the Charter Party and just screened if there are no deletions made.**
**But do we really know the actual details and consequences when we have to enforce these clauses ?**

**Herewith a global screening of both**

## STRIKE CLAUSE

**The General Strike Clause (Clause 16 of the Gencon 1994 Charter Party) might be one of the clauses people do not really care to read.**

**The Strike Clause in the Gencon 1994 Charter Party refers to the 'actual' loading and/or discharging of the Vessel. Strikes or lockouts anywhere else, like in the mines or the railways, are not considered as strike under this clause and consequently not effecting laytime under this Charter Party.**

**Over the last period of time, (especially) Charterers easily come to the conclusion that time is not to count anyway as it is beyond their control. Well, it is also beyond the control of the Owners.**

**One of the striking (what an expression!) lines of the strike clause are its closing words :**

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

**We can question ourselves, what are the obligations of Owners and Charterers as described above?**

**The strike clause is divided into 2 sections,**
**- 1 for loading (a) lines 218-227 and**
**- 1 for discharging (b) lines 228-243.**

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## The loadport

**There can be 2 situations of strike referring to the loadport.**

**- Strike before having loaded any cargo and**
**- Strike during loading.**

### Before loading

**If the vessel is on her way to the loadport and all of a sudden a strike breaks out:**

**The Owners obligation as per line 221-222:**

**The Owners may ask the Charterers to declare that they agree to reckon the laydays as if there were no strike or lockout.**

**In such case, the laytime is to count as normal, strike or not.**

**Charterers have the obligation to revert within 24 hours after Owners message (line 223-224) otherwise the Owners have the liberty to cancel the Charter Party.**

**Charterers and Owners might also agree to postpone the cargo if both parties have this flexibility obviously.**

### Important:

**If Owners do not ask Charterers to reckon laydays as if there was no strike, laytime does NOT count during the strike period.**

**So its not head down and keep quiet, but stand up and ask the Charterers.**

**If Charterers reply is that they do not count laytime as 'if there was no strike' Owners have the liberty to cancel the Charter Party.**

**If Owners still decide to show up at the loadport than time during strike is not to count as laytime.**

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## Strike during loading

**If the vessel is already loading and suddenly a strike breaks out than what happens ?**

**The only option the Gencon General Strike clause gives is that (as per line 225-227) the vessel has the option to sail having the liberty to complete with other cargoes enroute.**

**In shortsea this might not be at all feasible as when there is declared a general strike over the whole country or all over Europe it is not that easy to find other 'strike-free' ports where the vessel can complete with other cargo.**

## Neither Charterers nor Owners are responsible

**But what if**
- **the vessel is not in a seaworthy trim to sail or**
- **when loading grain cargoes and the vessel does not meet the minimum requirements for grainstability (i.e. failing to meet the requirements of the 'international code for the safe carriage of grain in bulk')?**

**In both situations the vessel need more cargo to complete, or to come into a seaworthy trim ?**

**The strike clause, as printed, does not give an answer to these situations. Of course there cannot be a printed clause covering all the aspects of what comes in force when certain situations happen.**

**In these situations, to my opinion, clause 16 c comes into play.**

**Line 244-246 reads that both parties are not responsible for the consequences of a strike.**

**If we turn this around and say 'both parties ARE responsible', we here have the perfect solution if they were to take their equal share in responsibility.**

**One can suggest that time during the strike is to count half and if vessel goes on demurrage its half demurrage until strike is over. When the strike is over, full time to count, or full demurrage until completion of loading.**

**You will realise that when you can back-up your comments/ proposal with quotes from the actual Charter Party, your counterpart will be more receptive to those comments than when just a blunt message is send.**

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## The dischargeport

**Also here situations can arise where the vessel can be still at sea steaming for the dischargeport, or already discharging, when a strike breaks out.**

### Before arrival at dischargeport

**Situations of shortloading or not being seaworthy are not applicable for strike in dischargeport. Vessel loaded as she was fixed for, got underway and aaahhhhh !!!! STRIKE !!**

**First to do is, as per line 236-238, notify the Charterers of the upcoming strike. Also the Charterers have to make up their mind what to do.**

**They need to reply within 48 hours after Owners notification (see line 236).**

**It is important to notify the Charterers (in writing), as the Charterers might not be aware of a forthcoming strike in the dischargeport.**
**Not notifying your Charterers can take away valuable time for them to make alternative arrangements in respect of damage limitation. If Charterers were not aware of the strike they might see themselves faced with a 'fait accompli', a situation on which they have no influence anymore or can't change.**

**Also, Charterers could here have a valuable point in rejecting a claim for demurrage afterwards, as Owners obligation is to notify Charterers. See line 237 which states '… after the Master or the Owners have given notice to the Charterers of the strike or lockout…'.**

**Back to the strike clause, within those 48 hours**

### Charterers have to declare an option of

**a) (line 230-234) keep the vessel waiting at the fixed port of discharge until the strike is over.**

**Laytime to count as if there was no strike. Only after expiration of the time provided, vessel to go on half demurrage until the strike is over.**
**When strike is over, she will go on full demurrage.**

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**Alternatively, Charterers can**

**b) (line 234-236) send her to alternative port where there is no strike and which is within 100miles range.**
**If the alternative port is further away, extra freight in proportion to be paid to Owners.**

## Strike during discharging

**If the vessel is already in the dischargeport and strike breaks out than the above is to apply as well.**

**Charterers can keep the vessel at the dischargeport (as per line 230-231) and sequence is as follows:**

- **First the laytime is to count 'as if there was no strike'**
- **after expiration of the laytime, the vessel is on half demurrage until the strike is over (line 232-233)**
- **Full demurrage to follow until completion of discharge (line 233-234)**

**Charterers, when realizing the strike could take a while, can also order the vessel to an alternative 'strike-free' port where she can continue discharge.**

**However, Charterers should realize that Owners no doubt will claim for extra steamingtime (and costs for bunkers used) and also to cover the Port Disbursements of the alternative port.**

## Additional Charter Party clause referring to strike

**It is also an idea to check the Charter Party first to see whether there is an additional (Force Majeure) clause in which strike is mentioned.**

**If there appears to be one, such a clause will (as we know) overrule the printed text in the Charter Party.**

**Most of the times, such additional clauses are so crooked, that laytime will not count at all during periods of strike. Check anyway how the strike is mentioned in such an additional clause, you might find a possibility to refer to the original printed text.**

**Best is to try, during the negotiations, to have 'strike' deleted from such an additional clause using the argument that there is already a specific clause referring to strike available in the Gencon 1994 Charter Party (clause 16). Sometimes this works, mostly not – but never tried, never succeeded.**

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# ICE CLAUSE

**The full Iceclause (clause 18) of the Gencon 1994 Charter Party is attached (Enclosure A) and suggest to first read this clause carefully before going here into further detail.**

**An ice clause was not invented purely to keep people busy. The purpose of this clause is to have recognised the dangers of an eventual ice situation and how to deal with it.**

**The ice clause gives the Master and Owners the option to decide to leave a port or not enter a port**

**'for fear of being frozen in'.**

**Such a decision is not taken to only cause trouble to Charterers who will see their chartered ships either shortloading or have their cargo discharged in another port.**

**More important, perhaps most important, is that the vessel will not be put into a situation where she could be damaged (beyond normal wear and tear) by ice and/or expose the vessel and crew to a dangerous situation.**

**To assist Masters/Owners in fully ascertaining the situation and keeping themselves fully up to date they will have weather forecasts and icereports (of ice developing) at their disposal.**

**As a rule of thumb, one should be sure that every Charter Party should contain an Ice clause. Nothing to worry for a cargo along the West African coast but if fixing on 'same terms and conditions' a cargo into an area where vessels run the risk of being frozen in, you have at least an ice clause handy and will have options for consequences due to ice.**

**It is important however to read an Iceclause (at least the one, which you are not familiar with) carefully. Deletions in an Iceclause should always ring warning bells and best is to study the consequences of the deletions.**

**The Gencon 1994 Ice clause is a Bimco approved document and covers the Owners well when the Master 'declares' his situation and the Owners have to 'call upon' the Iceclause.**

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## Important difference in Iceclause Gencon / Scancon

**Just be aware that the Iceclause in the 'Scancon' Charter Party (See Enclosre D - clause 15) looks quite similar to the Gencon 1994 Ice clause however there is one important difference.**

**If vessel can't reach the discharge port due to ice, in the Gencon 1994 Ice clause Charterers may declare an alternative port in a 100Nautical Miles range, outside this range extra freight has to be agreed.**

**The Scancon Charter Party gives Charterers the opportunity to declare an alternative port in the same country (line 199-200). This should not be a problem if you are talking Denmark. An alternative port nominated in Canada might be a different piece of cake…. (East or West Coast ?).**

# Iceclause versus Laytime

**After the General part of the Iceclause we have to check now what effect the Iceclause can/will have on laytime.**

## Port of loading

### Clause 18(a)

**When vessel is on her way to the loadport but same is closed due to Ice, Owners have the liberty to cancel the Charter Party and same shall be 'null and void' (line 351). No consequences for either party, laytime, penalties whatsoever.**

### Clause 18(b)

**After master has made his thorough and sound decision to leave the loadport without having loaded all cargo, as per line 358/359, freight is paid prorata. Also the laytime is to be calculated prorata. Notice time etc.. all remains the same.**

**The Owners have the option to complete with other cargoes. This could be part of the fixed cargo but loaded from an ice-free alternative port. All these additional cargoes are new Charter Parties, new agreements.**

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**Clause 18(c)**
**For laytime calculation purposes we also have to look at Clause 18(b) if only part of the cargo has been loaded.**

**If the 2nd port is accessible, the 2nd port clause has to be looked up if time is to count on arrival or first resumption of work or whatever has been agreed in such a 2nd port clause. If the 2nd port is not accessible due to ice, Owners have the option to leave that portcall for what it is and proceed with the cargo loaded in the 1st port only. Laytime to be calculated prorata on the cargo loaded.**

## To summarise the loadport,

**The consequences of ice in the loadport are easy to determine:**
- **if port frozen before arrival of the vessel, the Charter Party can/will be considered as null and void**
- **If vessel has to leave the port, all prorata**

**Above all and obviously, Master need to support his decision to sail.**

## Port of discharge

**When the vessel has loaded a full- or partcargo (as per Charter Party) and is on her way to the dischargeport, suddenly the icereports are indicating that the dischargeport cannot be reached due to ice. What to do ?**

**Clause 18(a) Line 371/372 indicates that the Master (or the Owners) has to give notice to the Charterers of the impossibility of reaching the port of destination.**

**Following same, Charterers have 48 hours to advise the Owners if they keep the vessel waiting at the ice edge against paying demurrage or sending the vessel to an alternative port.**

**In respect of laytime, the time does not count for those 48 hours. This stipulation in the Charter Party is considered as being 'Owners time'.**

**If the Charterers declare the option for an alternative port, the steaming costs and time, if within a 100NM range, are for Owners account.**

**If Charterers declare to keep the vessel waiting at the Ice-edge, the Charterers will have to pay demurrage until the vessel can start proceeding her inbound voyage.**

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**Only on arrival in the port/berth, the master can tender Notice of Readiness and time to count as per Charter Party.**

**Steaming time from ice-edge to berth not to count as time on demurrage.**

**Charterers might query that any laytime in the port 'not used' is to be adjusted with the time on demurrage whilst waiting weather/ice improvement. Although this might looks fair and reasonable, legally seen this is not correct.**

**The question can be asked:**
**What if the arrival at the ice-edge is within the 48 hours in which the Charterers have to declare their option?**

**The 48 hours starts to run as soon as Owners declare the inaccessibility of the port.**
**It is fair that Charterers are to be given some time to make up their minds whether they can find an alternative port for taking their cargo and arrange transport to final destination or whether they keep the vessel at the ice-edge and wait for weather improvements.**
**And as already commented under clause 18(a) the 48 hours period is fully Owners time and account.**

**Clause 18(b) during the discharge it will become apparent at a certain moment that vessel will possibly have to leave for fear of being frozen in.**
**Charterers will obviously have monitored this situation too and will most likely have made alternative arrangements in another port.**

**From a laytime point of view, failing the availability of a 2nd port clause in the Charter Party would suggest that 'time to resume to count on arrival/ berthing at the 2nd port'. This puts some pressure on the Charterers to arrange to work the vessel immediately and not delay the vessel as long as they might need under a delayed 2nd port clause.**

**Clause 18(c) only refers to the Bill of Lading conditions. No laytime items in here.**

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## Some situations of what happens, if… ??

**After having digested the Charter Party terms, let us imagine a few situations and try to find an answer.**

**Question:**
**If the fixed port is not accessible due to ice and Charterers suggested alternative port is well known to be slow – will this have an effect on the available laytime?**

**Answer:**
**If it is a loadport the Owners can consider the Charter Party as 'null and void' (see clause 18(a) line 350/351).**

**To fulfil Charterers cargo requirement, new terms/conditions can be agreed. If as 2nd loadport, new terms and conditions have to be agreed as well as Owners have the option to sail with the quantity as on board loaded in the first loadport and sail to the dischargeport as per Charter Party. It is upto the Owners to assist if they wish.**

**In the dischargeport the answer is simple : NO.**

**The change of port will be treated as the original port of discharging as fixed in the Charter Party and as signed for on the Bill of Lading and full terms/conditions to remain as originally fixed.**

**Imagine following :**
**Vessel arrives at the ice-edge for entering a port and icebreaker convoy is said to be there in 2 days to take the vessel into the port. After loading/discharging, vessel has to wait another day for icebreaker convoy to leave the port.**

**Question: When can Notice of Readiness be tendered (validly) and when will time stops counting ?**

**Answer: Notice of Readiness can only be tendered on arrival at the berth and time to count as per Charter Party terms/conditions (notice clause). Time stops on completion of cargo operations. All nautical delays are for Owners account (see also Chapter 14 / page 73).**

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**But now following happens :**
**What if after 2 days waiting for the icebreaker at the ice edge the port is suddenly declared inaccessible ?**

**For loadport, Charter Party will be null and void.**

**For dischargeport, when the port is declared inaccessible due to ice, Owners have to give notice to the Charterers as per clause 18(a) line 371. Consequently the 48 hours period, in which Charterers have to declare their option, is fully for Owners account.**
**No time to count sofar and also not for the 48 hours period.**
**Further procedure to be followed as per clause 18(a) (see page 55/56)**

**Last one – Loadport is inaccessible due to Ice.**

**As per Charter Party, the Owners may consider the Charter Party 'null and void'.**
**Can Charterers ask Owners to wait until the port re-opens ?**

**The answer is of a mutual understanding between Owners and Charterers.**
**Owners will surely ask for compensation of the waiting time.**

**Owners will formally declare the port 'inaccessible' and will highlight their option to declare the Charter Party 'null and void'.**

**If all parties expect the port to re-open soon as ice for example is melting the Owners would probably agree to maintain the Charter Party provided Charterers to pay detention at the demurrage rate for the time the vessel was stopped by ice until the vessel is again free to re-commence her voyage to the loadport.**

**Owners will probably ask Charterers to reconfirm their agreement within 24hours.**

**It is always Masters decision to sail!**
**A Charter Party may contain additional clauses to cover ice situations. It is most likely, these will be how to deal with the calculation of laytime in certain situations.**
**The paramount importance of an ice clause however is that the Master has superseding power to 'for fear of being frozen in' leave the port at any time of the day/night.**

**Any additional clause interfering with this authority will be null and void and not recognised by any Court of Law.**
**One can argue Master's decision afterwards (of course such have to be supported by strong evidence) but Masters decision to sail may not be criticised or questioned at that very moment.**

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# 12 TURNTIME / CQD / COP / TMS

**As already mentioned in Chapter 5, there are also a few different approaches to laytime and to the Notice clause or to a combination of same.**

**We can name**

**- Turntime**

**- CQD/COP - Customary Quick Despatch/Custom of Port**

**- TMS – Taxi Meter System**

**As always, read the Charter Party carefully not to go wrong on your timecounting with turntime.**

**With CQD/COP terms, as you will read further on, special conditions need to be agreed already during the negotiations on such terms so to have a leg to stand on when it all turns against you.**

**TMS is a different approach to laytime altogether, but one which really makes sense.**

## TURNTIME

**A different approach to Notice time is TURNTIME.**

**Some busy quick ports, working 7 days a week/24 hours a day, and where ships come and go quickly do apply a fixed waiting period before the available laytime starts to count.**

**This is generally known as TURNTIME.**

**An example of such a clause is this simple one :**

**Laytime shall commence twelve (12) hours after the vessel has tendered a valid, written Notice of Readiness. In case Shippers can arrange to load before the turntime expires, time actually used prior to commencement of laytime shall count.**

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## Turntime in Africanphos Charter Party

**The Africanphos Charter Party (Enclosure E) has turntime standard in their printed text and even in combination with a notice clause.**

**We extract from this Charter Party clause 6 (line 33):**

**Loading turn: The vessel will be loaded in turn not exceeding 48 hours, Sundays and legal or local holidays included, counting from 7am or 1pm after the vessel is in free pratique and Captain having given written notice to Shippers of readiness to load between usual office hours.**

**This means that for example if the vessel arrives at 16.00hrs, turntime to commence at 7am the following day. However, if for example the vessel arrives at 19.00hrs on any day, master can, between usual office hours, tender his Notice of Readiness the following morning and turntime to commence at 1pm.**

**After the turntime, we read in Clause 9 (line 58)**
**Time counting at loading port: Laytime to commence on expiry of turn according to Clause 6 … etc…**

**So it can take nearly 3 days before your actual laytime will commence to count.**
**Some relief however can be found in line 62-63 stating that time used in the weekend or before laytime commences, shall be counted half.**

**As these shipments are usually fixed on the basis of 'half despatch' it is just some extra income for the Shippers.**
**In fact, there is an item on the Disbursements Account where despatch is immediately invoiced.**

## Notices for arrival

**Beware in the Africanphos Charter Party for Clause 2 (line 1-3) Notices for arrival – if not properly done this will allow Shippers 24 hours extra for loading.**

**Where usually the vessels are loaded very quick, an extra day despatch to pay can be avoided by just giving them proper advance notices in writing (and they charge the extra 24hrs, don't you worry..!!)**

## Check the prospects

**Better check the prospects with the local shipagents prior to fixing as a quick load on paper (3000mt loading per day for a 5000tonner – see clause 8) can mean that after a portstay of 5 days you are still paying despatch.**

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## CQD/COP

**These 2 expressions are more or less the same and mean that there is no fixed laytime agreed.**

**Customary Quick Despatch (CQD) and Custom of Port (COP) indicate that the port has to expedite the loading and/or discharging (whatever the case may be) with their normal/quick load/discharge speed taking into account the nature of the cargo and the configuration of the vessel/holds.**

**For example, you can discharge 4000mt bulk from a 1 hold/hatch 4000dwcc box singledecker faster than from an old 7000mton ribbed/framed tweendecker with considerable understow.**

**You may assume that discharging the 4000tonner may take 2 days whilst the 4000mt from the tweendecker might take 3 or 4 days. Discharging 4000mt 1mton pallets in stead of bulk from a 4000tonner might take longer than 2 days, CQD or COP might be 4 days for that (1000mton per day is not too bad).**

**Also the normal working hours of the port are to be taken into account.**

**It is always a good idea to check before fixing what the normal production rates are and port working hours. Just to avoid surprises.**
**Owners themselves can order overtimes of course to improve load/discharge rates, provided the cargo is available for loading/discharging, but this is for their own account (or, as in many Charter Parties claused, for the account of party ordering same...).**

## Detention

**Do Owners have the possibility to claim detention under these terms for slow despatches. The answer is YES, of course.**

**It is however of paramount importance that (in legal terms)**

**Owners can demonstrate that the delay is in fact within Charterers sphere of responsibility ie Owners must establish a direct link between the cause of delay and the Charterers.**

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**It can even be explained that if the consignee/receiver fails to provide a ready berth on arrival at vessels discharge port that this cannot be attributed as a fault of the Charterers, hence 'outside the sphere of Charterers responsibility' (unless the Charterers are also the receivers).**

**There is a good chance of success, that detention can be claimed, when the cargo is not ready on presentation of the vessel at the loadport within the laydays.**
**But detention can be claimed also, if there are delays in the dischargeport because, for example, the cargo documents are not available. That can be considered as a direct link with the Charterers.**

**Collecting evidence to support your claim is the keyword, the more evidence the better.**

## Define situation under which can claim detention

**Best is to avoid CQD/COP during the negotiations of the fixture. However, if you want to take the risk (or take the encouraging freightrate), it is very important to define situations under which detention can be claimed under CQD/COP terms, and so protect Owners interests.**

## Few examples of special terms/conditions

- **if berths are occupied, 'waiting for berth' may not exceed 2(two) days (or any other number of days both parties can agree upon) otherwise detention is due to Owners.**
- **Stevedores to work the vessel with min 3 gangs, otherwise detention to be charged at pro rata of the number of gangs working the vessel.**
- **In dischargeport, the same number of gangs to be used as in loadport, otherwise detention to be charged prorata to the number of gangs working the vessel.**
- **CQD discharge but detention to apply in case of lack of labour, cargodocuments, discharging/receiving men and/or equipment and/or trucks.**

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## Interesting example of detention under CQD terms

**An interesting example of detention under CQD can be found when vessel A loaded in B a cargo of 10000mton for discharge in C under CQD terms.**
**Now the cargo were generals and the vessel was a framed tweendecker with trimmingplates.**

**Owners checked, prior to fixing, with the loadport agents and after the agents had checked with the Stevedores, the Owners were sent the ports conditions on loading terms basis CQD and same would be done in abt 10 days shinc equivalent to some 1000mton per day production/loading.**

**To cut a long story short, loading wasn't that fast at all and it took in total some 30 days to load.**

**Was this a Customary Quick Despatch ??**

**Obviously Owners did not think so and claimed 20 days detention.**

**Charterers were of the opinion it was CQD. They claimed Owners checked with the agents and knew their vessels configuration and even the exact cargo description. Owners accepted the risk of the CQD terms being not so quick but still customary for such a type vessel.**

**After Charterers and Owners could not reach an amicable settlement this dispute was brought to Arbitration.**

**The Court ruled that Owners were awarded their claim in full on the point that the port gave their CQD loading terms in writing on the basis of vessels configuration and same was not met by the stevedores. The court also established a direct link between the Stevedores and the Charterers.**
**Hence, Charterers were in a position to influence the situation but failed to do so.**

**A lot of supporting evidence brought success to the Owners where Charterers could only find very little in support of their position.**

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## TMS – Taxi Meter System

**YARA, the Fertilizer company probably known by some of us under its former name of HYDRO, has introduced (since 01.07.1998) a new system on time counting for part of their contracts. It is called:**

**TMS, which is the abbreviation for 'Taxi Meter System'.**

**You can indeed compare it with a Taxi Meter as it counts the time you are in the port from arrival (any time day or night shinc) until completion of loading (and even until documents are signed on board) or until completion of discharge whichever the case will be.**

**Just like a taxi. You pay your fare from the start until the end of the trip.**

**In Laytime wording you can say :**

**'This is SHINC without notice clause'.**

**The total TMS time in loadport and dischargeport will be paid at the demurrage rate. Time is to count even with weather interruptions or weekend interruptions whatsoever.**

**The system works very well as in many ports you will see that all of a sudden, the overtime to finish a vessel is possible after all. Also weekend work appears to be possible as well.**

**Obviously, as the big receiver/customer is now insisting on working the vessel to a finish the Stevedores are much more interested to keep the customer happy. If not, it will cost the customer extra money for going into the next day. And of course, as always, the Stevedores will have a bad time if the Customer is not happy so he better finishes the vessel.**

**So it works both ways, the Charterers have their cargo discharged quickly and paying less TMS and the Owners have their ship earlier at their disposal again.**
**Voyages are significantly shorter, now even without the hassle and lengthy discussions about the possibility of overtime to complete or not.**

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**For the rest the basic principles are the same.**

**The ship must be loadready of course and the Master needs to request for holdinspection. That is the moment to start from, usually this is done on arrival/all fast.**

**No TMS if the vessel fails inspection until she passes inspection.**
**No TMS time to count either prior to the first layday except actual time used prior commencement of laydays is to count. Otherwise from 00.00hrs on the first layday. If delays due to Owners matters, these times are also to be deducted.**

**We can think here of breakdown of Vessels equipment, stop loading due to deballasting, taking/reading the drafts (if requested by Owners), opening/closing of hatches, taking bunkers etc...**

**In the dischargeport time is to count from arrival/all fast. Opening hatches and removing plastic is not to count as TMS time.**

**When vessel has to anchor due to berth occupied, TMS time is to count as from vessels arrival at the anchorage. Shifting time from anchorage to berth is not to count.**

**From an accounting point of view, there are always 2 invoices to be made. 1 for the freight and 1 for the TMS.**

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# 13 LINER TERMS / DETENTION

## Differences between FIO and Liner terms

**Liner terms is the opposite of FIO (Free In Out). What are the main differences between FIO and Liner Terms ?**

**We name a few**

### Who is paying for loading and discharging?

**Where on FIO terms, the Charterers are arranging and paying for the costs for loading and discharging, on Liner Terms it is the Owner to take the responsibility for arranging the stevedores and also to pay for the costs for loading and discharging.**

### No fixed laytime

**Also no laytime is agreed. Are the Owners also taking on board the risk for delays ? No, even under Liner Terms, specific terms can be agreed for a speedy / timely loading and discharging.**

### Other Charter Party

**Where FIO terms are fixed under, for example, a Gencon 1994 Charter Party, Liner Terms are (usually) fixed under the terms/conditions of a 'Conline Booking Note'. Bimco has approved the 'Conlinebooking 2000' as their recommended document (See Enclosure F).**

### Different names for parties concerned

**Charterers are the counterpart of the Owners under FIO terms / Gencon 1994 Charter Party. In the Conlinebooking 2000, when talking Liner Terms, the Charterers are called the 'Merchant' and the Owners are called 'the Carrier'.**

### Demurrage becomes Detention

**If the laytime is exceeded under FIO terms this is known as 'Demurrage'. Under circumstances where the loading and/or discharging is slower than it should have been, the Carrier can claim the Merchant for 'Detention'.**

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## Conlinebooking 2000

**In clause 9 of this Booking Note is the obligation of the Merchant under 'Liner Terms' specified (See Enclosure F).**

### Clause 9a

**defines that loading and discharging are arranged by the Carrier (the Owners) or his agent (f.e. the local portagent).**

### Clause 9b

**defines that the Merchant (the Charterer) is responsible for the cargo prior to loading and after discharging. This means that the actual loading and discharging (as per clause 9a) is the responsibility of the Carrier(Owner).**

**Clause 9c reveals that**

**'Loading and discharging may commence without prior notice'.**

**This means that as soon as vessel arrives, the cargo has to be ready on the quay for loading and receivers have to have trucks/hoppers/forklifts (or any other means of receiving the cargo) ready on the quay for discharging.**

### Clause 9d

**implies the loading of the vessel to be**

**'as fast as vessel can receive'.**

**The Shippers must ensure there is a constant flow of cargo being brought to the ship (if geared and loading with ships gear, to deliver the cargo to 'under ship's tackle'.**

**Clause 9d even gives the Carrier the liberty to receive cargo 'if required by the Carrier, outside ordinary working hours notwithstanding any custom of the port'.**

### Clause 9e

**refers to the dischargeport and here we have the expression**

**'as fast as vessel can deliver'**

**similar terms as loading clause 9d to apply.**

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## What is the effect on laytime?

**From a laytime point of view (where this dissertation is all about) if the Shippers/Merchant cannot meet the requirements of clause 9d + 9e, the Carrier can hold the Merchant liable for losses, or as per the wording of the same clauses in the B/N (Booking Note) :**

**The Merchant shall be liable to the Carrier for deadfreight and/or any overtime charges, losses, costs and expenses incurred by the Carrier.**

**For overtime costs, one can think of the Carrier having arranged Stevedores to work at night and the Shippers do not deliver the cargo. In such case, Stevedores are on the quayside for nothing but still have to be paid in which case the Merchant will be held liable for same by the Carrier.**

**The waiting time for delivery of cargo, or to receive the cargo, can be charged at detention rate.**

**The Master has to clause the Statement of Facts for all time lost waiting for cargo or waiting for Receivers to collect the cargo.**

## No Force Majeure clause

**It is important to know that the Conline Booking Note (the printed text) does not contain a Force Majeure clause. If the roads were blocked preventing delivery or reception of cargo, Merchant cannot decline responsibility and say it was beyond their control.**
**Without the availability of a Force Majeure clause they are still liable for detention under the Conlinebooking 2000.**

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## Guaranteed takeaway

**Special clauses can be agreed in loading and discharging.**

**For example the Merchants can agree to a**

**guaranteed takeaway of 4000mton per day.**

**If receivers cannot meet these quantities than Merchants are liable for detention towards the Carrier.**

**However, if the vessel can discharge more than 4000mton per day, the Receivers/Merchants obligation is only for a minimum of 4000mton and as a consequence, detention cannot be claimed by the Owners, even if this quantity is already reached at 14.00hrs for example.**

**As per clause 9c, remind you that there is no notice clause so time to count on arrival, unless again some other terms have been agreed in additional clauses like time to count as from next working period or 08.00hrs the following day.**

**The term Guaranteed Takeaway can also appear in a FIO Charter Party where geared vessels are equipped with grabs. Here the vessels are assured of a minimum dischargespeed, if of course the vessel is capable to discharge such a quantity in a day.**

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# *14 KNOW YOUR C/P*

## Knowledge is Power !!

**This might be an open door but it is important to study a Charter Party and know what you are talking about before going into a dispute (or shall we call it a 'difference of opinion').**

**Supporting your arguments with references to specific clauses in the Charter Party makes your message so much more convincing.**

**On the other hand, it also helps you to realise you have actually no leg to stand on. So just have a try whether you have some chance to succeed (whilst you know better!!) or use your energy on other matters..!!**

**Also during the execution of a voyage, it is handy to have your knowledge ready to judge the (port)situation and take appropriate action to save a day or a weekend on a voyage.**

**Or in laytime matters, to know which clause can help you to support your calculation as you made it.**

**Time is money and your knowledge/action can help making more money...!**

## Additional clauses overriding the printed text

**This is a repeat of an earlier phrase, but just for the sake of good order,**

**If there are any additional clauses agreed in the Charter Party, these will override those of the printed text of a Charter Party.**

**Of course, you are always free to explain to your counterpart otherwise.**
**If you are convincing enough, you have a job 'well done' !**

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## Notice time upto/including noon

**Although the Gencon 1994 edition is clear on the notice time of 12.00hrs exactly (line 103 – upto and including 12.00hrs) this was not in the Gencon 1976 edition where 12.00hrs did not even existed – it was before noon or after noon.**

**Exactly 12.00hrs under these Charter Parties are meantime accepted as being considered before noon.**

**Consequently, laytime will start to count at 14.00hrs (as per amended 2pm/8am notice clause).**

## Quickly review laytime used/allowed

**If you are running towards a weekend and you see some delays coming for a vessel – just quickly calculate laytime used sofar. By alerting the Shippers/Receivers or the Charterers of a demurrage claim forthcoming they might arrange overtime to finish the vessel timely.**

**On the other hand, perhaps (if fixed a weekend clause with time actually used to count) a few hours overtime during the weekend can result in vessel coming on demurrage during the weekend in stead of only sometime on Monday…!!!!**

## Shifting anchorage/port postponed

**A true story to support the idea of a quick calculation to check on laytime, compared to vessels position, was on mv 'A'.**

**The Owners had fixed the vessel on a Grainvoy Charter Party with 24 hrs for loading. She arrived at the loadport on a Thursday morning within her laydays.**

**The berth however was occupied and mv'A' was ordered to stay outside at anchorage from where Notice of Readiness was (validly) tendered accordingly. Time to count as per Charter Party at 15.00hrs (according to Grainvoy Charter Party) on the Thursday.**

**The agents advised vessel could enter on Friday afternoon when the vessel occupying the loadberth was expected to sail. However, loading mv 'A' was only to commence the following Monday.**

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**Time from anchorage to berth, according to the agent was about 3 hours. Mv 'A's laytime would expire 15.00hrs on Friday however with the shifting involved, and shifting time not to count as laytime, her laytime would only expire the following Monday at around 09.00hrs.**

**The Owners suggested and agreed with the agents to shift mv'A' only on Saturday morning with the excuse of 'to be sure the other vessel was gone…..'!!!**

**As a consequence, Mv'A's laytime expired on Friday afternoon at 15.00hrs and vessel completed loading on Monday early afternoon. The Owners claimed a full weekend demurrage and same was paid (obviously under deduction of the shifting time on Saturday morning).**

**You see, it pays when you know your Charter Party !!!**

## Fumigation Charterers time/expense

**If Charterers, Shippers and or Receivers decide to fumigate the cargo of grain after completion of loading, the costs and consequences are for the Charterers account and time to count as per Charter Party until the time the Surveyor (or gasdoctor) gives the green light to commence the seapassage.**

**Certain instructions will be given to the Master in respect of the number of days the hatches have to remain closed.**

**Sometimes this can run upto some 4/5 days so it can happen that the vessel already arrives in her dischargeport before these number of days have expired.**

**In the dischargeport the vessel can, as per Charter Party, tender her Notice of Readiness and time to count as per Charter Party.**

**The Synacomex Charter Party (a Charter Party developed for the carriage of grain) has in the printed text a special clause for fumigation.**
**Clause 11 (line 72/76) gives the Charterers the authority to fumigate the cargo and arrange for the safety of the crew (hotel accommodation) if this becomes necessary.**
**Also Charterers accept to count time used for fumigation as laytime or as time on demurrage.**

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## No Original Bills of Lading at dischargeport

**It happens regularly that the Original Bills of Lading have not arrived in the dischargeport on vessels arrival. Owners/Master have no alternative than to keep the hatches closed until the agent can present an endorsed Original Bill of Lading.**

**Master can validly tender his Notice of Readiness and time is to count as per Charter Party. Interruptions for weather etc.. are to be deducted in accordance with the terms/conditions fixed.**

**Unless there is a, for Owners acceptable, Letter of Indemnity (LOI) in place from the Bill of Lading holder allowing the Master to release the cargo to a nominated Consignee or unless there is any other guarantee to Owners satisfaction in place, the Owners can rightfully keep the hatches closed and count time lost as laytime or time on demurrage in accordance with Charter Party terms/conditions.**

**The non availability of the documents is beyond Owners control, even if it concerns 'Freight Prepaid' Bills of Lading and late release was caused by late payment of freight.**

## Nautical circumstances always an Owners matter

**The vessel is sailing for a tide and just missed it. Next tide is not making its prediction and vessel cannot enter the port on this tide. To make the situation even worse, as tides were dropping, the next available/suitable tide for the vessel to enter the port is only in 5 days.**

**Can master present his Notice of Readiness and is time to count as laytime for those 5 days?**

**The answer is NO.**

**Tides and any other nautical matter is purely an Owners item and 100% Owners responsibility.**

**Looking for an alternative port is to be done in mutual discussion with the Charterers. If Charterers are not in a position to offer any alternative there is nothing to be done and the Notice of Readiness can only be accepted upon the first available/suitable tide and time to count accordingly.**

**In general, nautical reasons preventing the vessel to berth at the designated berth (as per Charter Party) are always an Owners matter.**

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**For example, if the locks are out of order preventing the vessel to enter the port and berth, or if the passage to the berth is blocked, weather/swell prevents the vessel to enter the port. All Owners matters.**

## What if the berth was occupied?

**When the berth was occupied, it will be a completely different story.**
**Of course same has to be claused on the Statement of Facts. This will give the vessel the opportunity to have the Notice of Readiness tendered from the roads (Gencon 1994 Charter Party line 109-116) and same has to be accepted as per Charter Party.**
**It will need some work to convince your Charterers as no doubt they will comment or try to reject the tendered Notice of Readiness.**

**Chapter 15 / page 82 ref Alert in the Port could give some tools to argue the rights or wrongs although in that case the port was not tidal and her Notice or Readiness was already accepted.**

**In disputes, especially when they are being brought to court, it is always a matter of evidence to prove your arguments are correct and have a solid basis.**

**When you foresee a possible dispute arising, you can better immediately, on arrival of the vessel and berth occupied, copy Masters Notice of Readiness to the Charterers and request confirmation and acceptance of same as per Charter Party.**

**If no reply or confirmation received, one can better start collecting evidence when the matter is still fresh and observations in your support can be made whilst at/off the port. It might not be necessary after all but it could end up as a few minutes well spend!**

## Stevedores damage

**The Gencon 1994 Charter Party has the following printed text in Part II – Clause 5(c) line 83-88 which herewith quote**

**Clause 5(c)**
**83 The Charterers are obliged to repair any stevedore damage prior to completion**
**84 of the voyage, but must repair Stevedore damage affecting the Vessel's**
**85 seaworthiness or class before the Vessel sails from the port where such**
**86 damage was caused or found. All additional expenses incurred shall be for the**
**87 account of the Charterers and any time lost shall be for the account of and shall**
**88 be paid to the Owners by the Charterers at the demurrage rate.**

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**Now, before holding various parties responsible under this clause, better check the rest of the Charter Party for any other stevedore damage clause.**
**In many Charter Parties you will see that the Stevedores will be under direct responsibility of the Master and any stevedores damage to be settled directly between Owners and Stevedores.**
**In a few Charter Parties you might find that in the end, if Owners and Stevedores cannot reach a settlement that 'the Charterers are to remain ultimately responsible'.**

**This is for the costs, time lost due to stevedores damage not always to count as laytime, in fact, very rarely to count as laytime unless vessels seaworthiness and Class are involved.**

**But, better always hold all others responsible for the damage and time – you can always crawl back and settle your claim.**

## Cargo is free trimmed, but to what extent ?

**Vessels fixed on FIOT terms (Free In/Out Trimmed) have the cargo trimmed free of expense to Owners.**

**Sometimes this is defined into Spout trimmed, Grabtrimmed, Conveyorbelt trimmed etc…**

**This means that the Master must ensure to direct the Spout/Grab/Conveyorbelt as such that the cargo is well trimmed/levelled in the hold to his satisfaction.**

**Charter Parties will sometimes contain clauses to protect Charterers from these extra costs if they have to be done by Stevedores. For example:**
**In the loadport extra trimming, if required by Master, is for Owners account and time used as such is not to count as laytime.**

**If the conveyor belt for example cannot reach certain areas of the hold, it is the Masters responsibility to have his crew ready to do this extra trimming.**

**It speaks for itself that if these stipulations are not available in the Charter Party, Master may require stevedores to have the cargo properly/safely trimmed at no costs to Owners and with time to count as laytime (or as time on demurrage).**

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## Lashing/Securing/Dunnaging, time to count

**Steelcargoes and generals/project cargoes always need to be Lashed/Secured/Dunnaged to Masters satisfaction to ensure cargo is seafastened and safely secured for the intended voyage.**

**It is of course, for cargo shipped underdeck, the Owners/Vessels responsibility under the Bill of Lading to ensure the cargo will arrive in the same condition as loaded without damage or shifting.**
**Deck cargo is always for Charterers risk and expense and same must be claused on the Bill of Lading accordingly. Obviously master must ensure that this is also safely stowed and secured to his satisfaction.**

**The time used for such an operation can be 1 hour upto to many hours more if the (project) cargo involves many pieces and/or even big/heavy pieces on deck.**

**When fixed on FIOS L/S/D terms (Free In Out Stowed, Lashed/Secured/Dunnage) all costs are for Charterers account, the time used for the L/S/D operation is to count as laytime.**

**Unless there is specifically agreed in the Charter Party that the time used for same is Owners time.**

**Besides the time factor there are also costs involved for the Lashing/Securing and Dunnage. The cost item is always prone to many discussions and during the negotiations it has to be clearly agreed for whom these costs are in order to avoid unnecessary hassle afterwards (or during the operation).**

**Costs for LSD of a small piece on deck, as part cargo for example, can run quickly into Euro 2/3,000.-.**

**If no agreement made beforehand, who is to pay ?**

**Timewise, one may assume that time used for LSD will be for the party paying for the LSD.**
**Many Owners do agree that, if it just 1 piece on deck for example, they will do the LSD themselves with materials as on board.**
**In such case, without any reference to timecounting, time used for same is Owners time, so not to count as laytime.**

**Ensure however to clause on Statement of Facts, if LSD is for Charterers account, the actual time of completion loading + the actual time of completion of lashing/securing.**

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**In dischargeport one should pay attention that the Statement of Facts are claused the time of completion of discharge to include the time when all dunnage was removed from the vessels hold.**

**If the last piece is out, Charterers stevedores need to collect and remove all dunnage.**

**Same is referred to in the Gencon 1994 Charter Party clause 5, line 57-59 The Charterers shall be responsible and pay the cost of removing their dunnage after discharge of the cargo under this Charter Party and time to count until dunnage removed.**

**See also Chapter 15 / page 84.**

## 1% in lieu of weighing

**Some Charterers apply a percentage (usually 1%, could be 2%) of goodweight to their shipments.**

**Nowadays it is actually more some sort of tradition and this is called some percentage 'in lieu of weighing'.**

**Freight and commissions are calculated on the Bill of Lading weight less say 1% ilow (in lieu of weighing).**

**Laytime however, is still to be calculated over the Bill of Lading weight as this is the cargo actually loaded/shipped.**

**We see 'ILOW' still regularly when shipping concentrates in bulk. This commodity can hold a lot of water.**
**The point where the cargo may liquefy is called the Flow Moisture Point. The percentage of water in the cargo, the Moisture content, is given to the master prior to loading.**

**Obviously this percentage must be within the 'Transportable Moisture Limit'. This is usually taken as 90pct of the Flow Moisture Point.**

**Further reference about cargoes which may liquefy can be found in the 'Code of Safe Practice for Solid Bulk Cargoes, the BC Code'.**

**During the voyage and upon completion of discharge some water might remain in the hold, which is actually loaded but not discharged/delivered.**

**As it will be very difficult to quantity the exact weight of non delivered cargo, a percentage on the Bill of Lading will be taken ILOW – 'in lieu of weighing'.**

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## Waiting for documents – How long can you wait ?

**Do you know how long you can wait for documents before you can start charging detention ?**

**We all know the situation, vessel completed cargo operations and is waiting for the agent to come on board with the necessary paperwork.**

**What is reasonably time to produce these documents and when does it become an issue in your laytime calculation?**

**The word 'reasonable' is the keyword and each case should be considered on its own merits.**

**A bulk shipment from one loadport to one dischargeport would see a quicker production of cargo documents than a general cargo with a considerable number of Bills of Lading for various dischargeports.**

**Reasonable is some 2 to 3 hours, if unreasonable time is required to produce the cargodocuments than the whole period, from completion of cargo operations until the cargodocuments are on board, is to be charged at demurrage/detention rate.**

**In support of this view, an interesting arbitration award was rendered in London in 1989 where cargodocuments were only delivered on board some 10/12 hours after completion of loading.**

**Master (rightfully) insisted on clausing the Bills of Lading with regard to the condition of the cargo. Charterers refused this and as a consequence, valuable time to the vessel was lost in trying to find a solution.**

**The court ruled that Charterers were liable for the whole period from completion of loading until the cargo documents were delivered on board.**

**This trend was followed by New York arbitrators in even more stronger words. All time required (if reasonable or otherwise) to prepare cargodocuments are for Charterers account.**

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## Extra laytime when eta's are not given timely

**Some Charter Parties have clauses like this one or similar**

**Master/Owners to give 96hrs and 72hrs approximate notice for arrival followed by 48/24/12-hrs definite notice for arrival at dischargeport. If the three definite notices are not given in accordance herewith, the Charterers to be allowed extra 12 hours for discharging.**

**Obviously, the operations department of the Owners should be aware of same and also Master should be stressed to give notices of expected arrival in accordance with the Charter Party requirements.**

**This just to prevent you from a rejection of your demurrage invoice as this can be easily avoided. The consequences when you are on demurrage just after the weekend in stead of just before the weekend, can be significant.**

**See also Chapter 12 / page 60 (Africanphos Charter Party Clause 2 line 1-3)**

## Geared ship – 1 crane out of order

**If loading and discharging operations are to be done using ships gear, time is to count in accordance with the load/discharge rate as agreed with all terms/conditions/notice clause as per the relevant Charter Party.**

**But, when ships are geared it can always happen that a ships crane can break down and is temporarily out of order.**

**How does this effect laytime ?**

**It might be boring to hear, but let us check first what the Gencon 1994 Charter Party is revealing.**

**Actually, this Clause 6b line 61-75 is a very reasonable clause and nothing wrong with it.**
**Perhaps you can read it first (see Enclosure A).**

**For laytime matters, line 66-69 are of importance.**

**Unless caused by negligence of the Stevedore's, 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.**

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**So, if 1 crane, out of the 4 working the cargo, is out of order time will count 75 pct but only for the actual time lost. As said, very reasonable as Charterers fixed a geared ship, obviously paid a premium on the freight for same, so they may expect that the cranes are 'in good working order'.**

**However, if the hold served by the broken crane is/was already completed there is no more time lost and laytime continues to count 100%.**

**If the vessel is already on demurrage it is not really 'Once on demurrage, always on demurrage'.**
**If 1 crane out of 4 is not working and vessel is already on demurrage she is on 75% demurrage.**

**SO, once on demurrage, but not on full demurrage..!!**

## 2 Cargoes to/from 1 port

**You have fixed 2 cargoes from the same port. To which Charterers do you give your Notice of Readiness first ?**
**Or do you give notice to both Charterers at the same time ?**

**This depends on the stowageplan of the cargo on the vessel.**

**If cargoes are stowed in different holds but can be loaded simultaneously, Notice of Readiness for each cargo can be tendered on vessel's arrival and time counts simultaneously for both cargoes.**

**If however one cargo has to be stowed in the lower hold and the other on the tweendeck, Notice of Readiness for the 2nd cargo cannot be tendered before loading of the 1st cargo has completed and tweendeck closed.**

**Advance notices of expected day/time of loadreadiness for the 2nd cargo have to be given as per Charter Party, although vessel is already in the port. This to put these Charterers on notice that the vessel is soon ready to work their cargo.**

**However, if the berth is not available and vessel has to wait outside time counts 100 % on all cargoes.**

**Charterers will probably insist to count laytime pro rata but although this may seem reasonable it is legally not correct.**

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## Time bar clause !!

**Any claim, deadfreight, demurrage and/or charges or expenses under this Charter Party shall be deemed waived/extinguished and absolutely barred if such claim is not received by Charterers in writing with supporting documentation within 60 (sixty) days of the date of completion discharge of the cargo concerned under this Charter Party.**

**These Time Bar clauses become more and more popular in Charter Parties. Do not know why but have seen Charter Parties which bars demurrage claims after 30 days upto 90 days.**

**Communication between the Chartering desk and the operations department (and/or laytime calculator) is necessary here to prevent a demurrage claim becomes barred before it is invoiced. Isn't it sad to see your claim of Euro 4,000.- being waived because it was invoiced 1 day too late ?**

## Demurrage alert clause !!!

**Also found the following in a Charter Party:**

**The … Demurrage alert clause !!!**

**This one reads as follows**
**In case it would become obvious to the Owners that the loading and/or discharging operations would not be completed before the allowed time expires and consequently demurrage can be expected to accrue: the Owners shall then immediately notify the Charterers of such expectation which will then allow the Charterers to take proper actions to amend and prevent demurrage.**

**This looks like a good co-operation between Charterers and Owners. It at least gives Charterers the opportunity to do something about the loading or dischargingspeed than suddenly being invoiced for demurrage.**

**However, I have not seen any penalty if Owners did not alert to demurrage forthcoming.**

**After checking with the Charterers broker, they advised that this is a clause in mutual respect and there was indeed no penalty if the alarm bells were not sounded.**

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# 15 LOOK OUR FOR….

**There are always circumstances where extra care, sometimes even creativity is required to come to the truth.**

**The following situations are true stories.**

**By sharing the belowmentioned situations, hopefully we can limit future situations where sometimes obvious remarks could end up to have a far more serious inpact in respect of costs and time involved. Remarks which were not discovered in time nor had any relation to the vessel in/off port but were still claused on the Statement of Facts.**

**This is what you can expect in the real world. It will rely on you to defend your case and better be warned now !!**

## Alert in the port !!

**Alert in the port !! Port closed from Wednesday 12.00hrs to Thursday 12.00hrs due to swell.**

**The above was claused on a Statement of Facts in the port of Safi, Morocco where vessel 'X' was waiting at the anchorage for an available berth.**

**This vessel was fixed on a Synacomex Charter Party with time counting in discharge port basis 1500mton per WWDAY of 24 Consecutive Hours - usual 2pm/8am notice clause.**

**On port authorities instructions the vessel had to drop anchor on the roads as the port/berth's were occupied. 8 ships were ahead of her waiting in a queue to enter the port.**

**Master rightfully tendered his Notice of Readiness from the anchorage and time was to count as per Charter Party.**

**After some days waiting on the roads of Safi the vessel was given a free dischargeberth and discharge took about 7 days.**

**Upon completion of the voyage and checking the laytime, Owners made a substancial claim of about Usd 23,000.- for demurrage. Fortunately for the Owners the vessel came on demurrage just before the weekend.**

**Charterers however rejected the claim as they arrived at a demurrage of some Usd 6,000.- only. According to Charterers calculations the vessel came on demurrage just after the weekend.**

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**Where was the difference ?**

**The 'Alert in the port' was not counted by Charterers as laytime and they based themselves on the Portlog which was claused on the Statement of Facts and signed by the master.**

**Owners disagreed and after thorough investigation was made Owners established that**
**a) all berth's in Safi were occupied**
**b) all vessel's in the port worked during the ALERT**
**c) Charterers, on arrival, did not provide the vessel with a ready berth and most important**
**d) being fixed on a weather working day and, as all vessels worked in the port without any interruption, the weather did not interfere in the operations, so time to count as laytime**

**Charterers only argument was the signed Statement of Facts by the Master (including the Alert). After collecting evidence, the Owners could relay supporting documents of other ships in the port to show that no stoppages were recorded on account of weather. Also no berth became available as there were no movements in the port anyway.**

**Owners started legal procedures and invited Charterers to appoint their arbitrator in the court proceedings.**

**That was the moment the Charterers gave up their resistance and settled the claim with Owners for the required amount of some Usd 23,000.-.**

**Lesson to learn, Masters are to carefully check Statement of Facts presented to them including all additional information printed on same prior to signing same. Just a check whether the information is relevant, whether it might jeopardise a laytime calculation or whether the information interferes with the (non)operations of the vessel.**

**Also, as already commented in Chapter 12 / page 63, to support a claim one should collect evidence. The more the better.**

**Just a one-liner from yourselves can be countered easily, supporting documents/evidence are far more difficult to counter or to reject.**

**Simple logic, knowledge and flexible interpretation of the Charter Party proved valuable here.**

**Although Owners had to spent some monies in legal fees it paid out well. Obviously, another lesson to learn is also to first make a calculation how much can you earn in a dispute before carrying your money to legal assistance. Don't spend a 1000 to earn 500.**

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## Completion of discharge incl dunnage

**Completion of discharge of the vessels steel cargo at a certain time was logged on the Statement of Facts and presented to Master.**

**Master advised that the timber used for dunnage was still in the hold. Same is also part of the steelcargo and had to be discharged as well.**

**Stevedores had to return to the vessel to collect all dunnage and lift from the hold. Time for completion of discharge on the Statement of Facts was altered reflecting now the completion of discharge of all cargo (incl dunnage).**

**Some Statement of Facts contain 2 completion times.**
**1 for the completion of discharge cargo and**
**1 for completed discharge of dunnage.**

**For a laytime calculation always take the latest time. Not only because this gives more revenue in your calculation, it just reflects the moment the vessel was at full disposal again of the Owners.**

**When problems arise, you can refer Charterers and/or Receivers to Clause 5a of the Gencon 1994 Charter Party in particular line 57-59 where there you can leave no doubt as to whom is responsible for removing dunnage and time to count.**

## A Notice of Readiness, it was valid after all !

**London Arbitration appears to be setting a trend of more Owner friendly decisions in respect of Notices of Readiness and Commencement of Laytime issues. Or should we say, there is more commercialism in the courts these days.**

**There is a courtcase where Notice of Readiness was required to be tendered 'after the vessel's arrival alongside the discharging berth'. Master however gave Notice of Readiness already whilst outside on the roads waiting for the tide.**

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**Next day, on the tide, the ship berthed and commenced discharge which took some 3(three) month's…!!!**
**After completion of discharge, Owners made a stiff demurrage claim which was rejected by Charterers on account of an invalid Notice of Readiness.**

**In fact, Charterers claimed Owners for despatch..!!**

**In the ongoing courtcase (the lawyers were actually quite happy about that) the Court of Appeal ruled that Charterers were to honour Owners claim for demurrage because**

**a) the Notice of Readiness valid in form was served to Charterers/Receivers as required under the Charter Party**
**b) the vessel was arrived and was ready to discharge to the knowledge of the Charterers**
**c) discharge commenced to the order of the Charterers/ Receivers without having indicated any rejection, reservation or requirement for a further Notice of Readiness.**

**In another case the Notice of Readiness was tendered prior to the first layday. By commencement of loading the vessel, the Charterers accepted the earlier arrival of the ship and therefore, as such, accepted the Notice of Readiness.**

**In addition, The Court of Appeal had some useful guidance as to the operation of Notices of Readiness (in legal wording):**

**- In absence of a contrary agreement, a vessel that has arrived early but has not tendered her Notice of Readiness is not obliged to load**
**- An arrived vessel that is not ready to load is not obliged to tender a Notice of Readiness**
**- An arrived vessel that is ready to load should immediately tender a Notice of Readiness even if earlier than the first layday**
**- Where a Notice of Readiness has been tendered, an order from the Charterer to load must be obeyed.**

**It is however of paramount importance to instruct Masters to obtain receipt/acceptance of the Notice of Readiness in order to secure their/your position in view of laytime calculation.**

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## Hold surveyor late, will laytime count ?

**Vessel arrived/berthed at (Italian) loadport at 07.40hrs and Master tendered Notice of Readiness on arrival.**

**Surveyor only arrived at 11.00hrs and passed the hold fit to load the intended cargo of cement in bulk at 13.00hrs unconditionally.**

**When is time to count ??**

**Charterers surprisingly enough claim 08.00hrs the following day as the ship was passed fit to load after noon and consequently Notice of Readiness could only be accepted 'after noon'.**

**Hereby Charterers were trying to avoid a demurrage claim of about Euro 1,000.-.**

**As the ship was passed fit to load 'unconditionally' she must have been in the same condition on arrival.**
**Was the surveyor to board on arrival he had no option but to pass the ship on arrival.**

**Charterers had no leg to stand on and finally had to agree to count laytime as from 14.00hrs same day.**

**What can we learn from this ?**
**Ship's command should perhaps have claused the Statement of Facts (in the box 'remarks') stating Surveyors late arrival (for unknown reasons) or at least made comments to the office so that they can tackle the subject immediately with the Charterers and assist Master in clausing the Statement of Facts prior to signing them.**

**Ship's command should know that expertise is also readily available in the office when it comes to documentation and should not be afraid to ask.**

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## Re-Inspection of hold – at what time ?

**If vessels are berthed on a layby berth close to the loadberth, it can sometimes happen that vessels holds are inspected but rejected. Consequently Notice of Readiness cannot be accepted.**

**If the rejection of holds is for very vague reasons, it might be worthwhile asking the Master or the agent if the load/dischargeberth is perhaps occupied or check whether the cargo is actually available and ready for loading?**

**In such case, Masters should strongly protest to the Surveyor although you might be taking on a long shot.**
**What at least should be known to ships command and to the agent is that re-inspection of the hold should take place at 11.55hrs rather then 12.05hrs or 16.55hrs in stead of 17.05hrs.**

**Just the few minutes difference can make huge differences in your laytime calculation as when there is congestion in a port, the likelihood of demurrage is there and to be caught by a few minutes late of re-inspection time is not necessary and can/should be avoided.**

**Remind you of the clause in the Gencon 1994 Charter Party line 117-119 in case the loadberth was occupied:**

**117 If, after inspection, the Vessel is found not to be ready in all respects to load/**
**118 discharge time lost after the discovery thereof until the Vessel is again ready to**
**119 load/discharge shall not count as laytime.**

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## Flexible raintimes

**Raintimes are killing for laytime calculations as, under some weather clauses (see Chapter 7 / page 35/36) the laytime simply stops to count and will only resume when the heavens close.**

**Now there are ports on this world where apparently rain is instructed to appear at certain times only and also sometimes just on paper only.**
**Well, only if we may believe Statement of Facts drawn up by ambitious agents.**

**Owners of mv'C' can recall rain to start every day at 17.00hrs to stop only at 07.00hrs the following working day when discharge resumed. Not for just 1 day, no way, night-time rain for 4 consecutive days (or actually nights).**

**In a rush to sail for the tide documents were not carefully screened by ships command and ship sailed having signed such Statement of Facts with, for us laytime calculators, disastrous raintimes incorporated.**

**At first, Charterers were not in the mood to acknowledge any different raintimes than those claused on the Statement of Facts signed by all parties.**

**When, after thorough investigation, Owners were able to submit records from the local weather station and local airport observations showing far less rainperiods and even nights without a single drop of rain, Charterers had no option but to approve to amendments to be made on the Statement of Facts and honour Owners demurrage claim of some Euro 6,000.-.**

**Also here, by providing various forms of evidence, the truth appears to be completely different than the socalled Facts.**

**It is also important to emphasise to ship's command that they are not obliged to sign Statement of Facts (see also Chapter 15 / page 91) and Master can authorise agents to sign documents on his behalf after same is approved by the office.**

**This leaves the master to pay utmost attention in having the ship sailed on the tide and gives the operations department in the office sufficient time to check carefully the documents presented. Teamwork, that's what it is !!**

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## Some rain !

**Have you seen Statement of Facts claused with 'some rain' ?**

**How much is 'some rain' ? 30 minutes, 10 hours ?**

**In the present days with ISPS regulations, Security personnel are available at every berth/gate in any port.**

**It also becomes more and more accepted that these people, whilst on watch during the night, are keeping raintimes in support of the times claused on the Statement of Facts.**

**Various ports also use the meteorological office in the area as guides towards rainperiods during vessels stay in port/at the anchorage. To accept such documentation, it must be from the local meteorological office and not one from 100km away.**

**During the day, obviously the Master can keep raintimes and compare same with those produced by shore. If they are less than his own figures of course he should accept same. If shore comes up with more rain, the Master should delete and insert his figures/raintimes.**

**Under no circumstance the Masters should accept 'some rain' as this will cause nightmares to those who have to work from these documents for computing laytime calculations.**

## Rainletter

**Talking about rain. Masters/Owners are sometimes given a rainletter, mostly in dischargeports, which instructs the vessel to continue discharge in light or moderate rain.**

**A rainletter indemnifies an Owner for the possible consequences of rain damaging the cargo.**

**Obviously, the rainletter should be checked with the Charterers and the Receivers of the cargo whether they are aware of same and in agreement to this procedure.**

**In laytime terms, rainperiods under a rainletter should not be mentioned on the Statement of Facts as weather/rain did not interrupt cargo operations. The Master should carefully check the Statement of Facts prior to signing same.**

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## Agents telling Masters to slow down !

**With all good intentions of agents in load or discharge ports, they should not instruct the Master of a vessel whether to sail on full speed or to slow down to economical speed to make it a timed arrival.**

**Obviously, Masters should also not listen to what agents are saying in this respect and should report such to the office immediately and await further instructions.**

**If a berth is occupied, vessels are allowed to tender their Notice of Readiness from the anchorage and time to count accordingly (please ensure Statement of Facts are claused that 'berth was occupied on arrival').**

**By delaying a ship (perhaps on purpose?) vessels could just arrive after noon or outside office hours and fail to tender their Notice of Readiness in time.**

**If the situation allows, for example if vessel arrive during the weekend and Notice of Readiness only to be tendered Monday/Friday during working hours, of course the vessel can slow down and save some bunkers on her passage. Bunkers are expensive enough these days.**

**However, in such case it is worthwhile to check with the agents if there are no other ships due for the same berth which might just sneak in and be ahead basis first come/first serve policy of the port/berth.**
**Time on your ship will count but with sufficient laytime allowed it is better to be out early rather than consuming full laytime.**

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## Masters are not obliged to sign Statement of Facts

**Do you know that a Master is not obliged to sign Statement of Facts ? Why should he if he cannot agree to the contents ?**

**Agents threatening not to clear the ship if the Statement of Facts are not signed can be waived.**

**Why are they called Statement of Facts ?**
**Not to contain misinformation.**

**It should be brought to Master's attention that contents in the Statement of Facts are to be used in laytime calculations and signed documents are to form part of the supporting evidence to your demurrage claim.**

**If a signature is under a document with untrue facts, it is difficult to change them afterwards. And obviously, no agent can ask ships command to sign untrue documents and in fact, so to commit fraud..!! (this word helps to convince agents..!!)**

## Overtime/Despatch – Check with Charterers first !!

**If your vessel has been fixed on the basis of Half Despatch (see Chapter 10 / page 41) you run the risk, when ordering overtime during the weekend to have the ship finished, that you have to pay extra despatch as well when laytime does not count during the weekend.**

**Perhaps it could be an idea to talk to your Charterers first if they have an interest to contribute to the overtime. Or have at least the time to count as laytime for the despatch calculation. When same was not ordered, more laytime was used, less laytime saved so Charterers would earn less despatch. You won't get it when you don't ask.**

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# 16 ACKNOWLEDGEMENTS

**Whilst writing this dissertation about Laytime, I came across situations when my own answer immediately gave reason to ask myself the next question. But,... what if.... ? As to remember these questions, or new situations, I have put them all at the bottom of the rough draft of this dissertation.**

**By the end of play, I started clearing all the questions and sometimes I had to double-check my interpretation with others and, whilst going through these situations, new what/if questions were also answered immediately.**

**I have not used existing books for assisting me in this project. I find those books too clean, too dry, boring, only handy when you can't catch your sleep.**

**The only quotes I have used are those of the Bimco Laytime definitions and the outcome of some courtcases to which I have referred.**
**The rest is all just typed from my own experience and from talking to collegues who were willing to help me when my 'what/if' appears too difficult to answer myself.**

**I have no alternative but to thank these people greatly for the assistance they gave me and their support enabling me to present here a dissertation about Laytime.**

**I have tried to write in an easy to read way, but still to take on board the knowledge I put into it so that it can be beneficial for all of us.**
**For now and in future situations I am confident that this dissertation can be of assistance to you.**

**Here we go - I would like to say thanks to**

**Mrs Hilary Park, Institute of Chartered Shipbrokers Irish Branch, for guiding me the way to become a Member of the ICS.**

**Bimco, Copenhagen for allowing me to quote from their work, nl. the Bimco Voylayrules 1993. These definitions were good tools to start a chapter with and gave the opportunity to commence detailed explanations of each wording.**

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**In various nautical aspects, our Port Captain Mr Dave Elliott could help with explaining the consequences of certain situations on board. Is it an Owners stoppage, so time not to count as laytime, or is a certain issue a necessary unavoidable consequence of the cargo operations, in which case time does count as laytime.**

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**To all of you, a big thank you very much for your time and valuable comments on the rough work of the dissertation which ensured me that the final edition of this work will assist all of us in the shipping world.**

**From young/new, upto a lifetime in the shipping world, this dissertation about Laytime has become a document of which all colleagues, whatever the background in shipping, can benefit from. And that is what it is all about. Share your knowledge and keep the standards in our industry at the highest possible level.**

**Thanks to Arklow Shipping's Mrs Sheila Tyrrell and Mr James Tyrrell who have supported me in the way I chose to apply for Membership of the Institute of Chartered Shipbrokers. Their aim for quality on the workfloor encouraged me to make this work for all of us in the company, on the fleet and in the whole shipping world:**

**A Layman's guide to Laytime.**

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| 1. Shipbroker | **RECOMMENDED**<br>**THE BALTIC AND INTERNATIONAL MARITIME COUNCIL**<br>**UNIFORM GENERAL CHARTER (AS REVISED 1922, 1976 and 1994)**<br>**(To be used for trades for which no specially approved form is in force)**<br>**CODE NAME: "GENCON"**<br>Part I<br>2. Place and date **A** |
|---|---|
| 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 |

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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) |
|---|---|

## PART II

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

**A**

**1.** It is agr l between the party mentioned in Box 3 as the Owners of the Vessel named ox 5, of the GT/NT indicated in Box 6 and carrying about the number of metri ns 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 cranemen/winchmen 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. Cranemen/winchmen 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

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the seventh day after the new readiness date stated in the Owners' notification to the Charterers shall be the new cancelling date.

The provisions of sub-clause (b) of this Clause shall operate only once, and in case of the Vessel's further delay, the Charterers shall have the option of cancelling the Charter Party as per sub-clause (a) of this Clause.

**10. Bills of Lading**

Bills of Lading shall be presented and signed by the Master as per the "Congenbill" Bill of Lading form, Edition 1994, without prejudice to this Charter Party, or by the Owners' agents provided written authority has been given by Owners to the agents, a copy of which is to be furnished to the Charterers. The Charterers shall indemnify the Owners against all consequences or liabilities that may arise from the signing of bills of lading as presented to the extent that the terms or contents of such bills of lading impose or result in the imposition of more onerous liabilities upon the Owners than those assumed by the Owners under this Charter Party.

**11. 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 Owners in the navigation or in the management of the Vessel, the owners of the cargo carried hereunder will indemnify the Owners 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 Owners.

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.

**12. General Average and New Jason Clause**

General Average shall be adjusted in London unless otherwise agreed in Box 22 according to York-Antwerp Rules 1994 and any subsequent modification thereof. Proprietors of cargo to pay the cargo's share in the general expenses even if same have been necessitated through neglect or default of the Owners' servants (see Clause 2).

If General Average is to be adjusted in accordance with the law and practice of the United States of America, the following Clause shall apply: "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 Owners are not responsible, by statute, contract or otherwise, the cargo shippers, consignees or the owners of the cargo shall contribute with the Owners 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 Owners, salvage shall be paid for as fully as if the said salving vessel or vessels belonged to strangers. Such deposit as the Owners, or their 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 Owners before delivery."

**13. Taxes and Dues Clause**

(a) *On Vessel* -The Owners shall pay all dues, charges and taxes customarily levied on the Vessel, howsoever the amount thereof may be assessed.

(b) *On cargo* -The Charterers shall pay all dues, charges, duties and taxes customarily levied on the cargo, howsoever the amount thereof may be assessed.

(c) *On freight* -Unless otherwise agreed in Box 23, taxes levied on the freight shall be for the Charterers' account.

**14. Agency**

In every case the Owners shall appoint their own Agent both at the port of loading and the port of discharge.

**15. Brokerage**

A brokerage commission at the rate stated in Box 24 on the freight, dead-freight and demurrage earned is due to the party mentioned in Box 24.

In case of non-execution 1/3 of the brokerage on the estimated amount of freight to be paid by the party responsible for such non-execution to the Brokers as indemnity for the latter's expenses and work. In case of more voyages the amount of indemnity to be agreed.

**16. General Strike Clause**

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

(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.

**17. War Risks ("Voywar 1993")**

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

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

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

(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

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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.*

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B

# NOTICE OF READINESS

M/V

TO: CSO / BASSENS

DATE: 14.02.2007

Dear Sirs,

Please be advised that the above mentioned vessel under my command

arrived at the BXA Pilot Station on 14/02/2007 at 11.10 Hrs.,

berthed alongside loading berth on 14/02/2007 at 15.55 Hrs.

and is in every respect ready to Load her Cargo in accordance with the terms and conditions of the relevant Charter Party.

Notice of Readiness tendered on 14/02/2007 at 11.10 Hrs.

MASTER

Alliston

m.v.

Imo No.
2999GT 1499kW

Notice of Readiness accepted on AS PER C/P

| 1. Agents | **STANDARD STATEMENTS OF FACTS (SHORT FORM)**<br>RECOMMENDED BY<br>THE BALTIC AND INTERNATIONAL MARITIME CONFERENCE (BIMCO)<br>AND THE FEDERATION OF NATIONAL ASSOCI[illegible]<br>OF SHIP BROKERS AND AGENTS (FONASBA) |
|---|---|
| 2. Vessel's name | 3. Port |
| 4. Owners/Disponent Owners | 5. Vessel berthed |
| | 6. Loading commenced / 7. [illegible]ted |
| 8. Cargo | 9. Discharging commenced / 10. Discharging completed |
| | 11. Cargo documents on board / 12. Vessel sailed |
| 13. Charter Party* | 14. Working hours/meal hours of the port* |
| 15. Bill of Lading weight/quantity / 16. Outturn weight/quantity | |
| 17. Vessel arrived on roads | 18. |
| 19. Notice of readiness tendered | 20. |
| 21. Next tide available | 22. |

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DETAILS OF DAILY WORKING*

| Date | Day | Hours worked | | Hours stopped | | No. of gangs | Quantity load./disch. | Remarks* |
|---|---|---|---|---|---|---|---|---|
| | | From | to | From | to | | | |
| | | | | | | | | |

Draft Copy

| General remarks* | |
|---|---|
| Place and date | Name and signature (Master)* |
| Name and signature (Agents)* | Name and signature (for the Charterers/Shippers/Receivers)* |

Published by The Baltic and International Maritime Conference (BIMCO), Copenhagen

* See Explanatory Notes overleaf for filling in the boxes

**THE BALTIC AND INTERNATIONAL MARITIME COUNCIL**
**SCANDINAVIAN VOYAGE CHARTER 1956**
**(To be used for fixtures with Scandinavian Charterers for trades for which no other approved form specially drafted for the trade in question is in force)**
**CODE NAME: "SCANCON"**

**PART I**

D

1. Shipbroker

2. Place and date

3. Owners/Principal place of business (Cl. 1)

4. Charterers/Principal place of business (Cl. 1)

5. Vessel's name and type (Cl. 1)

6. Flag (Cl. 1)

7. When built (Cl. 1)

8. Class (Cl. 1)

9. Cubic feet grain/bale capacity (Cl. 1)

10. Deadweight cargo carrying capacity in tons (abt.) (Cl. 1)

11. Present position (Cl. 1)

12. Expected ready to load (abt.) (Cl. 1)

13. Loading port (Cl. 1)

14. Cargo (description of cargo and quantity (state number of tons of 1000 or 1016 kilos (if no indication is made, 1000 kilos to apply)); also state margin) (Cl. 1)

15. Discharging port (Cl. 1)

16. Freight rate (state also whether tons of 1000 or 1016 kilos to apply and whether freight is payable on delivered or intaken quantity) (Cl. 2)

17. Cancelling date (Cl. 6)

18. Loading and discharging expenses (state alternative (a) or (b) of Cl. 7) (Cl. 7)

19. Advance notice (loading) (running days) (Cl. 8)

20. Earliest loading date (Cl. 8)

21. 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. 9)

22. Demurrage rate (loading and discharging) (Cl. 10)

a) Laytime for loading

23. Brokerage commission and to whom payable (Cl. 17)

b) Laytime for discharging

c) Total laytime for loading and discharging

24. Shippers

25. Receivers

26. Nos. of additional clauses covering special provisions, if agreed

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It is mutually agreed that this Contract shall be performed subject to the conditions in the Charter consisting of PART I including additional clauses, if any agreed and stated in Box 26 and 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 but no further.

| Signature (Owners) | Signature (Charterers) |
|---|---|
| | |

# PART II
# "SCANCON" SCANDINAVIAN VOYAGE CHARTER 1956
# ( as amended 1962 and 1993)

D

**1. Pre: ble**

It is tually agreed between the party mentioned in Box 3 as the Owners of the sel named in Box 5 and with particulars as specified in Boxes 6 to 9 and carrying about the number of tons of deadweight cargo stated in Box 10, now in position as stated in Box 11 and expected ready to load under this Charter about the date indicated in Box 12, and the party mentioned as the Charterers in Box 4:

That the said Vessel shall proceed to the loading port named in Box 13 or if prevented from entering such port by unforeseeable hindrances then so near thereto as she may safely get and lie, always afloat and there load in the customary manner as ordered by the Charterers a full and complete cargo of the description as stated in Box 14 (including deck cargo if agreed) which the Charterers bind themselves to ship, and being so loaded shall therewith proceed to the discharging port named in Box 15 as ordered on signing Bill of Lading, or if prevented from entering such port by unforeseeable hindrances then so near thereto as she may safely get and lie, always afloat and there deliver the said cargo in the customary manner as ordered on arrival.

**2. Freight**

The freight on delivered or intaken quantity*), as indicated in Box 16, at the rate stated in Box 16 per ton of 1016 or 1000 kilos**), as stated in Box 16, to be paid in cash without discount on account concurrently with discharge of the cargo at mean rate of exchange on the day or days of payment. Cash for the Vessel's ordinary disbursements at the port of loading not exceeding 1/3rd of the freight to be advanced by the Charterers if demanded by the Owners or the Captain, the Owners paying 2 per cent. to cover insurance and all other expenses.

*) *"delivered" to apply if no indication is made in Box 16.*

**) *"1000 kilos" to apply if no indication is made in Box 16.*

**3. Lien and Cesser**

The Owners shall have a lien on the cargo for any amount due under this Charter and necessary costs of recovering same.

The Charterers shall remain responsible for any amount due under this Charter except for demurrage (including damages for detention) at port of discharge, for which the Owners shall be referred to the Receivers and the cargo.

**4. Responsibility**

(a) The International Brussels Convention 1924 as amended by the Protocol signed at Brussels on February 23rd, 1968 - the Hague-Visby Rules - shall apply to this Charter. The Owners and the Charterers are entitled to the benefit of all privileges, rights and immunities contained in these Rules as if they were herein specifically set out.

(b) However, in circumstances in which the Hague-Visby Rules are not compulsorily applicable to claims under Bills of Lading issued pursuant to this Charter, the International Brussels Convention 1924 - the Hague Rules - shall apply to this Charter.

(c) In respect of deck cargo the above shall apply, but the Owners shall only be responsible if it be proved that the damage or the loss is due to the actual fault or neglect of the Owners or of someone for whom they are responsible.

(d) The Owners shall in no case be responsible for loss of or damage to cargo arisen prior to loading and after discharging.

**5. Deviation**

Deviation in saving or attempting to save life or property at sea, or for bunkering purposes, or any other reasonable deviation, shall not be deemed to be an infringement of this Charter and the Owners shall not be liable for any loss or damage resulting therefrom.

**6. Cancelling Date**

Should the Vessel not be ready to load (whether in berth or not) latest at 12 midnight on the cancelling date agreed in Box 17 the Charterers have the option of cancelling this Charter.

If it appears that the Vessel will be delayed beyond such cancelling date, the Owners may as soon as they are in a position to state with reasonable certainty the day within which the Vessel will be ready as above, give notice thereof to the Charterers asking whether they will exercise their option of cancelling. Such option must be declared within 36 running hours (Sundays and holidays excepted) after the receipt of the Owners' notice. If the Charterers do not then exercise their option of cancelling, unless otherwise agreed, the third day after the date stated in the Owners' notice shall be regarded as a new cancelling date under this Clause.

**7. Loading/Discharging Expenses**

*) (a) The cargo shall be brought to and taken from alongside the Vessel by the Charterers or their Agents at their risk and expense, the Owners paying for loading and discharging. If any piece or package weighs more than two tons, the Charterers shall pay any extra expenses in loading, stowing and discharging.

*) (b) The cargo shall be brought into the holds, stowed and/or trimmed and taken from the holds by the Charterers or their Agents, free of any risk, liability and expense whatsoever to the Owners.

The Charterers shall provide all mats and/or wood for dunnage and any separations required, the Owners allowing the use of any dunnage wood on board, if required. The Owners shall provide winches, motive power and winchmen from the crew, if requested and permitted, if not the Charterers shall provide and pay for winchmen from shore and/or cranes, if any.

The Charterers shall not be responsible for damage to or loss of the Vessel (including loss of time) caused by fire or explosion to any further extent than if Clause 7(a) were to apply.

*) *(a) and (b) are alternatives; indicate alternative agreed in Box 18. If no indication is made, (a) shall apply.*

**8. Advance Notice, Earliest Loading Date and Commencement of Laytime (loading and discharging)**

A sailing telegram and a notice of the expected date of readiness to load shall be given to the Shippers or their Agents the number of days in advance as stated in Box 19, who shall be kept informed of any material alteration of the notice date.

Time for loading shall not commence before the date indicated in Box 20.

The laytime shall not commence before the Vessel is ready to load or discharge (whether in berth or not) and notice of readiness given to the Charterers or their Agents in the loading and discharging port; but if the work be commenced earlier half such time used shall count from such commencement. The notice may be given beforehand but not until the Vessel has arrived at or, in case of congestion, off the port of loading or discharging.

The time shall commence at 1 p.m. if notice of readiness is given before 10 a.m. and at 7 a.m. next working day if notice is given during office hours after 10 a.m..

Any time lost in waiting for berth at or off port of loading and port of discharge shall count as laytime.

**9. Laytime**

*) (a) *Separate laytime for loading and discharging*

The cargo shall be loaded within the number of full working days as indicated in Box 21 during the ordinary working hours of the port, weather permitting.**)

The cargo shall be discharged within the number of full working days as indicated in Box 21 during the ordinary working hours of the port, weather permitting.**)

*) (b) *Total laytime for loading and discharging*

The cargo shall be loaded and discharged within the number of full working days as indicated in Box 21 during the ordinary working hours of the port, weather permitting.**)

(c) The time shall be counted in full notwithstanding any local custom which contrary to this Charter and applicable law might be held to relieve the Charterers of demurrage liability.

Sundays, general and local holidays shall be excepted. The Charterers - if necessary in order to load and/or discharge the Vessel within the agreed laytime - have the liberty to work on excepted days and outside ordinary working hours, they paying all extra expenses incurred by the Vessel, including overtime to officers and/or crew.

*) *(a) and (b) are alternatives; indicate alternative agreed in Box 21.*

**) *"weather permitting" may be deleted.*

**10. Demurrage**

Ten days altogether on demurrage shall be allowed at the rate as stated in Box 22 per day or pro rata for any part of a day, payable day by day.

**11. Bills of Lading**

The Captain shall sign Bills of Lading as per the "Scanconbill" Bill of Lading form without prejudice to this Charter.

The Charterers shall indemnify the Owners if the Owners are held liable under the Bills of Lading in respect of any claim for which the Owners are not liable towards the Charterers under this Charter.

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## PART II
## "SCANCON" SCANDINAVIAN VOYAGE CHARTER 1956
## ( as amended 1962 and 1993)

D

**12. General Average, Amended Jason Clause, Both-to-Blame Collision Clause**

General Average shall be settled according to York-Antwerp Rules 1974 as amended 1990 or any modification thereof.

The Amended Jason Clause and the Both-to-Blame Collision Clause as printed in the "Scanconbill" Bill of Lading form shall be deemed to be incorporated in this Charter.

**13. Strikes**

Neither the Charterers nor the Owners are responsible for the consequences of any strikes or lock-outs preventing or delaying the fulfillment of any obligations under this Charter.

*Loading:* If there is a strike or lock-out preventing or delaying the production or the transport of the goods to port of loading or affecting the loading of the cargo or any part of it at the time when the Vessel must start on or during her voyage to the port or ports of loading, the Charterers or the Owners shall have the option of cancelling this Charter. If such strike or lock-out is going on at, or occurs after the Vessel's arrival at port of loading, the Charterers have the right either to keep the Vessel waiting paying full demurrage or to cancel. Such cancellation to take place within 24 hours after the Vessel's arrival or 24 hours after the subsequent occurrence of such strike or lock-out. If part of the cargo has then already been loaded, the Owners must proceed with same if requested by the Charterers, the Owners being at liberty to complete with other cargo on the way for their account.

*Discharging:* If there is a strike or lock-out affecting the discharge of the goods at the time the Vessel arrives at or off the port of discharge, or occurring after the Vessel's arrival, the Receivers shall have the option of keeping the Vessel waiting until such strike or lock-out is at an end against paying half demurrage for the time the Vessel has been delayed or, at any time of ordering the Vessel to a safe port where she can safely discharge her cargo without risk of being detained by strike or lock-out; such option to be declared within 36 hours after commencement of the strike or lock-out. 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. However, if the distance to the substituted port exceeds 100 nautical miles, the freight on the cargo delivered at the substituted port shall be increased in proportion.

**14. War**

If, subsequent to the conclusion of this Charter, it appears that its performance will expose the Vessel or cargo to risks of war or hostilities, or that such risks have really increased, both parties shall have the option of cancelling.

As to further effects of any of the aforementioned contingencies on this Charter, the governing law as per Clause 18 of this Charter shall apply.

**15. Ice**

In the event of the loading port being inaccessible by reason of ice on the Vessel's arrival, or in case frost sets in after the Vessel's arrival, endangering the Vessel of being ice-bound, the Charterers shall have the option of immediately ordering the Vessel to an adjacent accessible port where she can safely load the cargo under this Charter. If such option is not exercised either party may cancel this Charter, but if part of the cargo has already been loaded, the Owners must proceed with same if requested by the Charterers, the Owners being at liberty to complete with other cargo on the way for their own account. Should this Charter not be cancelled by either party, the Charterers shall keep the Vessel against paying compensation at the demurrage rate until the port of loading is again accessible.

Should ice prevent the Vessel from reaching port of discharge, the Charterers shall have the option of keeping the Vessel waiting until the reopening of navigation by paying demurrage, or of ordering (such orders to be sent within 48 hours after receipt of the Captain's telegraphic information to the Charterers of the impossibility of reaching the port of destination) the Vessel to a safe and immediately accessible adjacent port in the same country, in their option, where she can safely discharge without risk of detention on account of ice. 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.

**16. Substitution**

The Owners shall have liberty to substitute a vessel of the same class and condition and of a similar size, type and position on giving due notice hereof to the Charterers.

**17. Brokerage**

A commission at the rate stated in Box 23 to be payable by the Owners to the party mentioned in Box 23.

**18. Governing Law**

Except as provided elsewhere herein, the law governing this Charter shall be the following:

(a) If the Vessel is registered in Denmark, Finland, Iceland, Norway or Sweden, the law of the flag of the Vessel;

(b) If she is not so registered, the law of the Charterers' principal place of business; however, if this is outside Denmark, Finland, Iceland, Norway or Sweden, then English law.

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# PHOSPHATE CHARTER - PARTY

## (AFRICANPHOS 1950)

(Layout 1987)

Lond E .....

| | | |
|---|---|---|
| 1. Owners (Clause 1) | 2. Charterers (Clause 1) | |
| 3. Vessel's Name (Clause 1) | 4. GRT (Clause1) | 5. NRT (Clause 1) |
| | 6. DWAT (Clause 11) | 7. Flag (Clause 1) |
| 8. Present Position (Clause 1) | 9. Laydays (Clause 11) | 10. Cancelling Date (Clause 11) |
| 11. Port of Loading (Clause 1) | 12. Loading Rate (Clause 8) Scale | 13. Loading Costs (Clause 7) |
| | 14. Demurrage Rate (Load) (Clause 13) | |
| 15. Port of discharge (Clause 1) | 16. Discharging Rate (Clause 20) | |
| | 17. Demurrage Rate (Disch.) (Clause 24) | |
| 18. Cargo (Minimum/Maximum quantity, exact quantity in Masters' option) (Clause 2) | | |
| 19. Freight/Payment/Payee (Clause 27) | | |
| 20. Brokerage (Clause 35) See Clause 35 | | |
| 21. Advance Notices to Shippers (Clause 2) | 22. Sailing telegram and ETA Notice (Disch.) (Clause 37) To Agents and ANDERSON HUGHES & CO LTD, London | |
| 23. Agents at discharging ports(s) (Clause 16) | | |

1. It is agreed between the parties mentioned in box 1 as Owners of the motor vessel named in box 3 of the GRT/NRT indicated in box 4 & 5 and having a deadweight capacity state in box 6 and the party mentioned as Charterers in box 2 that the said vessel, being tight staunch and strong and in every way fitted for the voyage shall proceed to the port stated in box 11 and there load a cargo of phosphate/fertilisers in bulk, not exceeding what she can reasonably stow and carry over and above her tackle, apparel, provisions, bunkers and equipment as stated in box 18. The vessel so loaded shall proceed with all possible despatch to the port indicated in box 15 and there deliver her cargo.

THE OWNERS THE CHARTERERS

2. Notices - Before leaving last discharging port and at latest three days before arrival at loading port, the Captain shall telegraph to agents at loading port, stated in BOX 21/Clause 4 stating vessel's probable date of arrival there, failing which Shippers are to be allowed 24 hours extra for loading.

IMPORTANT : Further to Clause 2, it is in the interest of Owners and Shippers (acting as ship's agents) that the Master and/or agents should radio to Shippers approximately 24 hours before arrival of vessel at loading port confirming the date and approximate time at which she will arrive, stating if she needs bunkers and, if possible, the quantity required and the name of the suppliers.

It is compulsory that such notice, together with all information regarding eventual remittance of funds or transfers, or openings of bank credits, must specify the vessel's name, otherwise Shippers shall decline all responsibility in case of incomplete information.

3. Completion Clause - The vessel shall not load any goods other than the stipulated by the present Charter Party under penalty of damages. However should Charterers agree to the vessel only taking a part cargo, Owners shall have the liberty to complete up to a full cargo, before or after loading the phosphate/fertilisers with other goods, except with ore or phosphate/fertilisers of any origin whatsoever. Such completion cargo shall under no circumstances be discharged at the same time as the phosphate/fertilisers, the Owners shall provide at their expense, under penalty of damages, proper separation in order to avoid any mixing with other cargo or communication of moisture.

4. Agency at loading port - The vessel shall be consigned for her phosphate/fertiliser cargo and Customs business to the Shippers stated in BOX 21 :

| CASABLANCA | SAFI | LAAY |
|---|---|---|
| Office Cherifien des Phosphates | Office Cherifien des Phosphates | Phosphates de S.A. |
| Service des Embarquements | Service des Embarquements | |
| Boite Postale 119 | Boite Postale 26 | |
| Tel. address : PHOSPHAT | Tel. address : PHOSPHAT | Tel. address : F JSBOJCRAA |
| Telex nr 25987 | Telex nr 71784 | Telex ni 5685 |

Owners to pay in cash the agency fee, Shippers having the right to choose at their expense the shipbroker who will attend to Custom's formalities. If the Captain fails to apply to Shippers' agents Owners shall still pay to Charterers the customary agency fee.

5. Expenses at loading port - Vessel to pay all customary dues and port expenses, all tolls ("peage" dues) at the rate ruling on the day of signing Bill of Lading, as well as other charges customarily paid by the vessel. Owners shall pay in advance in cash all their disbursements including amounts due by them under Clauses 4,7 and 13. A sufficient amount for ship's disbursements only, not exceeding one third of the freight, may be advanced to he Captain if required by him, Owners paying a commission of 2% on the amount of advances, including the 2% commission. Charterers shall not be held responsible for the employment of these advances, which will be deducted on the settlement of freight and will not be refunded in case of vessel's loss. The Shippers decline all responsibility towards Owners if, in order to avoid delaying the vessel's departure, they shall be called upon, on justification of the expenses, to advance to the Captain amounts over and above one third of the freight.

6. Loading turn - The vessel will be loaded in turn not exceeding 48 hours, Sundays and legal or local holidays included, counting from 7 am or 1 pm after the vessel is in free pratique and Captain having given written notice to Shippers of readiness to load between usual office hours.

7. Cost of loading - The cargo to be loaded into the vessel's holds by Shippers, Owners paying for this operation cost as stated in BOX 13 per metric ton loaded (B/L weight), levelling or any other special trimming required by the Captain, to be at Owners' risk and expense. Vessel to supply free of charge the full use of windlasses, winches and the necessary power. All supplementary expenses for working outside usual hours to be for account of party ordering same and to be charged at the tariff according to the custom of the port. It is however pointed out that if such work is done at Shippers' request without the use of the vessel's derricks, the expenses charged by the Master may not exceed £12.00 per shift and will only be payable for actual hours of working.

8. Daily rate of loading - The rates for loading to be :

| | | |
|---|---|---|
| up to | 9.999 metric tons | 3.000 m.t. (1) |
| between | 10.000 and 14.999 m.t. | 3.600 m.t. |
| " | 15.000 and 19.999 m.t. | 4.500 m.t. |
| " | 20.000 and 24.999 m.t. | 6.000 m.t. |
| " | 25.000 and 29.999 m.t. | 7.500 m.t. |
| " | 30.000 and 39.999 m.t. | 9.000 m.t. |
| above | 40.000 metric tons | 10.000 m.t. |

(1) with a minimum of 36 consecutive hours

Provided the vessel puts at least two workable hatches at Shippers' disposal at loading port the rates for loading to be as above. If however vessel provides a lower number of workable hatches than called for above, loading rate to be reduced in proportion to the number of workable hatches which should have been put at Shippers' disposal per 24 consecutive hours. The vessel will be loaded in the customary manner alongside the wharf reserved to Shippers at the berth indicated by them and according to their orders. They shall have the right to load by all the hatches of the holds which are to receive cargo without interruption by night as well as by day.

9. Time counting at loading port - Laytime to commence on expiry of turn according to Clause 6 or, if there is no turn, at 1 pm if the vessel complies with the prescribed conditions before noon, and at 7 am on the following day if she complies with the said conditions after noon, the Captain or his representative having advised Shippers in writing that he is ready to load and that the vessel, being in free pratique, has occupied the berth indicated by the Shippers. Legal and local holidays, each being considered as a day of 24 hours, and the time between 1 pm on Saturday and 7 am on Monday shall not count as laytime, but if the loading proceeds during these periods or before laytime commences, only half such time employed shall be deducted from the time saved for the calculation of despatch-money. If necessary, vessel's holds shall be cleaned at vessel's expense before loading commences. All time occupied in shifting berths at Shippers' request shall count as laytime. Time allowed will be calculated based on the B/L weight expressed in metric tons. Days to be of 24 consecutive hours, weather permitting, (portions pro-rata) force majeure excepted. The Captain is to facilitate the rapid loading of his vessel by all means on board. Vessel shall leave the loading berth as soon as loading is completed, if the Captain is required to do so failing which Owners are to indemnify Shippers for time so lost at the demurrage rate stipulated in Clause 13. Any delays which may be attributed to the vessel or her crew or special trimming are not to count as laytime.

10. Strike and force majeure Clause at loading port - Should loading be rendered impossible in consequence of a strike, lockout or any cause of force majeure beyond the Shippers' control, latter to give written notice to Owners (eventually by telegram) latest on receipt of the telegraphic notice stipulated in Clause 2. If vessel has already telegraphed this preliminary notice, Shippers shall notify her of the case of force majeure as soon as this is known to them. At any time before vessel's arrival at loading port of before loading commences, Owners may notify Shippers of their intention to cancel the present Charter Party. This cancelling is to become effective if within 48 hours following the receipt of this notification, Shippers have not declared that they maintain the Charter Party. In case the Charter Party should be maintained, the time shall count as stipulated by the said Charter notwithstanding the invocation of the case of force majeure.

At any time during the interruption of the loading owing to force majeure, Shippers to have the option of cancelling this Charter by giving 48 running hours notice to the Captain or Owners. If the vessel has started loading, the Captain to have the option of sailing with the quantity loaded 48 running hours after the interruption of the loading through force majeure, unless, before expiration of this delay, Shippers maintain the Charter Party, the time counting notwithstanding the case of force majeure invoked. Should the vessel sail with a part cargo,

she is to have the option to complete for her own benefit, according to the terms of Clause 3, and the freight to be settled on quantity delivered according to Clause 27.

11. Laydays and cancelling date - Laydays not to count before the date indicated in BOX 9 unless with Charterers' consent, latter having the option of cancelling the Charter if the vessel has not arrived and is not ready to load before midnight on the date indicated in BOX 10.

12. Draft at loading port - If vessel's draft makes it necessary to complete loading at another berth, or in the roads, Captain to obtain the necessary lighters at Owners' expense. The risk and cost of transport from the wharf to another berth or to the roads and transhipment expenses are to be borne by the vessel, and time spent in loading at such other berth or in the roads a ting, not to count as laytime.

Shippers guarantee that vessels can load, and sail from their usual loading berth, with a draught of :

| | at CASABLANCA | at SAFI | at JORF LASFAR | at LAAYOUNE |
|---|---|---|---|---|
| Berths No. | 1 & 2 : 30' and No. 3 : 36' | 30' | 45' | 45' |

13. Demurrage and despatch-money at loading port - Demurrage, if any, to be paid to Owners by Shippers at the rate indicated in BOX 14 per gross register ton per day (portions pro-rata). For all working time saved Owners to pay in cash to Shippers despatch-money at half of the demurrage rate per day (portions pro-rata). It is understood that despatch-money will only be calculated on time saved after expiration of the actual turn, if any (see Clause 9). Any delays which may be attributed to the vessel or her crew shall not count as laytime.

14. Putting in at port(s) - If after loading her phosphate/fertilisers the vessel calls at one or more ports, the Captain shall immediately inform Charterers by telegram stating the reason and the maximum duration of the call, even if this call is made for bunkering purposes.

15. Signing of loading documents - In case of dispute on the interpretation of the above Clauses, Captain to sign papers or official documents as presented to him by Shippers, in as many copies as required by them in respect of all or part of he cargo on board, endorsing his objections on such documents.

16. Agency and expenses at discharging port - Vessel to be address for Customs business to agents indicated in BOX 23 on usual terms and to pay all customary dues and port charges.

17. Particular average - All damage to vessel or cargo shall be immediately notified to the Receivers or their agents by the Captain in writing; he shall also allow receivers of their agents access to all papers or official documents which might enable them to protect their rights with their underwriters.

18. Discharge turn - Vessel to deliver her cargo in turn not exceeding 36 running hours, Sundays and legal or local holidays included, such turn counting after the vessel is in free pratique and has given Receivers or their agents written notice of readiness during usual office hours to discharge her cargo of phosphate/fertilisers.

19. Cost of discharge - Owners to employ Receiver's stevedores for discharging, vessel paying, (See Box 16) free of expense to the vessel per metric ton and to give full use of her derricks and winches and necessary power free of cost. The holds to be thoroughly swept at Receivers' expense on completion of discharge to recover any remaining phosphate/fertilisers. Captain to accord to the representatives of Charterers and/or Receivers all facilities for supervision. The cost of discharge to be calculated on the quantity taken as the basis for freight payment. If any cargo is loaded in the 'deep tanks' or in placed inaccessible to grabs, any extra discharging expenses resulting therefrom to be for Owners' account. All supplementary expenses for working outside usual hours to be for the account of the party ordering same, and to be charged at the tariff according to the custom of the port. It is however pointed out that if such extra work is done at Receivers' request without the use of the vessel's derricks, the expenses charged by the Master may not exceed £12.00 per shift and will only be payable for actual hours of working.

20. Daily rate of discharge - For the purpose of calculating laytime, the cargo is to be discharged at the average rate indicated in BOX 16 per 24 consecutive hours, weather permitting, (portions pro-rata). If less than three workable hatches are supplied at commencement of discharge, the rate to be reduced in proportion to the number of workable hatches, placed at Receivers' disposal per 24 consecutive hours. The vessel is to deliver her cargo under tackle, alongside any wharf, quay or jetty, afloat or safe aground, or in any dock, or into lighters (if this method of discharging is usual), or ordered by Receivers or their agents on vessel's arrival. Receivers to have the right of working by day and by night without interruption, by all hatches of hold containing cargo. Vessel to be suitable for grab discharge.

21. Time counting at discharging port - Laytime to commence on expiry of turn according to clause 18, or if there is no turn, at 1 pm if the vessel complied with the prescribed condition before noon and at 7 am the following day if she complies with the said condition after noon, the Captain or his representative having advised the Receivers in writing during usual office hours that he is ready to discharge and that the vessel being in free pratique has occupied the berth indicated by Receivers or their agents. Legal and Local holidays, each considered as a day of 24 hours, and the time between 5 pm on Friday and 7 am on Monday shall not count as laytime, but if discharging proceeds during these periods or before laytime commences, only half such time employed shall be deducted from the time saved for the calculation of despatch-money. Discharging time will be calculated on the delivered weight or on B/L weight less 1%, as the case may be. Delays which may be attributed to the vessel or her crew are not to count as laytime.

22. Strike and force majeure clause at discharging port - Time shall not count during which discharging is hindered, delayed or stopped by reason of strikes, lock-outs, disturbances, requisitions, intervention of constituted authorities, quarantine, accidents, fire, floods, ice or other cased of force majeure. The same will apply to all delays caused by the vessel or her crew or by any other cause beyond the control of the Receivers.

23. Draft at discharging port - If the discharging berth indicated by the Receivers does not permit the vessel owing to her draft to lie and stay there alongside afloat or safe aground, lighterage expenses to be for Receivers' account and time to count.

24. Demurrage and despatch-money at discharging port Demurrage, if any, to be paid to Owners by Receivers at the rate indicated in BOX 17 per day (portions pro-rata). For all working time saved Owners to pay in cash to Receivers despatch-money at half demurrage rate per day (portions pro-rata). It is understood that despatch-money will only be calculated on time saved after expiration of the actual turn, if any (see clause 21). Any delays which may be attributed to the vessel or her crew shall not count as laytime.

25. Ice clause - Should the vessel be chartered for a port inaccessible by reason of ice at the time of her arrival, she is to proceed to the nearest safe and ice free port or roads, whence Captain to telegraph his arrival to Receivers (telegraphic address .....) and shall await fresh instructions to proceed to an accessible discharging port in the United Kingdom or on the Continent, which orders hall be given to him within 24 hours, Sundays and holidays excepted, of receipt of his telegram. Failing such instructions, time is to count, if vessel is diverted as above she is to receive the same freight as if she had discharged in the port for which she was originally chartered.

26. Moisture clause - No freight to be paid on the weight corresponding to excess of moisture found in the cargo at the discharging port in comparison with the moisture ascertained at loading port. For this purpose, average samples to be taken during the loading, one of which is to be handed over to the Master (independently of those given to him to be handed over to the Receivers). The Shippers to have the percentage of moisture of this ample ascertained and the result of same to be compared with the one found by the Charterers or the Receivers on the sample ascertained and the result of same to be compared with the one found by the Charterers or the Receivers on the sample taken during the discharging. In order to determine their moisture, the samples shall be dried at 100 degrees centigrade.

27. Freight - The freight is due after right and true delivery of the entire cargo at the rate stated in BOX 19 per ton of 1000 kilos and shall be paid by Receivers/Charterers immediately on receipt of freight account made up by Owners or their agents in accordance with the conditions of Charter Party, together with supporting vouchers for the expenses incurred at discharging port, the said documents being signed by Owners' agents or the Master and countersigned by the Receivers or their agents. The freight to be paid on total B/L weight less

1% (one percent). Provided they notify Master before discharging commences, Receivers shall have the right to weigh cargo or to gauge the barges receiving it. If this option be exercised, the Master may employ at his expenses a tallyman nominated by him to supervise and check the weighing and gauging of the barges during the discharging, and payment of freight to be effected on the delivered weight subject to a provisional deduction of 2% pending the application of Clause 26. This deduction shall be reimbursed to Owners, if the excess moisture on arrival has not been determined within 30 days following settlement of freight.

28. Charterers' responsibility. Charterers' responsibility under this Charter Party shall cease when cargo is loaded, Owners or their agents having a lien on the cargo for the freight, deadfreight and/or demurrage.

29. Negligence clause - The act of God, decrees of Princes and Rulers, acts of enemies and pirates and perils of the sea are excepted. Also excepted are fire, barratries of the Master or crew, collisions, strandings, accidents of navigation, or latent defects in hull or machinery, even when occasioned by the negligence or error in judgement of pilots, Captain or crew or other persons employed by the Owners or for whom he is responsible, not resulting, however, from lack of the Owners or manager. The Captain to have the liberty to sail with or without pilots, to call at any port for bunkering, to two, to be towed and to assist other vessel in distress.

30. General Average - All claims for general average to be settled in England according to the YORK/ANTWERP Rules 1974, as amended 1990.

31. Extra Insurance - Any extra insurance premium on the cargo (and/or freight in the case of freight advances), borne by Charterers by reason of the age, nationality or class of the vessel, shall be paid by Owners and the amount thereof deducted from the freight.

32. Arbitration - Any disputes concerning the present charter to be settled by arbitration in LONDON, in the ordinary manner and in case of disagreement, by the 'Tribunal de Commerce de la Seine', Paris. It is agreed that in case of disputes, the French text only will be valid, the English text of this charter being only for Contractor's use and convenience and English Law to apply.

33. Penalty - The penalty for non-performance of the present contract to be proved damages not exceeding the amount of freight.

34. Address of Commission - An address commission of 2.50% calculated on the Bill of Lading weight and on the rate of freight stipulated above to be paid by Owners to Shippers or their Agents at port of loading.

35. Brokerage - A brokerage of 3% on the gross amount of freight and eventual dead-freight and demurrage is payable by the Owners at loading port to ANDERSON HUGHES & CO LTD, London, such commission being due ship lost or not lost.

36. Overtime - Overtime to be for party ordering same; however, Officer's and crew's overtime always to be for Owners' account.

37. Sailing telegram - On sailing from loading port, Master to cable to agents at discharging port (BOX 23) stating : date and time of sailing, Bill of Lading quantity and ETA at discharging port.

38. Protective clauses - This Charter Party is to be subject to the conditions of the 'NEW JASON CLAUSE' the 'NEW BOTH TO BLAME COLLISION CLAUSE', the 'VOYWAR 1950 CLAUSE' and the 'P & I CLUB BUNKERING CLAUSE' which are deemed to be fully incorporated herein and/or in all Bills of Lading issued under this Charter Party.

39. Owners warrant that vessel's tanktop, tank and hatch covers are in good order and completely watertight.

40. Owners warrant that vessel is fully Hull and Machinery insured and P & I covered and will remain so for the duration of this Charter.

41. Owners accept responsibility to meet limitations concerning

E

| Agents (full style and address) | **BIMCO LINER BOOKING NOTE**<br>**CODE NAME: "CONLINEBOOKING 2000"** |
|---|---|
| | Place and date |
| | Vessel |
| Carrier (full style and address) | Time for shipment (about) |
| | Port of loading** |
| | Port of discharge |
| Merchant* (full style and address) | Merchant's representatives at loading port (full style and address) |

| Container No./Seal No./Marks and Numbers (if available) | Number and kind of packages; description of cargo | Gross weight, kg (if available) | Measurement, m³ (if available) |
|---|---|---|---|
| | **Draft Copy** | | |

| Freight details and charges | Special terms, if agreed |
|---|---|
| Freight (state prepayable or payable at destination) | |

It is hereby agreed that this Contract shall be performed subject to the terms contained on Page 1 and 2 hereof which shall prevail over any previous arrangements and which shall in turn be superseded (except as to deadfreight) by the terms of the Bill of Lading.

| Signature (Merchant) | Signature (Carrier) |
|---|---|
| | |

*As defined hereinafter (Cl. 1)

**(or so near thereunto as the Vessel may safely get and lie always afloat)

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# FULL TERMS OF THE CARRIER'S BILL OF LADING FORM*



**1. Definition.**
"Merchant" includes the shipper, the receiver, the consignor, the consignee, the holder of the Bill of Lading, the owner of the cargo and any person entitled to possession of the cargo.

**2. Notification.**
Any mention in this Bill of Lading of parties to be notified of the arrival of the cargo is solely for the information of the Carrier and failure to give such notification shall not involve the Carrier in any liability nor relieve the Merchant of any obligation hereunder.

**3. Liability for Carriage Between Port of Loading and Port of Discharge.**
(a) 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 with respect to deck cargo and live animals.
(b) If the Carrier is held liable in respect of delay, consequential loss or damage other than loss of or damage to the cargo, the liability of the Carrier shall be limited to the freight for the carriage covered by this Bill of Lading, or to the limitation amount as determined in sub-clause 3(a), whichever is the lesser.
(c) The aggregate liability of the Carrier and/or any of his servants, agents or independent contractors under this Contract shall, in no circumstances, exceed the limits of liability for the total loss of the cargo under sub-clause 3(a) or, if applicable, the Additional Clause.

**4. Law and Jurisdiction.**
Disputes arising out of or in connection with this Bill of Lading shall be exclusively determined by the courts and in accordance with the law of the place where the Carrier has his principal place of business, as stated on Page 1, except as provided elsewhere herein.

**5. The Scope of Carriage.**
The intended carriage shall not be limited to the direct route but shall be deemed to include any proceeding or returning to or stopping or slowing down at or off any ports or places for any reasonable purpose connected with the carriage including bunkering, loading, discharging, or other cargo operations and maintenance of Vessel and crew.

**6. Substitution of Vessel.**
The Carrier shall be at liberty to carry the cargo or part thereof to the Port of discharge by the said or other vessel or vessels either belonging to the Carrier or others, or by other means of transport, proceeding either directly or indirectly to such port.

**7. Transhipment.**
The Carrier shall be at liberty to tranship, lighter, land and store the cargo either on shore or afloat and reship and forward the same to the Port of discharge.

**8. Liability for Pre- and On-Carriage.**
When the Carrier arranges pre-carriage of the cargo from a place other than the Vessel's Port of loading or on-carriage of the cargo to a place other than the Vessel's Port of discharge, the Carrier shall contract as the Merchant's Agent only and the Carrier shall not be liable for any loss or damage arising during any part of the carriage other than between the Port of loading and the Port of discharge even though the freight for the whole carriage has been collected by him.

**9. Loading and Discharging.**
(a) Loading and discharging of the cargo shall be arranged by the Carrier or his Agent.
(b) The Merchant shall, at his risk and expense, handle and/or store the cargo before loading and after discharging.
(c) Loading and discharging may commence without prior notice.
(d) The Merchant or his Agent shall tender the cargo when the Vessel is ready to load and as fast as the Vessel can receive including, if required by the Carrier, outside ordinary working hours notwithstanding any custom of the port. If the Merchant or his Agent fails to tender the cargo when the Vessel is ready to load or fails to load as fast as the Vessel can receive the cargo, the Carrier shall be relieved of any obligation to load such cargo, the Vessel shall be entitled to leave the port without further notice and the Merchant shall be liable to the Carrier for deadfreight and/or any overtime charges, losses, costs and expenses incurred by the Carrier.
(e) The Merchant or his Agent shall take delivery of the cargo as fast as the Vessel can discharge including, if required by the Carrier, outside ordinary working hours notwithstanding any custom of the port. If the Merchant or his Agent fails to take delivery of the cargo the Carrier's discharging of the cargo shall be deemed fulfilment of the contract of carriage. Should the cargo not be applied for within a reasonable time, the Carrier may sell the same privately or by auction. If the Merchant or his Agent fails to take delivery of the cargo as fast as the Vessel can discharge, the Merchant shall be liable to the Carrier for any overtime charges, losses, costs and expenses incurred by the Carrier.
(f) The Merchant shall accept his reasonable proportion of unidentified loose cargo.

**10. Freight, Charges, Costs, Expenses, Duties, Taxes and Fines.**
(a) Freight, whether paid or not, shall be considered as fully earned upon loading and non-returnable in any event. Unless otherwise specified, freight and/or charges under this Contract are payable by the Merchant to the Carrier on demand. Interest at Libor (or its successor) plus 2 per cent. shall run from fourteen days after the date when freight and charges are payable.
(b) The Merchant shall be liable for all costs and expenses of fumigation, gathering and sorting loose cargo and weighing onboard, repairing damage to and replacing packing due to excepted causes, and any extra handling of the cargo for any of the aforementioned reasons.
(c) The Merchant shall be liable for any dues, duties, taxes and charges which under any denomination may be levied, *inter alia*, on the basis of freight, weight of cargo or tonnage of the Vessel.
(d) The Merchant shall be liable for all fines, penalties, costs, expenses and losses which the Carrier, Vessel or cargo may incur through non-observance of Customs House and/or import or export regulations.
(e) The Carrier is entitled in case of incorrect declaration of contents, weights, measurements or value of the cargo to claim double the amount of freight which would have been due if such declaration had been correctly given. For the purpose of ascertaining the actual facts, the Carrier shall have the right to obtain from the Merchant the original invoice and to have the cargo inspected and its contents, weight, measurement or value verified.

**11. Lien.**
The Carrier shall have a lien on all cargo for any amount due under this contract and the costs of recovering the same and shall be entitled to sell the cargo privately or by auction to satisfy any such claims.

**12. General Average and Salvage.**
General Average shall be adjusted, stated and settled in London according to the York-Antwerp Rules 1994, or any modification thereof, in respect of all cargo, whether carried on or under deck. In the event of accident, danger, damage or disaster before or after 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 Merchant shall contribute with the Carrier in General Average to the payment of any sacrifice, 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 salving vessel or vessels belonged to strangers.

**13. 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, negligence or default of the Master, Mariner, Pilot or the servants of the Carrier in the navigation or in the management of the Vessel, the Merchant will indemnify the Carrier against all loss or liability to the other or non-carrying vessel or her Owner in so far as such loss or liability represents loss of or damage to or any claim whatsoever of the owner of the cargo paid or payable by the other or non-carrying vessel or her Owner to the owner of the cargo and set-off, recouped or recovered by the other or non-carrying vessel or her Owner as part of his claim against the carrying vessel or Carrier. The foregoing provisions shall also apply where the Owner, operator 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.

**14. Government directions, War, Epidemics, Ice, Strikes, etc.**
(a) The Master and the Carrier shall have liberty to comply with any order or directions or recommendations in connection with the carriage under this Contract given by any Government or Authority, or anybody acting or purporting to act on behalf of such Government or Authority, or having under the terms of the insurance on the Vessel the right to give such orders or directions or recommendations.
(b) Should it appear that the performance of the carriage would expose the Vessel or any cargo onboard to risk of seizure, damage or delay, in consequence of war, warlike operations, blockade, riots, civil commotions or piracy, or any person onboard to risk of loss of life or freedom, or that any such risk has increased, the Master may discharge the cargo at the Port of loading or any other safe and convenient port.
(c) Should it appear that epidemics; quarantine; ice; labour troubles, labour obstructions, strikes, lockouts (whether onboard or on shore); difficulties in loading or discharging would prevent the Vessel from leaving the Port of loading or reaching or entering the Port of discharge or there discharging in the usual manner and departing therefrom, all of which safely and without unreasonable delay, the Master may discharge the cargo at the Port of loading or any other safe and convenient port.
(d) The discharge, under the provisions of this Clause, of any cargo shall be deemed due fulfilment of the contract of carriage.
(e) If in connection with the exercise of any liberty under this Clause any extra expenses are incurred they shall be paid by the Merchant in addition to the freight, together with return freight, if any, and a reasonable compensation for any extra services rendered to the cargo.

**15. Defences and Limits of Liability for the Carrier, Servants and Agents.**
(a) It is hereby expressly agreed that no servant or agent of the Carrier (which for the purpose of this Clause includes every independent contractor from time to time employed by the Carrier) shall in any circumstances whatsoever be under any liability whatsoever to the Merchant under this Contract of carriage for any loss, damage or delay of whatsoever kind arising or resulting directly or indirectly from any act, neglect or default on his part while acting in the course of or in connection with his employment.
(b) Without prejudice to the generality of the foregoing provisions in this Clause, every exemption from liability, limitation, condition and liberty herein contained and every right, defence and immunity of whatsoever nature applicable to the Carrier or to which the Carrier is entitled, shall also be available and shall extend to protect every such servant and agent of the Carrier acting as aforesaid.
(c) The Merchant undertakes that no claim shall be made against any servant or agent of the Carrier and, if any claim should nevertheless be made, to indemnify the Carrier against all consequences thereof.
(d) For the purpose of all the foregoing provisions of this Clause the Carrier is or shall be deemed to be acting as agent or trustee on behalf of and for the benefit of all persons who might be his servants or agents from time to time and all such persons shall to this extent be or be deemed to be parties to this Contract of carriage.

**16. Stowage.**
(a) The Carrier shall have the right to stow cargo by means of containers, trailers, transportable tanks, flats, pallets, or similar articles of transport used to consolidate goods.
(b) The Carrier shall have the right to carry containers, trailers, transportable tanks and covered flats, whether stowed by the Carrier or received by him in a stowed condition from the Merchant, on or under deck without notice to the Merchant.

**17. Shipper-Packed Containers, trailers, transportable tanks, flats and pallets.**
(a) If a container has not been filled, packed or stowed by the Carrier, the Carrier shall not be liable for any loss of or damage to its contents and the Merchant shall cover any loss or expense incurred by the Carrier, if such loss, damage or expense has been caused by:
(i) negligent filling, packing or stowing of the container,
(ii) the contents being unsuitable for carriage in container; or
(iii) the unsuitability or defective condition of the container unless the container has been supplied by the Carrier and the unsuitability or defective condition would not have been apparent upon reasonable inspection at or prior to the time when the container was filled, packed or stowed.
(b) The provisions of sub-clause (i) of this Clause also apply with respect to trailers, transportable tanks, flats and pallets which have not been filled, packed or stowed by the Carrier.
(c) The Carrier does not accept liability for damage due to the unsuitability or defective condition of reefer equipment or trailers supplied by the Merchant.

**18. Return of Containers.**
(a) Containers, pallets or similar articles of transport supplied by or on behalf of the Carrier shall be returned to the Carrier in the same order and condition as handed over to the Merchant, normal wear and tear excepted, with interiors clean and within the time prescribed in the Carrier's tariff or elsewhere.
(b) The Merchant shall be liable to the Carrier for any loss, damage to, or delay, including demurrage and detention incurred by or sustained to containers, pallets or similar articles of transport during the period between handing over to the Merchant and return to the Carrier.

**ADDITIONAL CLAUSE**

**U.S. Trade. Period of Responsibility.**
(i) In case the Contract evidenced by this Bill of Lading is subject to the Carriage of Goods by Sea Act of the United States of America, 1936 (U.S. COGSA), then the provisions stated in said Act shall govern before loading and after discharge and throughout the entire time the cargo is in the Carrier's custody and in which event freight shall be payable on the cargo coming into the Carrier's custody.
(ii) If the U.S. COGSA applies, and unless the nature and value of the cargo has been declared by the shipper before the cargo has been handed over to the Carrier and inserted in this Bill of Lading, the Carrier shall in no event be or become liable for any loss or damage to the cargo in an amount exceeding USD 500 per package or customary freight unit.

# DOCKS MARITIMES DE BORDEAUX - DOCKS SURSOL
# 33530 BASSENS

G

## STATEMENT OF FACTS

15/ 2/2007

VE SEL : OWNERS/DISPONENT OWNERS:

Ca o : BULK MAIZE Load Berth 449 B/L Figures :

Arr ed from : Sailed to:

| | DAY | MONTH | DATE | TIME |
|---|---|---|---|---|
| En of sea passage on | WED | FEB | 14TH | 11H10 |
| Pil on board on | WED | FEB | 14TH | 09H31 |
| Ve el berthed on | WED | FEB | 14TH | 15H55 |
| Lo ing operations commenced on | THURS | FEB | 15TH | 06H20 |
| Lo ing operations completed on | THURS | FEB | 15TH | 12H00 |
| Pil boarding for sailing on | THURS | FEB | 15TH | 16H00 |
| No e of readiness tendered on | WED | FEB | 14TH | 11H10 |
| No e of readiness accepted on | AS PER C/P | | | |

RE ARKS : LAYCAN 15TH / 16TH

WE 14TH FEB
VE EL BERTHED ON FIRST TIDE AFTER ARRIVAL AT THE BXA PILOT STATION

TH RS 15TH FEB
TR IMING SPOUT LOADED- SILO WORKING HOURS FROM 06H00 TO 20H00

VE EL SAILED ON FIRST TIDE AFTER COMPLETION OF LOADING OPERATIONS

AS AGENTS ONLY MASTER SHIPPER'S REPRESENTATIVE

IMO NO.
GT 1499kW

Phone : Fax E-mail:

**Vessel:** **Charter Party dated:** **Reference No.:**

**Charterers:**

**Dischport** Honfleur

**Time allowed for discharging:** 36 hrs

**Notice tendered:** 10.12.2006 17h30 **Time to count from:** 11.12.2006 14h00

**Demurrage rate per day:** Euro 4,250.00 per day pro rata

| Day | Date | From | To | Remarks | Hrs | Mins |
|---|---|---|---|---|---|---|
| Mon | 11.12.06 | 10h15 | 12h00 | Prior time used to count half | 00 | 53 |
| | | 14h00 | 14h25 | | 00 | 25 |
| | | 14h25 | 19h00 | Rain | | |
| | | 19h00 | 24h00 | | 05 | 00 |
| Tue | 12.12.06 | 00h00 | 24h00 | | 24 | 00 |
| Wed | 13.12.06 | 00h00 | 05h42 | Time expires | 05 | 42 |
| | | | | | -- | -- |
| | | | | **Laytime allowed** | **36** | **00** |
| Wed | 13.12.06 | 05h42 | 15h20 | **On demurrage / completed discharge** | **09** | **38** |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Demurrage** | 0.4013888 | day @ | Euro 4,250.00 | per day | = | Euro | 1,705.90 |
| **Less commission** | | | | 5.00 % | = | Euro | 85.29 |
| **TOTAL** | | | | | = | **Euro** | **1,620.61** |

**Vopak Agencies France Sarl**
**144 , Boulevard Jules Durand – Bâtiment L**
**76086 Le Havre Cedex**
**Tel: + 33 2 32 74 87 90 Fax: +33 2 32 74 87 95**
**E-mails:** agencies.lehavre@vopak.com

Port of: **HONFLEUR**
Berth: **QSH 2**
Date: **13/12/06**

**STATEMENT OF FACTS – DRY CARGO**

| | Day | Date | Hour |
|---|---|---|---|
| Vessel Arrived Roads | Sunday | 10/12/06 | 17.30 |
| Vessel Anchored (awaiting tide) | Sunday | 10/12/06 | 17.30 |
| First available high water (if applicable) | | | |
| Weighed Anchor + Proceeded | Sunday | 10/12/06 | 22.15 |
| Pilot Boarded | Sunday | 10/12/06 | 22.33 |
| NOR Tendered | Sunday | 10/12/06 | 17.30 |
| NOR Accepted | | | Per C/P |
| All Fast QSH 3 | Sunday | 10/12/06 | 23.55 |
| Discharge Commenced | Monday | 11/12/06 | 10.15 |
| Discharge Completed | Wednesday | 13/12/06 | 15.20 |
| Pilot on Board for Sailing. ( Vessel's request ) | Wednesday | 13/12/06 | 18.00 |
| Vessel sailed for Poole | | | |

| | DO | GO | FO |
|---|---|---|---|
| Bunkers ROB Arrival Mt | | 7.0 | 88.10 |
| Bunkers ROB Sailing Mt | | | |

| | |
|---|---|
| Load Port: | **Brunsbuettel** |
| Vessel: | **Arklow Rebel** |
| Owner: | **Arklow Shipping Ltd** |
| Master: | **Iwasiow Tomasz** |
| Flag: | **Ireland** |
| GT: | **2999** |
| NT: | **1639** |
| Arrival Draft: | **5.65 m** |
| Sailing Draft: | **4.50 m** |
| Cargo: | **Urea 46% P techn. untreated** |
| B/L Date: | **08/12//06** |
| B/L Weight: | **4123.000 tons (Bulk)** |
| Outturn Weight: | 4138.000 Tons |

Receivers: **YARA FRANCE SA**
Stevedores: **SURVEYFERT SA**

Working hours/meal and tea break times to be Included in "hours stopped" column if taken

**DETAILS OF DAILY WORKING**

| Date | Day | Hours Worked From | Hours Worked To | Hours Stopped From | Hours Stopped To | No. Of Gangs | Quantity Discharged | Reason for stoppages - Include Opening/Closing of Hatches |
|---|---|---|---|---|---|---|---|---|
| **11/12/06** | Monday | 10.00 | 12.00 | 10.00 | 10.15 | 1 | **506.650 MT** | Trucks inspected by surveyor |
| **11/12/06** | Monday | 14.00 | 19.00 | 14.25 | 19.00 | 1 | | Rain |
| **12/12/06** | Tuesday | 07.00 | 12.00 | 07.17 | 07.42 | 2 | **2705.800 MT** | Awaiting truck Applevage crane |
| | | | | 07.53 | 08.13 | | | Awaiting truck Applevage crane |
| | | | | 08.21 | 08.36 | | | Awaiting truck Applevage crane |
| | | | | 07.25 | 07.30 | | | Awaiting truck Liebherr crane |
| | | | | 07.50 | 07.55 | | | Awaiting truck Liebherr crane |
| | | | | 08.01 | 08.06 | | | Awaiting truck Liebherr crane |
| | | | | 08.37 | 08.42 | | | Awaiting truck Liebherr crane |
| **12/12/06** | Tuesday | 14.00 | 19.00 | | | 2 | | Stoppages nil |
| **13/12/06** | Wednesday | 07.00 | 12.00 | 08.05 | 08.30 | 1 | 775.550 MT | Moving crane / Hatch Covers |
| **13/12/06** | Wednesday | 14.00 | 15.20 | | | 1 | 150.000 MT | Stoppages nil |

Remarks: Time to count as per Terms / Conditions/ Exceptions of the Governing Charter party

Place and date: HONFLEUR on 13th December 2006

For Agency : David Langlois

VOPAK AGENCIES FRANCE SARL
LE HAVRE

SURVEYFERT S.A.
ASSISTANCE PORTUAIRE ET STOCKAGE
21 PORTUAIRE - B.P. 30
14601 HONFLEUR

Name & Signature (Master)

M.V. Arklow Rebel