

Chartering Terms

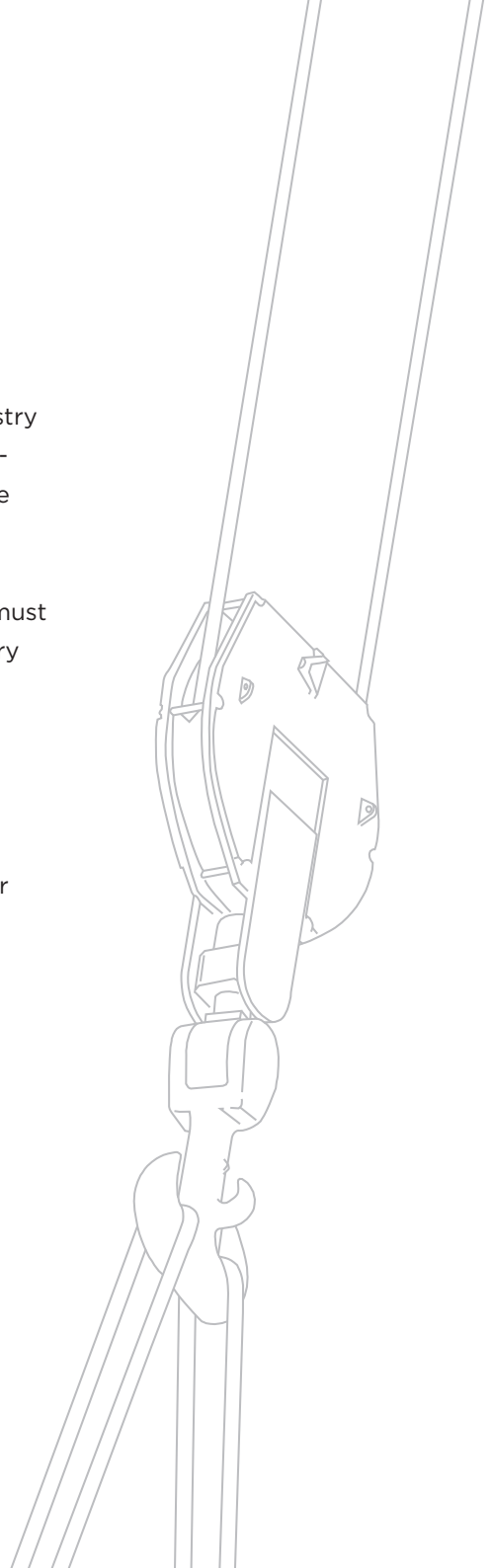
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The terms in this booklet have been carefully selected from various industry sources and are considered as representative of the chartering terms one can encounter in today's chartering business.

We hope you will find it useful, but must advise that exact definitions may vary by region or legal jurisdiction.

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A

AA - Always Accessible or Always Afloat - Term in Charter-Party which stipulates that the charterer must not order the ship to a port or berth where she would touch the bottom or perhaps be unavailable at any time due to tidal variations.

AAAA - Always accessible always afloat.

A/C - Account - This term is used when referring to a bank account and when allocating costs, such as in the phrase "for the a/c of charterers".

ABS - American Bureau of Shipping.

ABT - About - A conditional term used in qualifying cargo, time, bunkers or speed. when discussing cargo. "about" usually covers a margin of 5 % either way (i.e. 25,000 LT 5% more or less, at owner's option), when referring to a period of time: usually 15 days, although each case is considered on its own merit. In connection with bunkers, "about" has been interpreted to mean 5% latitude; regarding speed, the tolerance is generally one half knot.

Accomplished Bill of Lading - Original Bill of Lading which has been surrendered to the carrying ship at the discharge port in exchange for the goods.

A/E or ACC/EXC - Accept/Except - Term used by either the shipowner's broker or the prospective charterer's broker during the negotiations for the charter of a ship to signify that an offer or counter-offer is accepted apart from certain clauses or details. These are then listed together with the amendments sought.

AD VAL FRT - Ad Valorem Freight - Freight calculated on the value of the goods, expressed as a percentage thereof.

Addcom - Address Commission - Commission payable by the shipowner to the charterer. The reason for this system is sometimes said to be that the charterer's shipping department for bookkeeping purposes must show some kind of income

from their activities. State trading countries regularly include a 5% address commission in their orders.

Additional Demurrage - Amount of money paid to the shipowner by the voyage charterer, shipper or receiver, as the case may be, for failing to complete loading or discharging before the agreed period of free time has expired. The daily rate of additional demurrage is agreed in the Charter-Party.

Additional Freight - Extra charge imposed in accordance with the contract of carriage by a shipping line on the shipper, receiver or Bill of Lading holder, as the case may be, for additional expenses incurred in discharging the cargo. This charge generally applies when the port stipulated in the contract is inaccessible or when the discharge there would result in unreasonable delay to the ship: under these circumstances, the shipping line may have an option under the contract of carriage to proceed to another port of discharge the cargo where extra costs may be incurred.

"Adopted" Charter - If a charter "agreed" in that way following negotiations between, for instance, BIMCO and one or more groups representing charterers is officially supported by another association of shipowners, for instance, the Chamber of Shipping of the United Kingdom, it is stated that the Chamber of Shipping of the United Kingdom has "adopted" the charter; or on the other hand, if BIMCO wants to support one or the other charter negotiated and "agreed" between the Chamber of Shipping of the United Kingdom and one or more groups of charterers, then it is stated that the charter has been adopted by BIMCO. Moreover, a document issued by an organization of shipowners, for instance INTERTANKO, for use in a special trade without having actually been "agreed" with any particular group of charterers, may be adopted by BIMCO. An adopted document is compulsory for the members of the organization who have adopted it if it is an "agreed" document.

Advance Freight - Freight payable at a time agreed by the shipowner and the shipper, before the goods are delivered at the place of destination in the contract of carriage.

Advance on Freight - Money advances by the shipper to the master of a ship to pay for his disbursements while in port. It is often repaid by deduction from freight.

Afreightment - The hiring of a ship, the term may also sometimes be used to describe a contract for a series of voyages.

AG - Arabian Gulf (used when vessels are proceeding to Arabian ports).

Agency Clause - Clause in Charter-Party, which stipulates whether the ship's agent at the loading and / or discharging ports are to be nominated by the shipowner or the charterer.

Agency Fee - Fee payable by the shipowner or ship operator to a port agent, whose duties may include arranging a berth with the port authority, ordering pilots, tugs and labor, entering the ship in at Customs and collecting freight.

"Agreed" Charter - The charter has been agreed between BIMCO (or The Chamber of Shipping of the United Kingdom or Cornite Central des Armateurs de France or other associations of shipowners) with one or more groups of charterers or other institutions (for instance, the Polish Coal Charter Committee, the Timber Trade Federation of the United Kingdom, the Syndicat National du Commerce Exterieur de Cereales, Paris or CMEA, Moscow). The printed conditions of an "agreed" charter must not be altered or deleted without the express approval of the organizations who have agreed the charter, An "agreed" document is compulsory for the trade for which it is intended, e.x. the sugar trade.

AGW - All going well.

All in Rate - Freight rate which is inclusive of all surcharges and extras. This type of freight rate is to be found in the liner trade.

Anniversary Date - This refers to the hour and date the ship is delivered to the charterer and, therefore, hire is paid from that date, either semi-monthly, monthly, or per 30 days, through the end of the charter period. This is especially important when negotiating for an extension, or when "fixing" in direct continuation.

AP - All Purposes - Time allowed in a voyage charter for loading and discharging combined, expressed as a number of days and hours. Also referred to simply as purposes.

"Approved" Charter - this is the expression used for charters - whether "agreed", "adopted" or "recommended".

APS - Arrival Pilot Station - Location often used as the place of delivery of a ship by the shipowner to the charterer at the commencement of a time charter. The hire charge commences from the time of arrival unless the ship arrives prior to the first of the laydays. In such a case, the hire charge commences at the beginning of the first layday or sooner at the option of the charterer.

Arbitration Clause - Clause in a contract, such as Charter-Party, which stipulates that any dispute between the parties arising from the contract be resolved by arbitration. The clause also specifies the place where the arbitration is to be held, the number of arbitrators and their qualifications, and the procedure should one party fail to nominate an arbitrator.

Arrived Ship - Requirement of all voyage charters that the ship must have arrived before laytime can commence. Where the charterer has nominated a berth or dock, the ship must have arrived at that berth or dock. When a port is nominated, the ship must have arrived at the port in this context in cases where there is no berth available and the ship is obliged to wait, a vessel is an "arrived ship" as soon as the following conditions have been met:

1. The vessel must have arrived at the loading or discharging berth or port as stipulated in the charter.
2. The vessel must be fully prepared to load or discharge.
3. Notice of readiness in writing, as prescribed, must have been given to shippers or consignees.
4. If berth nominated by charter is not available, then vessel can be considered "arrived" when NOR is tendered.

ASBA - Association of Ship Brokers and Agents (USA), Inc., New York.

As Agent Only - Form of words used with a signature to a Charter-Party or Bill of Lading to indicate that the party signing is doing so merely on behalf of a principal, whether is to be the master, owner or charterer of the ship, and has no rights or liabilities under the contract of carriage.

As is - In the condition in which the subject matter is. This expression is used when goods, or a ship, are offered for sale without repair or rectification.

As is, Where is - In the condition in which the subject-matter is and at the place where it is lying. This expression is used where goods or a ship, are offered for sale without repair or rectification and with delivery to the purchaser being at the place where the goods are lying.

ATS - All Time Saved: term used in a voyage charter party to define one method by which despatch money is calculated, that is, by deducting time used for loading and/or discharging, as the case may be, from a theoretical time up to the expiry of laytime which includes excepted periods, for example a charterer may be allowed 10 days for loading. He calculates the expiry of laytime taking account of excepted periods such as weekends, and arrives at a theoretical number of calendar days, say 15. Should he only use four laydays to load, he is entitled to 11 days despatch money.

ATDN - Any Time Day or Night - Term used in a time Charter-Party to signify that the shipowner may deliver the ship or that the charterer may redeliver the ship, as the case may be, at any time of the day or night and not necessarily during normal working hours. This term is very often followed by SHINC (Sundays and holidays included).

Average to Laytime - As a voyage charterer, to offset the time used in loading cargo against that used in discharging for the purpose of calculating demurrage or despatch. If, for example, a charterer earns five days despatch at the loading port but there is a period of three days demurrage at the discharging port, the charterer has a net claim for two days despatch money.

B

Back to Back Charter - Contract between a charterer and a subcharterer whose terms and conditions are identical to the contract, known as the head charter, between the charterer and the shipowner. The purpose of agreeing identical terms is to ensure that any money for which the charterer may be liable to in the sub-charter, for example despatch money, is recoverable from the shipowner.

Backfreight - Freight payable to a shipowner for the carriage of goods back to the port of loading or to another convenient port when the vessel is unable to reach the port of destination because of an excepted peril or because the consignee fails to take delivery of The goods or provide instructions for their disposal.

BAF - Bunker adjustment factor.

Bale / Bale Capacity - Total cubic capacity of a ship's holds available for the carriage of solid cargo which is not capable of filling the spaces between the ship's frames. It is expressed in cubic feet or cubic meters. Where a cargo is free flowing and is capable of filling the spaces between the ship's frames, the corresponding cubic capacity is known as the grain or grain capacity.

BB - Ballast Bonus - Sum of money paid by a time charterer to a shipowner in recognition of the fact that the shipowner is unlikely to find a cargo near to the place of redelivery of the ship at the end of the period of the charter and is therefore obliged to ballast his ship elsewhere.

Baltic Mercantile & Shipping Exchange - Institution, located in London, England, also known as the Baltic Exchange or simply the Baltic, whose main function is to provide facilities for the chartering of ships by its members: chartering agents, acting on behalf of charterers, negotiate with shipbrokers who represent shipowners on the "floor" of the Baltic. Other activities include air chartering, futures trading and sale and purchase of ships.

Balttime - General purpose Time Charter Party published by BIMCO.

Bareboat Charter - The hiring or leasing of a ship for a period of time during which the shipowner provides only the ship while the charterer provides the crew together with all stores and bunkers and pays all operating costs. This type of charter is favored by persons or companies who wish to own a ship for investment purposes but who do not have the desire or expertise to operate the ship. Similarly, it is favored by persons or companies who have a particular requirement for a ship and the expertise with which to operate one but without the wish or ability to purchase. A ship hired out in this way is said to be on bareboat charter. Also referred to as a demise charter or a charter by demise.

Bareboat Charterer - Person or company who charters a ship for a period of time, provides crew, bunkers and stores and pays all operating costs. Also known as a demise charterer or charterer by demise.

Bareboat Charter-Party - Document containing the contract between the owner of a ship and the demise charter, and signed by both, in which are all the terms and conditions such as the period of the charter, the rate of hire, the trading limits and all the rights and responsibilities of the two parties. Also referred to as a demise Charter-Party.

Barecon 'A' - Standard bareboat Charter-Party published by BIMCO.

Barecon 'B' - Standard bareboat Charter-Party used for newbuildings financed by mortgage, published by BIMCO.

Base Cargo - Minimum quantity of cargo required by a shipping line to make it worthwhile to call at a particular port of loading.

Base Rate - Basic rate of freight of a shipping line or liner conference onto which are added, or on which are calculated, the various surcharges such as the currency adjustment factor or bunker surcharge.

BBB - Before Breaking Bulk - A condition of carriage that freight, or some percentage of it, becomes payable before breaking bulk (discharge of a vessel commences).

BD – Bundle.

Bearer of a Bill of Lading - Person who tenders the Bill of Lading to the ship at the place of discharge in exchange for the goods. Bills of lading are often made out to bearer.

Bends - Both Ends - At both loading and discharging ports. This term is often used together with GSAAAAB (good safe always afloat always accessible berth), with OSP (one safe port), with OSB (one safe berth) and to qualify the prices of the bunkers on delivery and redelivery in a time charter. Also used to state agency determination (ex. Carrier's agents bends).

Berth Charter Party - Charter-Party in which a particular berth is nominated by the charterer. The time allowed for loading or discharging, as the case may be, does not start to count until the ship reaches the berth, unless berth is occupied in which case time starts counting when NOR is tendered.

Berth Standard of Average Cause - Clause in a Charter-Party setting out the contribution to be made by the charterer to any claim for loss or damage to cargo for which the shipowner is liable.

Bill of Lading to Order - Bill of Lading which requires an endorsement by a consignee before goods can be delivered to him by the carrying ship. Also called a "to order Bill of Lading."

BIMCO (The Baltic and International Maritime Council) - Association whose main object is to promote and defend the interests of shipowners. It also has a membership of shipbrokers and has been responsible for contributing to the creation of a large number of Charter-Parties and other shipping documents.

Bimcosale - Standard bill of sale published by BIMCO, used for the purchase of ships.

B/L - Bill of Lading - Document issued by a shipowner to a shipper of goods. It serves as a receipt for the goods, evidence of the contract of carriage and document of title. As a receipt it contains the description and quantity of the goods

as well as suitable notations if the goods are not in apparent good condition when received by the ship. As evidence of the contract of carriage, the Bill of Lading contains the terms and conditions of the contract or, where the contract is represented by a Charter-Party, a reference to the Charter-Party As a document of title, the "to order" Bill of Lading is used by a third party to take delivery of the goods from a ship.

Blacklist - List of countries published by a particular government which will not allow ships to trade at its ports if they have traded at ports in the countries on that list.

Blt – Built.

B/N - Booking Note - Document containing the terms and conditions of a contract between a shipper and a shipping line for the carriage of goods on a particular ship between specified ports or places.

B.N.A. - British North America.

Boffers or BO - (asking) best offers.

Book Space (to) - As a shipper or his agent, to reserve space in a ship for the carriage of certain defined goods from a place of loading to a place of discharging.

Booking - Reservation made by a shipper or his agent with a carrier for the carriage of certain defined goods between defined places.

Booking List - List of all cargo bookings for a particular sailing. It is compiled by a shipping line from lists sent in by the line's agents responsible for taking bookings for the various ports on the ship's itinerary.

Both to Blame Collision Clause - Clause in a Bill of Lading or charter party which stipulates that, in the event of a collision between two ships where both are at fault, the owners of the cargo must indemnify the carrying ship against any amount paid by the carrying ship to the non-carrying ship for damage to that cargo. This clause arises because, under American law, a cargo owner is not able to make any recovery from the carrier for damage resulting from negligent navigation but may

instead sue the non-carrying ship which in turn seeks recovery from the carrying ship in proportion of his fault. This would render a carrier indirectly liable for a loss for which he is not directly liable to the cargo owner. The clause has, however, been held to be invalid in the American courts when incorporated with a common carrier.

Box Rate - Rate of freight per shipping container, as opposed to per ton or per cubic meter. Since a box rate is unaffected by the actual quantity loaded into the container, it is in shipper's interest to load as much cargo as possible, subject to the maximum allowed, to effectively reduce the cost of carriage for each ton or cubic meter.

Break Bulk (to) - To commence to discharge a bulk cargo. It is sometimes a condition of carriage that freight, or some percentage of it, becomes payable on breaking bulk.

Breakbulk - Relating to cargo lifted on and off ships one piece or bundle at a time by means of cranes or derricks, as opposed to cargo shipped on trailers or in shipping containers. Such goods may be described as breakbulk cargo; the ships which carry them are sometimes referred to as breakbulk ships which are operated on a regular basis between advertised ports, provide a breakbulk service. The term breakbulk is often used to denote the opposite of containerized.

Broken stowage - Amount of unused space in a ship or a hold by virtue of the irregular shape of the cargo. For example, the space taken up by a bundle of bars of irregular length would be calculated on the basis of the longest length, as if all the bars were of that length.

Brokerage - Fee or commission payable by a shipowner to a shipbroker for successful negotiation of a charter, It is normally expressed as a percentage of the freight or hire and demurrage. Brokerage may or may not be payable, according to the terms of the Charter-Party, should the voyage or period of the charter not be completed.

B/S - Bunker Surcharge - Extra charge applied by shipping lines, or set by liner conferences on behalf of their members, to reflect fluctuations in the cost of bunkers. This surcharge is expressed either as an amount per freight ton or as a

percentage of the freight. Also referred to as bunker adjustment factor (BAF), or fuel oil surcharge (FOS), or fuel adjustment factor (FAF).

BT - Berth Terms - Expression signifying that the contract of carriage is subject to the customs and conditions of the ports of loading and discharging.

C

C.A. - Central America (Le. - WCCA or ECCA depending which side).

CABAF - Currency and bunker adjustment factor surcharge applied by some shipping lines, and set by some liner conferences on behalf of their members, which consists of a currency adjustment factor and a bunker adjustment factor combined. This surcharge is normally expressed as a percentage of the freight rate.

CAD – Cash Against Documents - Term of sale whereby the buyer receives the commercial documents, including the Bill of Lading, which is the document of title, on paying the seller for the goods. This term is also used to qualify a contract of carriage in which the carrier releases the Bill of Lading to the shipper in exchange for the goods.

CAF - Currency Adjustment Factor - Surcharge applied to freight rates by shipping lines or set by liner conferences on behalf of their members. The purpose of the currency adjustment factor is embodied in the E.S.C. (European Shippers' Councils) / C.E.N.S.A. (Council of European and Japanese national Shipowners' associations) Code. It is to ensure that the revenue of the shipping lines is unaffected by the lines in relation to the tariff currency. The code provides formulae, adopted by many conferences, for calculating the CAF and, since the values of currencies can move upwards as well as downwards, the CAF which is normally expressed as a percentage of the freight, maybe negative as well as positive. Thus a tariff rate of \$100 becomes \$108 when subject to a plus 8 per cent CAF.

Calendar Month - A "month" in a time charter usually means a calendar month, which extends from the given day of the month to the day of corresponding number in next month. If that next month, being shorter, does not have a day of that number, the calendar month expires on the last day of that month. For example, if a ship is delivered on August 31st, the 1st month's hire expires September 30th; the next month's hire would be payable on October 31st, not October 30th.

Canal Transit Dues - Charge levied by a canal authority, such as that for the Suez Canal, for transiting. This charge is based on the ship's tonnage.

Cancellation (of a charter) - Repudiation of the contract, most often by the voyage charterer when the ship misses her canceling date, or by a time charterer when the ship is off hire for more than the period stipulated in the Charter-Party.

Cancellation Clause - Charter Party clause specifying the last date known, as the canceling date, on which a ship must be available to the charterer at the agreed place. If the ship arrives after the canceling date, the charterer may have the option to cancel the contract.

Canceling Date - Last date, agreed in a voyage Charter-Party or time Charter-Party, by which a ship must be available to the charterer at the agreed place at the commencement of the contract. If the ship is not available by that date, the charterer may have the option to cancel the charter under certain circumstances and clauses of the Charter Party.

Cargo Sharing - Reserving by the authorities of a country of the ocean carriage of its exports and imports to the ships of its own fleet and that of the countries with which it trades, usually in equal proportions, often allowing the ships of other countries a smaller share.

Cargoworthiness - Fitness of a ship to carry a particular cargo.

Cargoworthy - Said of a ship, being fit to carry a particular cargo.

Carrier - Party who enters into a contract of carriage with a shipper. The carrier may be the owner or charterer of a ship.

Carryings - Quantity of cargo carried over a period of time by a shipping line or by all the members of a liner conference. This quantity is a factor in determining the profitability of the service and the need, if any, to apply an increase to the freight rates.

CBR - Commodity Box Rate - Freight rate per shipping container for a particular commodity.

Centrocon - Voyage Charter-Party used for shipments of grain from the River Plate.

Cesser Clause - Clause in a voyage Charter-Party which seeks to relieve the charterer of all responsibility under the contract once the cargo has been shipped. Often this clause incorporates a provision for the shipowner to have a lien on the cargo for freight, deadfreight and demurrage.

CFR - Cost and Freight - Sales term denoting that the seller is responsible for arranging and paying for the carriage of the goods to the agreed port of discharge. Risk of loss and damage generally passes to the buyer when the goods pass ship's rail at the port of loading.

CFS - Container Freight Station - Place where consignments are grouped together and packed into a shipping container or where such consignments are unpacked.

Charter - The chartering or hiring of a ship. A ship which is hired out is said to be on charter and the time during which a ship is hired out is known as the period of the charter.

Charter by Demise - See bareboat charter.

Charter in (to) - To hire a ship from a shipowner. This expression is sometimes used more specifically to denote that the ship is being chartered for a specific voyage or purpose, supplementing a shipping company's fleet whose ships are fully committed or more profitably employed elsewhere.

Charter out (to) - To hire a ship out to a charterer. This expression is sometimes used to denote, more specifically, the hiring out of a ship which is temporarily surplus to the requirements of a shipowner or shipping company.

Charterable - Said of a quantity of goods that is sufficient to fill a ship taken on charter terms.

Charterer - Person or company who hires a ship from a shipowner for a period of time (see Time charterer) or who reserves the entire cargo space of a ship for the carriage of goods from a port or ports of loading to a port or ports of discharge (see Voyage charterer).

Charterer's Market - Weak market, with comparatively low freight rates.

Choct - in Charterers' Option - Term in a Charter-Party which stipulates that the charterers have a choice in specific circumstances. For example, the contract may allow for discharge at port 'A' or port 'B' in charterers' option, with the provision that one port is to be declared to the shipowner by a certain point in the voyage.

Charterer's Agent - Ship's agent nominated by the voyage charterer in accordance with Charter-Party. Although nominated by the charterer, the agent is paid by, and is responsible to, the shipowner. Can also be applicable to agents appointed at a load or discharge port by request of the actual cargo interests.

Charterer's Bill of Lading - Bill of Lading issued by a charterer and signed by him or his agent. Under certain circumstances, the charterer who signs his own bills of lading may be deemed to be the carrier, thus taking on all responsibilities of a carrier.

Chartering Agent - Shipbroker that acts on behalf of a charterer in the negotiations leading to the chartering of a ship. He is the counterpart to the owner's broker, the shipowner who acts on behalf of the shipowner.

Charter Party Bill of Lading - Bill of Lading issued for a shipment of cargo on a chartered ship when it is intended that the receiver be bound by the terms and conditions of the Charter-Party. A clause to this effect incorporating the date and place of signature of the Charter-Party appears on the Bill of Lading.

Charter Party Broker - A broker that will contract at the actual market level, but he will always try to phrase every single Charter-Party clause so that it will be as advantageous as possible to his principal. It must be stressed that a Charter-Party that has not been carefully drafted may cause one of the parties considerable losses.

CIF - Cost Insurance and Freight - Sales term denoting that the seller is responsible for arranging and paying for the carriage of the goods to the agreed port of discharge and for the insurance of the goods covering the period of carriage involved in the contract of sale. The risk of loss or damage generally passes to the buyer when the goods pass ship's rail at the port of loading.

CIP - Freight or Carriage and Insurance Paid to - This term is the same as CPT but with the addition that the seller has to procure transport insurance against the risk of loss or damage to the goods during carriage. The seller contracts with the insurer and pays the insurance premium.

Clause Paramount - Clause in a Bill of Lading or Charter-Party which stipulates that the contract of carriage is governed by the Hague Rules or Hague-Visby Rules or the enactment of these rules of the country having jurisdiction over the contract.

Claused Bill of Lading - Bill of Lading containing one, or more than one, superimposed clause which may either specify a defect to the cargo or its packing or may be any comment of the master regarding the carriage of the goods, for example that the weights or contents of a consignment are unknown to him, or that the goods shipped on deck are at shipper's risk.

Clean Bill of Lading - Bill of Lading which contains no superimposed clause specifying any defect to the cargo or its packing; it indicates that the cargo has been received by the ship in apparent good order and condition. Clean bills of lading are often required by banks who use them as collateral security against money advanced for the purchase of the goods described therein.

Clean Receipt - Receipt given by anyone receiving cargo into his care or possession bearing no clausings or notation indicating loss or damage, thus indicating that the goods were received in apparent good order and condition.

Clear Days - Used with a number to denote the period of time excluding the first and the last days, for example ten clear days.

Closed Conference - Liner conference in which the member lines vote on the admission of a new line. The purpose of this is to restrict the number of ships in a particular trade.

Closing date - Final date for delivering cargo to a liner ship. Usually considered to be the first day of the laycan or shipping period. Can also be a cargo cutoff date.

COA - Contract of Affreightment - is usually a contract for the carriage of a specified type and quantity of cargo, covering two or several shipments and running over a long period. In the COA it is the cargo and not the vessel that has a central position.

Coasthire - Time Charter-Party, the full name of which is the Chamber of Shipping Coasting and Short Sea daily Hire Charter Party.

Coasting Broker - Shipbroker who specializes in the negotiation of charters for coastwise or short sea voyages.

Combined Transport Bill of Lading or Combined Transport Document - Document evidencing a contract between shipper and a shipping line for carriage of goods on a voyage involving at least two legs. Normally, the issuer of this document is responsible for the goods from the time they are received into his care until the time they are delivered at destination.

Common Carrier - Person or company advertising a service involving the carriage of goods to and from ports on a particular route. A common carrier is required by law to accept all cargo offered, except dangerous ones, and to make a reasonable charge for their carriage.

Common Short Form Bill of Lading - Type of Bill of Lading which may be used by any shipping line since neither the name of the line nor its conditions of carriage are printed on it: the name is typed on and a printed clause states the full terms and conditions are available on request.

Competitive Broker - A broker engaged in efforts to bring together an owner's confidential broker with the broker of a suitable charterer is engaged in competitive chartering and is called a competitive broker.

Conbill - Bill of Lading approved by the BIMCO for use when no Charter-Party is signed.

Conference - Two or more shipping lines operating a service in common between designated geographical areas. The lines agree a set of freight rates and any

special rates for shippers and each line charges the same as the others. The ships used are of types suitable for the trade. Unlike tramp shipping where freight rates are function of daily supply and demand, conference rates are relatively stable: base rates are altered by means of a general rate increase which in many cases is once a year. Lines in a conference are governed by the rule of membership which may include rights to load or discharge at certain ports, and pooling of cargo. Also referred to as a freight conference or a shipping conference or a liner conference.

Constant - Refers to those items of a more or less permanent nature, such as crew and effects, stores, spare parts in excess of rule requirement (for example, a spare propeller and/or a spare tail shaft, neither of which are required by the rules), which have not been included in the lightweight and consequently must be deducted from the deadweight when determining the deadweight available for cargo. The word "constant" itself is a misnomer, since the constant is not forever constant but may vary from voyage to voyage depending on the amount of stores and spares on board.

CT - Conference Terms - Qualification to a freight rate which signifies that it is subject to the standard terms and conditions of the particular liner conference. These are normally set out in the conference's tariff.

Congenbill - Bill of Lading intended to be used with Gencon charter parties One of the clauses in this Bill of Lading states that it incorporates all the terms of the Charter-Party.

Congestion Surcharge - Extra charge applied by shipping lines, or set by liner conferences on behalf of their members, to reflect the cost of delay to their ships at a particular port caused by congestion.

Conlinebill - Liner Bill of Lading published by the BIMCO.

Online Booking Note - Liner Booking Note published by BIMCO.

Consecutive Voyages - Successive voyages of a ship on charter to one party. The Charter-Party may stipulate the number of voyages or the total quantity of cargo to be carried or the total period during which the shipowner performs the maximum number of voyages. Consecutive is often abbreviated to consec.

Consignee - Person to whom goods are to be delivered by the carrier at the place of destination.

Consignor - Person who places goods in the care of a carrier for delivery to a person known as a consignee.

Consolidation - The grouping together of several compatible consignments into a full container load. Also referred to as groupage.

Contractor - Person or company having a loyalty contract with a liner conference and entitled subject to having complied with the terms of the contract, to a contractor's rebate.

COP - Custom of the Port - Established practice at a port, which becomes part of a contract of carriage unless otherwise provided for in the contract. Frequent examples are daily rate of loading and discharging, and the point where a carrier's responsibility ends in a liner terms contact.

Copy Bill of Lading - Reproduction of a Bill of Lading intended to be used for administrative purposes only and not for taking delivery of the goods or for transferring title to them.

Count (as laytime) (to) - To be included in the calculation of laytime in a voyage charter. Whether a period, such as during a week-end or a strike, counts as laytime is subject to the agreement of shipowner and charterer save that, once all the time allowed has been used, the remaining period until completion of loading or discharging, as the case may be, counts without exception. A typical voyage Charter-Party clause might stipulate that 'time between 1700 hours Friday and 0800 hours Monday not to count, even if used.

Counter-offer or Counter - Response to an offer which in some way varies the terms or conditions of that offer, by virtue of a party making a counter-offer, the offer itself is no longer binding. Offer and counteroffer form the basis of the negotiations involved in chartering.

CP - Charter-Party - Document containing all the terms and conditions of the contract between a shipowner and a charterer, and signed by both parties or their agents, for the hire of a ship or the space in a ship. Most Charter-Parties are standard forms with printed clauses and spaces or boxes in which details relating to the individual charter, such as freight, laytime, demurrage, the ship's construction, speed and consumption, are inserted. The printed documents may be varied and / or added to by agreement of the two parties. Sometimes spelled Charter Party.

CPT - Freight or Carriage Paid to - Means that the seller pays the freight for the carriage of the goods to the named destination. However, the risk of loss and damage to the goods, as well as of any cost increases, is transferred from the seller to the buyer when the goods have been delivered into the custody of the first carrier and not at the ship's rail. It can be used for all modes of transport including multimodal operations and container or roll-on/roll-off traffic by trailers and ferries. When the seller has to furnish a Bill of Lading, waybill or carrier's receipt, he dully fulfills his obligation by presenting such a document issued by the person with whom he has contracted for carriage to the named destination.

CQD – Customary Quick Despatch - Means that the charterer must load and / or discharge as fast as is reasonably possible in the circumstances prevailing at the time of loading or discharging. There is no provision for demurrage or despatch. From the standpoint of an owner, it gives very little assurance, if any, of a quick load and/or discharge.

Cst. - Centistokes - Measure of the viscosity of oils. The greater the number of centistokes, the higher the viscosity of a grade of oil.

D

D/A - Disbursements Account - Account rendered by a ship's agent at a port to the shipowner for all sums paid out in respect of the ship's call at the port such as pilotage, towage, any cash advance to the master, supply of provisions and stores and the agency fee. Receipts known as vouchers support the account,

Damage for Detention - Sum of money payable to the shipowner by the voyage charterer, or anyone who becomes a party to the terms of the charter, for failing to load and/or discharge cargo within the time allowed in the Charter-Party. It is payable for each day or part thereof until completion of loading or discharging, as the case may be. Unlike demurrage, the amount is not agreed in advance, but is normally set by the Court either at the same rate as demurrage if such a rate has been incorporated into the Charter-Party, or based on the daily running cost of the ship plus any profit which shipowner might reasonably have expected. These damages apply when the Charter-Party contains no provision for demurrage or when the agreed period of demurrage is exceeded.

Deadfreight - Amount of money payable by a shipper or charterer to a shipowner or shipping line for failing to load the quantity of cargo stipulated in the contract of carriage. Deadfreight is normally payable at the full freight rate but may be reduced by the loading and/or discharging expenses if these were included in the freight.

Deadweight Cargo - Cargo of one metric ton which measures one cubic meter or less. Freight on deadweight cargo is generally payable on the weight, that is, per metric ton.

Deck Cargo - Cargo carried on, and secured to, the open deck of a ship. Cargoes traditionally carried on deck include dangerous goods, timber and goods, which are too large for the hatchway. Consideration needed when contemplating carrying cargo on deck are: the strength of the deck, the strength of the hatch covers if cargo is stowed on the top of them, the safety of the crew and their ability to go from one part of the ship to another, the need to ensure that cargo is not stacked so high as to impede navigation. Deck cargoes are carried at the risk of the charterer, shipper or Bill of Lading holder, as the case may be.

Delivery (of) a cargo - The conveying of goods by a carrier to the receiver or Bill of Lading holder at the place of destination in the contract of carriage.

Dely - Delivery (of a ship) - Placing of a time chartered ship by the shipowner at the disposal of the charterer at the beginning of the period of the charter, at the time and place agreed. The place of delivery is often a location, such as a pilot station, where it is relatively easy to verify the time of arrival and hence the time when the charter commences. Normally, an on hire survey is carried out as soon as practicable in order to determine the condition of the ship and the quantity of bunkers on board at the time of delivery.

Delivery Certificate - Document, signed by or on behalf of the shipowner and the charterer, certifying the time, date and place of delivery of the ship, that is, the placing of the ship at the disposal of the time charterer at the beginning of the period of the charter. The certificate also states the quantity of bunkers on board at the time of delivery and any notations by the charterer concerning the failure of the ship to comply in any respect with the terms of the Charter-Party.

Delivery Order - Document issued by a liner company's agent authorizing the party named in it to take delivery of specific cargo from a ship. It is normally issued in exchange for an original Bill of Lading.

Dem - Demurrage - Amount of money paid to the shipowner by the charterer, shipper or receiver, as the case may be, for failing to complete loading and/or discharging within the time allowed in the Charter-Party. The rate of demurrage, normally an amount per day, is agreed in the Charter-Party. Some charters specify that, after a certain period of demurrage, either additional demurrage or damages for detention become payable. When demurrage becomes payable, it is said of a ship that she is on demurrage. Once a ship is on demurrage, no deductions are made for the excepted periods, such as weekends, in the calculation of the demurrage charges; hence it is said that "once on demurrage, always on demurrage."

Demise Charter - See bareboat charter.

Demise Clause - Clause in a Bill of Lading stipulating that the contract of carriage is between the shipper or Bill of Lading holder and the shipowner. Bills of lading

issued by charterers of a ship on behalf of the owner and master often contain this clause. It should be noted that this clause is inconsistent with the laws of certain countries and may therefore be invalid in those countries.

DEQ - Delivered ex quay - This means that the seller makes the goods available to the buyer on the quay at the destination named in the sales contract. The seller has to bear the full cost and risk involved in bringing the goods there. There are two "ex quay" contracts in use, namely "ex quay" (duty paid) and "ex quay" (duties on buyer's account), in which the liability to clear the goods for import are to be met by the buyer instead of by the seller, parties are recommended always to use the full descriptions of these terms namely "ex quay" (duty paid) or "ex quay" (duty on buyer's account), or else there may be uncertainty as to who is to be responsible for the liability to clear the goods for import.

DESP – Despatch or Despatch Money - Amount of money the rate of which is agreed in advance, payable by the shipowner to the charterer, shipper or receiver, as the case may be, for loading and/or discharging in less than the time allowed; normally despatch money, if a provision for it has been made, is at the same rate as, or half the rate of the rate of demurrage agreed in the Charter-Party.

DES - Delivery ex ship - This means that the seller shall make the goods available to the buyer on board the ship at the destination named in the sales contract. The seller has to bear the full cost and risk involved in bringing the goods there.

Detention Charge - Charge payable by a shipper or receiver to a shipping line for detaining equipment or a vessel beyond the time allowed.

Deviation Clause - Clause in a Bill of Lading or Charter-Party allowing the shipping line or shipowner to deviate from the agreed route or normal trade route. This clause varies from contract to contract and may permit the ship to call at unscheduled ports for whatever reason, or to deviate to save life or property.

DHD — Demurrage Half Despatch - This term, often found in voyage charter negotiations, signifies that despatch money is to be paid at the daily rate of demurrage. The rate of demurrage precedes this term in the offer. For example, an offer by telex might read USD 5.000 dhd, which signifies that demurrage would be

at the rate of U.S. Dollars 5,000 per day and despatch money at U.S. Dollars 2,500 per day.

Dirty Bill of Lading - Bill of Lading containing one, or more than one superimposed clause specifying a defect to the cargo or packing, noted at the time the goods are received by the ship. Such a Bill of Lading is also referred to as foul or unclean.

Disbursements — Sums paid out by a ship's agent on behalf of a shipowner at a port and recovered from the shipowner by means of a disbursements account. Typical expenses include pod charges, pilotage, towage and the agent's fee.

Disponent Owner - Person or company who controls the commercial operation of a ship, responsible for deciding the ports of call and the cargoes to be carried, very often, the disponent owner is a shipping line, which time charters a ship and issues its own liner bills of lading. In most cases, BBC Chartering are acting as "disponent owners".

Dock Dues - Charge levied against a shipowner or ship operator by a port authority for the use of a dock.

Door to Door - Said of a service or freight rate provided by a container shipping line whereby goods are loaded into a shipping container at the shipper's premises and not unloaded until they arrive at the consignee's premises.

DOP - Dropping Outward Pilot - Frequently used provision in a time charter to determine the time and place of redelivery of a ship to the owner by the charterer. The hire ceases at the moment the pilot disembarks.

Dry Weight - Actual weight of a bulk cargo less an allowance for moisture content.

DWCC - Deadweight Cargo Capacity or Deadweight Carrying Capacity - Weight of cargo, which a ship is able to carry when immersed to the appropriate load line, expressed in tons.

DWT or DWAT - Deadweight or deadweight all told. Difference between a ship's loaded and light displacement, consisting of the total weight of cargo, fuel, fresh

water, stores and crew which a ship can carry when immersed to a particular load line, normally her summer load line. The deadweight is expressed in tons.

E

Economic Speed - This is the speed of a vessel producing the best possible financial results for the owners, giving proper consideration to the following:

1. The prices of bunkers in the ports en route.
2. Fuel consumption of the vessel at various speeds.
3. Daily operating costs.
4. The net freight per ton of cargo.
5. Operating profit per day.
6. Subsequent available employment of vessel and anticipated freight.

EIU - Even if Used - Term used in a voyage Charter-Party which provides that time used to load or discharge, as the case may be, during excepted periods is not deducted from the time allowed. A Charter-Party might stipulate that the time does not count from 1700 hours Friday to 0800 hours Monday, even if used. In this case, even if charterers choose to load or discharge in between these hours, the time spent working would not count as laytime.

Endorse a Bill of Lading - To sign over a Bill of Lading to another, thus transferring title to the goods described in the Bill of Lading to that party.

Enrollment (U.S.) - The document issued by the U.S. Government to vessels under U.S. flag engaged solely in domestic or coastwise trade, as distinguished from the register, which is confined to vessels engaging in foreign trade.

ETA - Estimated Time of Arrival.

ETC - Estimated Time of Completion.

ETD - Estimated Time of Departure.

ETR - Estimated Time of Readiness.

ETS - Estimated Time of Sailing.

EXW - ex. Works - Sales term denoting that the seller is responsible for making the goods available at his works or factory. The buyer bears the cost of loading the goods onto the vehicle(s) and delivering them to the destination. The risk of loss and damage to the goods generally passes from the seller to the buyer at the time that they are made available.

Excepted Period - Period during which any time used to load or discharge does not count for the purpose of calculating demurrage or despatch, other than by prior agreement (see Unless used). Such periods must be expressly stated in the Charter-Party and may include weekends; public holidays and time used shifting from anchorage to berth. It should be noted that, once laytime has expired, time counts during excepted periods in the calculation of demurrage.

Exceptions Clause - Clause in a Charter-Party or Bill of Lading that exonerates the carrying ship from responsibility for damage to cargo from certain named causes such as an act of God or negligence of the master.

Expiry of Laytime - Moment when the time allowed in the Charter-Party for loading and / or discharging, as the case may be, has been used up. If loading or discharging, as the case may be, has been used up. If loading or discharging has not been completed, demurrage or damages for detention become payable.

Extension of a Charter - Prolonging of the period during which a ship is on time charter. An option to extend the charter may be incorporated into the Charter-Party, very often on the same terms but possibly at a different rate of hire.

Extension to the Canceling Date - Agreement by the charterer to a later date than that agreed in the Charter-Party by which a ship must tender notice of readiness to the charterer that she has arrived and is ready to load. If a ship is likely to be delayed in reaching the load port, the shipowner may ask the charterer to extend the canceling date. If the charterer agrees, the contract is amended accordingly. If not, the charterer may have the option to cancel the charter either before the canceling date by mutual consent or after the canceling date within a time specified in the Charter-Party. Alternatively, the shipowner may be obliged to present his ship at the load port, however late.

Extension to Suit Time - An extension by the carrier of the period within which cargo interests must bring a lawsuit for any claim which they may have under the contract of carriage. This extension may be granted at the request of cargo interests when the claim has not been fully quantified and provides the parties with further time to settle the claim out of court.

Extra-length Surcharge - Extra charge set by liner conferences on behalf of their members or applied by shipping lines on cargo exceeding a length specified in their tariff often 40 feet or 12 meters. This extra charge is normally expressed as an amount of money per each ton for each unit of length, for example each foot or part of a foot in excess of the specified length.

F

FAC - Fast as Can - Term used in a contract of carriage, particularly in those of shipping lines, to denote that the shipper must supply the cargo as fast as the ship can load or that the receiver must take delivery as fast as the ship can discharge.

FACCOP - Fast as Can Custom of the Port - see FAC - Fast as Can and COP - Custom of the Port.

FAF - Fuel Adjustment Factor - see bunker surcharge.

FAK - Freight All Kinds - Single freight rate which is charged irrespective of the commodity.

FAS - Free Alongside - Under this term the seller's obligations are fulfilled when the goods have been placed alongside the ship on the quay or in lighters. This means that the buyer has to bear all costs and risks of loss or damage to the goods from that moment. It should be noted that unlike fob, the present term requires the buyer to clear the goods for export

F/C - Full and Complete Cargo - This expression characterizes a full cargo, in accordance with the custom of the port, which will either bring the vessel down to her maximum permissible draft or fill the vessel cubically as the case may be.

FCC - First Class Charterers - a commonly used, meaningless phrase, which should be avoided. Better to say, if you need to keep the name undisclosed: "local charterers or a similar phrase".

FCL - Full Container Load - Quantity of cargo, which fills a shipping container to capacity, either by weight or cubic measurement.

FCL Allowance - Deduction from the FCL freight provided by a shipping line or liner conference to a shipper who loads a minimum number of tons or cubic meters of cargo into a shipping container. There may be various allowances depending on the degree of utilization of the container. Also known as utilization allowance.

FCL/FCL - Term used to describe a container freight rate whereby the shipper is responsible for packing of the container and the shipper or receiver, as the case may be, is responsible for the unpacking.

FCL/ LCL - Term used to describe a freight rate whereby the shipper is responsible for packing of the container and the shipper or receiver, as the case may be, is responsible for the unpacking.

FD - Free Despatch - Provision in a voyage Charter-Party that despatch money is not payable when loading and/or discharging has been completed in less than the time allowed.

Ferticon - Voyage Charter-Party used for shipments of fertilizer, published by the Chamber of Shipping.

Fertivoy - Voyage Charter-Party used for shipments of fertilizer from the United States of America and Canada. The full name of this Charter-Party is the North American fertilizer Charter-Party.

FEU - Forty Foot Equivalent Unit - Unit of measurement equivalent to one 40-foot container. Thus two 20-foot containers comprise an FEU. This measurement is used to quantify, for example, the container capacity of a ship, the number of containers carried on a particular voyage or over a period of time, or it may be the unit on which freight is based.

FHEX - Fridays and Holidays Excepted - Charter-Party term, which provides that Fridays and holidays do not count in the calculation of laytime. This term applies to those countries where Friday is the Sabbath, notably in the Middle East.

FI - Free In - Free of expense to the shipowner of cargo handling at the loading port.

FILO /FILTD - Free in Liner Out / Free in Liner Terms Discharge - Qualification to a freight rate denoting that it is inclusive of the sea carriage and the cost of discharging. It excludes the cost of loading and, if appropriate to the type of cargo, stowing, dunnaging, lashing and securing or trimming, all of which are payable by

the charterer or shipper. This type of freight rate may have a provision for laytime and demurrage at the port of loading since the carrier has no control over the loading.

FIO - Free In and Out - Term qualifying a freight rate which signifies that it excludes the cost of loading and discharging and if appropriate to the type of cargo, stowing, dunnaging, lashing and securing or trimming, all of which are paid by the charterer or shipper or receiver, as the case may be. This type of rate is typically found in voyage charter-parties and, since the shipowner has no control over loading and discharging, these generally have suitable clauses for laytime and demurrage to allow for delays at the loading and discharging ports.

FIOLS & D - Free In and Out, Lashed, Secured and Dunnaged - Qualification to a freight rate, which is equivalent to free in and out, but which avoids any ambiguity by specifying that the cost of lashing, securing and dunnaging is not for the account of the shipowner. It is normally payable by the charterer or the shipper.

FIOS - Free In and Out and Stowed - Qualification to a freight rate which is equivalent to free in and out but which avoids any ambiguity by specifying that the cost of stowage is not for the account of the shipowner. It is normally payable by the charterer or the shipper. It is used in carriage of general cargo.

FIOT - Free In and Out and Trimmed - Qualification to a freight rate which is equivalent to free in and out but which avoids any ambiguity by specifying that the cost of trimming is not for the account of the shipowner. It is normally payable by the charterer or the shipper. It is used in carriage of bulk cargo.

Firm Offer - An offer that is not conditional in any way and is binding on the party making it, provided that it is accepted in full and within any time limit specified in it.

First Class Ship - Ship to which the highest class has been given by a classification society in accordance with its rules concerning construction and maintenance.

Fix (to) - To conclude successfully negotiations resulting in the charter of a ship or cargo.

Fix Best Possible - Situation where the broker is given leeway to negotiate the Charter-Party if terms of original instructions cannot be met in the market. Very rarely happens. Usually, the broker is given a set of instructions by the principal, and if he cannot find a counter to meet those terms, he must return to his principal for a new set of instructions.

Fixed on Subjects - Said of a ship, when the terms and conditions of chartering her have been agreed except for a few, normally minor, details.

Fixed Operating Expense - The daily or monthly out-of-pocket costs of operating a vessel, which may include amortization and interest, but does not include fuel or any other variable costs.

Fixture - Successful conclusion of the negotiations between shipowner and charterer, generally through shipbrokers, resulting in the charter of a ship.

FLT - Full Liner Terms - Qualification to a freight rate, which signifies that it consists of the ocean carriage and the cost of cargo handling at the loading and discharging ports, according to the custom of those ports. This varies widely from country to country and, within countries, from port to port: in some ports, the freight excludes all cargo handling costs while in others, the costs of handling between the hold and the ship's rail or quay is included in the freight.

FO - Free Out - Qualification to a freight rate denoting that the cost of discharging of the cargo from the ship's hold is not included in the freight but is payable by the charterer or shipper or Bill of Lading holder, as the case may be. When qualifying a term of sale, it denotes that the purchase price of the goods does not include this cost that is borne by the buyer. Often, daily rates of discharging and demurrage are incorporated into such contracts.

FOB - Free on Board - Sales term denoting that the seller is responsible for delivering the goods to the port of loading agreed in the contract and for loading them on to the ship nominated by the buyer. The risk of loss or damage to the goods generally passes from the seller to the buyer when the goods pass ship's rail at the port of loading.

FOB Charges - Are cargo handling charges levied on the shipper by the shipping line at the port of loading.

Force Majeure - Circumstance which is beyond the control of one of the parties to a contract and which may, according to the terms and conditions, relieve that party of liability for failing to execute the contract.

Forwarding Agent or Forwarder - Person or company who arranges the carriage of goods and the associated formalities on behalf of a shipper. The duties of a forwarding agent include booking space on a ship, providing all the necessary documentation and arranging Export Customs clearance. Also referred to as freight forwarder.

Foul Bill of Lading - See dirty Bill of Lading.

FOW - First Open Water - Time in Spring or early Summer when rivers, lakes, or seas are unfrozen and sufficiently free of ice to be open to navigation. The term is normally used in the Great lakes or Baltic trades and usually refers to sometime in April.

Free Time - Period between the time a ship is ready to load or discharge, having given notice of readiness, and the time that laytime commences in accordance with the Charter-Party, during which the charterer or receiver is not obliged to load or discharge. It is important to make provision in the Charter-Party for the effect of laytime should the charterer or receiver elect to load or discharge during this period.

Freight Broker - Is the broker who is always successful in contracting somewhat above the market level, but who will never risk the loss of business due to the details of a particular Charter-Party clause.

Freight Collect - Freight payable at destination, also referred to as freight forward.

Freight Conference - See conference.

Freight Forward - See freight collect.

Freight forwarder - See forwarding agent.

Freight Payable at Destination - Method of paying the freight often used for shipments of bulk cargoes whose weight is established on discharge from the ship.

Freight Prepaid - Freight which is payable before the contract has been performed. Very often, the bills of lading are signed and exchanged with the shipper for his payment of freight.

Freight Quotation - Freight quoted by a shipping line or liner conference, which may be given as an indication only.

Freight Rate - Amount of money paid to a shipowner or shipping line for the carriage of each unit of cargo, such as a ton, a cubic meter or container load. Also referred to as rate of freight.

Freight Tariff - Schedule, published by a liner conference or shipping line, containing freight rates for a variety of commodities likely to be carried by the lines and whether these are payable on the weight of commodity or its cubic measurement. The tariff also contains details of charges for heavy lifts and long length cargoes, and terminal charges. Apart from matters of rating, the tariff of a liner conference states the geographical areas served, the names of the member lines and the conference's general regulations.

Freight Ton - Unit of cargo on which a freight rate is based, generally one ton or one cubic meter whichever is greater. Also called revenue ton.

FRT - Freight - Amount of money paid by a shipowner or shipping line for the carriage of cargo. Depending on the type of contract, the particular terms and, in some cases, the custom of the ports involved, the freight may include the cost of loading and/or discharging the cargo or may simply cover the ocean carriage.

G

GA - General Average - Intentional act or sacrifice that is carried out during voyage to preserve the venture from a real peril. The party who has suffered a loss as a result is reimbursed by all the other parties to the marine adventure, each paying a proportion of the amount of the loss according to the value of their interest.

Gless – Gearless Ship - Ship which is not equipped with her own crane(s) or derrick(s). When chartering or scheduling such a ship for a particular voyage, it is necessary to ensure that the loading and discharging ports have shore cranes capable of lifting up to the heaviest piece weight of the ship's cargo.

Gencon - Widely used general purpose voyage Charter-Party published by BIMCO.

General Average Clause - Clause in a Bill of Lading or Charter-Party that stipulates in what country or place and by what rules. often the York-Antwerp Rules, general average is to be adjusted.

GRI - General Rate Increase - Periodic increase to all the base freight rates in the tariff of a liner conference or shipping line.

Grain / Grain Capacity - Total cubic capacity of a ship's holds available for the carriage of grain or any other free-flowing bulk cargo which is capable of filling the space between the ship's frames It is expressed in cubic feet or cubic meters. See corresponding term bale I bale capacity.

Gross Terms - Type of voyage charter in which the shipowner pays for loading and discharging.

Groupage - See consolidation.

Groupage Bill of Lading - Bill of Lading, issued by a carrier to a forwarding agent, sometimes known as a groupage agent or consolidator, which covers consignments from various shippers for the same destination which have been consolidated into one consignment by the forwarding agent. Each shipper receives a house Bill of Lading from the forwarding agent covering his consignment.

GT - Gross Tonnage - The total of all the enclosed spaces within a ship expressed in tons each of which is equivalent to one hundred cubic feet. This term was previously referred to as GRT.

H

HA - Hatchway - Opening in the deck of a ship through which cargo is loaded into, or discharged from, the hold.

Hague Rules - Rules governing the carriage of goods by sea and identifying the rights and responsibilities of carriers and owners of cargo. These rules were published in 1924 following an international convention and were subsequently given the force of law by many maritime nations.

Hague-Visby Rules - Set of rules, amending the Hague Rules, published and subsequently given the force of law by many maritime nations.

Half Hire - Provision in a time Charter-Party that half of daily hire is payable under certain circumstances. For example, if a ship is lost at sea, it may be agreed that half hire is payable from the date the ship was last heard from until the calculated date of arrival at her destination.

Hamburg Rules - Rules governing the rights and responsibilities of carrier and cargo interests which may be incorporated into a contract for the carriage of goods by sea either by agreement of the parties or statutorily. The rules were adopted by the United Nations Convention on the Carriage of goods by sea in 1978.

Harbor Dues - Charge levied against a shipowner or ship operator by a port authority for the use of a harbor.

Head Charter - Contract for the charter of a ship between her owner and a charterer. This term is used to distinguish between this Charter-Party and any contract: which the charterer may have with a third party to whom he sub-lets the ship.

Head Charterer - Charterer whose contract is direct with the shipowner in respect of a ship that is being chartered out and the sub-chartered, perhaps several times. The head charterer is thus distinguished from all the sub-charterers.

Hire or Hire Money - Money paid by a charterer to a shipowner for the hire of a ship taken on time charter. It may be expressed, for example, as an amount per day or

per deadweight ton per month, hire is payable, by agreement, at regular intervals such as monthly or semimonthly, normally in advance. It is important that hire money is paid on time since otherwise the shipowner has the right to withdraw the ship from the service of the charterer.

Hire Statement - Written statement of the amount of hire money payable by a time charterer to a shipowner, showing the number of days that have elapsed since the commencement of the charter or since last statement. Deductions may be made for items disbursed by the charterer on behalf of the shipowner, such as cash advanced to the master, claims against the shipowner and off hire periods are also often deducted. The first and last statements detail the quantity of bunkers on board at the time of delivery and redelivery respectively of the ship, and corresponding adjustments made to the amounts of the remittances to take account of the purchase of bunkers on board on delivery by the charterer and the subsequent sale of bunkers on board on redelivery to the shipowner.

Ho. - Hold - Space below the deck of a ship, used for carry cargo. If a ship has more than one hold, they are numbered consecutively from one upwards starting with the forward-most; this is done for the purposes of identifying the hold and locating cargo stowed in them.

House Bill of Lading - Bill of Lading issued by a forwarding agent to a shipper covering a consignment, which the forwarding agent has grouped with consignments from other shippers to the same destination. The forwarding agent receives one groupage Bill of Lading from the carrier that covers all the consignments.

Husbandry Agent - This is the agent appointed by the shipowners to attend only to those non-cargo matters - specifically those matters concerning vessel crew, repairs, supplies, and provisioning and classification society surveys.

HWONT - High water ordinary neap tides.

HWOST - High water ordinary spring tides.

I

Ice Clause - Clause in a Bill of Lading or Charter-Party that sets out the options available to the panics to the contract of carriage in The event that navigation is prevented or temporarily delayed by severe ice conditions. The wording of the clause and the options vary according to the individual contract: a master may have the right to divert the ship to the nearest safe port to discharge cargo destined for an ice-bound port. Equally, a charterer may have the option of keeping a ship waiting for ice conditions to clear on payment of demurrage.

Identity of Carrier Clause - Clause in a Bill of Lading which stipulates who the carrier is, that is, the part) responsible for the care of the cargo under the terms of the contract of carriage. This is normally the shipowner since the party issuing the Bill of Lading may have chartered the ship and may not be responsible for the navigation of the ship nor for the handling of the cargo. There are some countries in which this clause may not be upheld.

Incoterms - Rules governing the interpretation of terms used in international trade, published by the International Chamber of Commerce. Against each of the terms of sale, such as FOB, CIF and DDP, are defined the duties of buyer and seller. These rules are incorporated into a contract of sale by agreement of the two parties.

Indemnity - Compensation offered by one party to another for the consequences of carrying out, or omitting to carry out, a certain act. An indemnity is usually given in writing but is unenforceable in a court of law if the act for which it is given is intended to defraud an innocent third party.

Independent Line - Shipping line that operates on a route served by a liner conference but which is not a member of that conference, also referred to as a non-conference line or an outsider.

Inducement - Minimum quantity of cargo or freight required by a shipping line to make it worthwhile to call at a particular port of loading or discharging. Such a cargo is called an inducement cargo or inducement rate.

Inherent vice - The terms mean any existing defects, diseases, decay or the inherent nature of the commodity that will cause it to deteriorate with a lapse of

time. Examples of goods that are subject to inherent vice are agricultural commodities, such as fruits and vegetables, and tobacco, which have the tendency to over-heat and to be subject to spontaneous combustion. Mild rust on metal created by atmospheric conditions is an inherent vice.

IWL Institute Warranty Limits - Geographical limits within which a ship may navigate without incurring any additional insurance premium.

Intaken Weight - Actual weight of cargo loaded on board a ship.

Interclub Agreement - Agreement between a number of major protection and indemnity clubs on the method of apportioning liability for loss and damage to cargo carried in ships chartered under a New York Produce Exchange Charter-Party.

Interim Voyage - Voyage undertaken by a ship between the times she is chartered for a specific voyage and the time she performs it.

Intermodal Tariff - Tariff or freight rates of a shipping line or line conference covering inland as well as ocean legs.

"Issued" Charter - A form of Charter-Party for the establishment of which it might be said that BIMCO is responsible, is referred to as "issued" by BIMCO.

J

Jettison Clause - Clause in a Bill of Lading or Charter-Party setting out the circumstances under which a master is entitled to jettison goods from a ship.

Joint Survey - Inspection carried out by a surveyor on behalf of two parties, the cost generally being borne by both.

Jurisdiction Clause - Clause in a Bill of Lading or Charter-Party, which stipulates that any dispute between the parties arising from the contract, be resolved in a court of law, as opposed to arbitration. It also specifies which county has jurisdiction, that is, the authority to administer justice. Also known as litigation clause.

K

KG (s) - Kilograms(s)

KT – Knot

L

Laydays - Days allowed by the shipowner to the voyage charterer or Bill of Lading holder in which to load and / or discharge the cargo. See also laytime.

Laycan or L/C - Laydays Canceling - Period during which the shipowner must tender notice of readiness to the charterer that the ship has arrived at the port of loading and is ready to load, This period is expressed as two dates, for example laydays 25 March canceling 2 April or, when abbreviated as laycan, laycan 25 March/2 April. The charterer is not obliged to commence loading until the first of these dates if the ship arrives earlier and may have the option of canceling the charter if the ship arrives after the second of the dates, known as canceling date.

Laytime - Time allowed by the shipowner to the voyage charterer or Bill of Lading holder in which to load and / or discharge the cargo. It is expressed as a number of days or hours or as a number of tons per day. There is normally a provision in the Charter-Party for the commencement of laytime, which is often at a certain hour after notice of readiness has been tendered by the master, a provision for periods when laytime does not count, for instance during bad weather, weekends or holidays or a provision for laytime being exceeded, when demurrage or damages for detention become payable, or not being fully used, when despatch may be payable.

Laytime Saved - Charter-Party term used to define one method by which despatch money is calculated, that is, by deducting laytime used from laytime allowed. If for example, a Charter-Party provides for 6 laydays for loading and the charterer uses 3 days, he is entitled to 3 days despatch money. Also referred to as working time saved.

Laytime Statement - Portion of a time sheet, which details the amount of laytime used by a voyage charterer.

L/C - Letter of credit.

LCL - Less than Container Load - Consignment of cargo, which is insufficient to fill a shipping container. It is grouped with other consignment for the same destination in a container at a container freight station.

Letter of Indemnity - Written statement in which one party undertakes to compensate another for the costs and consequences of carrying out a certain act, for example, a shipper who has been delayed in sending an original Bill of Lading to the receiver may instruct the master of the ship or the shipowner to release the goods to a named third party without production of an original Bill of Lading. The master or owner, if they agree, may require a letter of indemnity from the shipper for the consequences of complying should it turn out that the named party is not entitled to take delivery of the goods. It should be noted that, as a rule, any such letter that seeks to indemnify against an act, which is intended to defraud an innocent third party, is unenforceable in a court of law.

Lien Clause - Clause in a voyage Charter-Party which entitles the shipowner to exercise a lien on the cargo, that is, to retain control of the cargo until any freight, deadfreight or demurrage which is owing is paid. This provision is often incorporated into the cesser clause, which seeks to relieve the charterer once the cargo has been shipped.

LIFO – Liner In Free Out - Qualification to freight rate denoting that it is inclusive of the sea carriage and the cost of loading. It excludes the cost of discharging, which is payable by the shipper or receiver, as the case may be. There may be a laytime and demurrage arrangement at the port of discharging since the carrier has no control over the discharging.

Liner Bill of Lading - Bill of Lading containing the terms and conditions of carriage of a shipping line.

Liner Waybill - Document, issued by a shipping line to a shipper, which serves as a receipt for the goods and evidence of the contract of carriage. In these respects it resembles a Bill of Lading but, unlike a Bill of Lading, it is not a document of title; it bears the name of the consignee who has only to identify himself in order to take delivery of the cargo. Because it is not negotiable, the liner waybill is not acceptable to the banks as collateral security; the purpose of the liner waybill is to avoid the delays to ships and cargoes that occur when bills of lading are late in arriving at the discharge port. The liner waybill is also referred to as a sea waybill or an ocean waybill or simply waybill.

Linertime - Deep sea time Charter-Party published by BIMCO, used when ships are chartered for liner operation.

Loading Broker - Company that represents a shipping line at the port of loading. Its duties are to advertise the line's sailings, to obtain cargoes and co-ordinate their delivery to the ship and to sign bills of lading on behalf of the master.

Loose - Said of a consignment, which consists of single pieces not bundled together.

LONL — Lost or Not Lost - Term which may be used in contracts of carriage in which the freight is prepaid: often, freight is not returnable whether the ship and/or the cargo are lost or not once having commenced the voyage. Many charter-parties provide that brokerage commission is payable whether the ship is lost or not.

LS - Lump sum.

LT - Liner Terms - Qualification to a freight rate which signifies that it consists of the ocean carriage and the cost of cargo handling at the Loading and discharging ports according to the custom of those ports. This varies widely from country to country and, within countries, from port to port: in some ports, the freight excludes all cargo handling costs while in others the cost of handling between the hold and the ship's rail or quay is included.

Lump Sum Charter - Voyage charter for which the freight is payable as a lump sum rather than per ton or other unit of cargo. The shipowner guarantees to lift a certain quantity of cargo but the charterer pays the same amount for freight irrespective of the quantity loaded.

LWONT - Low Water Ordinary Neap Tides.

LWOST - Low Water Ordinary Spring Tides.

M

Manifest - Document containing a full list of ship's cargo, extracted from the bills of lading. A copy, known as the outward manifest, is lodged with the Customs authorities at the port of loading. A further copy, known as the inward manifest, is similarly lodged at the discharge port, with one copy going to the ship's agent so that the unloading of the ship may be planned in advance.

Max - Maximum.

MHWN - Mean High Water Neaps.

MHWS - Mean High Water Springs.

Min – Minimum.

Min/Max - Minimum/Maximum - When qualifying the contractual quantity in a voyage charter, this term signifies that the freight is payable on that precise quantity, no more and no less.

Misdescription - Incorrect information concerning a ship given by the shipowner to a charterer or concerning cargo given by a charterer or shipper to a shipowner or shipping line. This may give rise to a claim for extra costs or damages or, in some cases, cancellation of the contract of carriage.

MLWN - Mean low water neaps.

MLWS - Mean low water springs.

MOL - More or Less.

Molchop - More or Less in Charterer's Option - Option allowed to a voyage charterer to load up to a certain quantity, normally expressed as a percentage or a number of tons, over or under a quantity specified in the contract of carriage. This option may be sought if the charterer is not certain of the exact quantity that will be available at the time of loading.

MOLOO - More or Less in Owner's Option - Option allowed to a shipowner to carry up to a certain quantity, normally expressed as a percentage or number of tons, over or under a quantity specified in the voyage charter. This option may be sought if the shipowner is not certain what the ship's cargo capacity will be, taking into consideration bunkers, stores and fresh water, or if he wants flexibility to adjust the ship's trim.

More in dispute if on board to be delivered - Notation appearing on a Bill of Lading when the shipper is in disagreement with the ship as to the number of pieces or packages tallied on board.

M/R - Mate's Receipt - Receipt made out by the first officer, stating the quantity and condition of the goods loaded on board the ship. This document is given to the shipper and later exchanged for the Bill of Lading.

MS - Motor ship.

MT - Metric ton - 1,000 kilograms.

MV - Motor vessel.

N

NAABSA - Not Always Afloat But Safe Aground - Provision in a Charter-Party that the charterer has the right to order the ship to a port where she may touch the bottom in safety.

Negligence Clause - Clause in a Bill of Lading or Charter-Party which seeks to relieve the shipowner or carrier of liability for losses caused by the negligence of his servants or agents.

New Jason Clause - Protective clause inserted into a Charter-Party or Bill of Lading which provides that the shipowner is entitled to recover in general average even when the loss is caused by negligent navigation. The need for such a clause arises from the decision of an American court that, while American law exempted a shipowner from liability for loss or damage to cargo resulting from negligent navigation, this did not entitle the shipowner to recover in general average for such a loss.

NOE - Not Otherwise Enumerated - Category in a freight tariff of a shipping line or liner conference which covers commodities not specifically described elsewhere in the tariff.

Nomination - Designation of a specific ship for a particular voyage by a shipowner or shipping line.

Non-Conference Line - See independent line.

Non-Negotiable Bill of Lading - Bill of Lading which is not a signed, original Bill of Lading and which is therefore not capable of being used to transfer title in the goods described in it.

Non-Reversible Laytime - Term used in a voyage Charter-Party to signify that the time allowed to the charterer for loading is to be treated separately from the time allowed for discharging for the purpose of calculating demurrage or despatch.

NOR - Notice of Readiness - Provision in a voyage charter that the shipowner or master must advise the charterer when the ship has arrived and is ready to load or

discharge for laytime to start counting. The clause containing this provision often stipulates the particular hours and days when this notice may be tendered and how soon afterwards laytime commences.

NOS – Not Otherwise Specified - See not otherwise enumerated.

Notice of Redelivery - Written notice given by the time charterer to the shipowner giving the date when the ship is to be returned to the shipowner at the end of the period of the charter. Charter-parties often stipulate that several such notices be given at agreed intervals as the date of redelivery approaches.

Notify Party - Party whose name and address appears in a Bill of Lading who is to be notified by the shipping company or its agent of the arrival of the goods at the discharge port. The notify party is often an agent for the receiver of the goods who arranges for their clearance and transport to the receiver's premises. There is normally a box on the Bill of Lading into which the details of the notify party are inserted.

NT - Net Tonnage - The total of all enclosed spaces within a ship available for cargo expressed in tons each of which is equivalent to one hundred cubic feet. This term was previously referred to as NRT.

O

Ocean Waybill - See liner waybill.

Off Hire - Said of a ship on time charter for which hire money has temporarily ceased to be paid by the charterer, for example because of breakdown of the ship or her equipment.

Off Hire Survey - Inspection carried out at the time a ship is redelivered by a time charterer to a shipowner at the end of the period of the charter. The inspection is carried out to determine whether the ship is in the same condition, wear and tear excepted, as on delivery. The quantity of bunkers is ascertained for comparison with the amounts specified in the Charter-Party. By agreement, the ship is inspected by one surveyor for each of the two parties. Which party pays for the survey and whether the time taken counts for the purpose of calculating hire money are matters agreed in the Charter-Party.

OO - In Owner's Option - Term in a Charter-Party, which stipulates that the shipowner has a choice in specific circumstances. For example, in a voyage charter, the owner may have the option of specifying the exact quantity of cargo to be loaded.

Open - Said of a ship that is available as from a specified date at a particular place to steam to another port, if necessary, to load her next cargo, having discharged the last one.

Open Conference - Liner conference that does not require its member lines to vote on the admission of a new member.

Open Rate - Freight rate negotiated by a shipper or freight forwarder with a shipping line or liner conference for shipping in excess of a minimum agreed quantity of cargo on any one ship. It is lower than the published tariff rate and generally applies to the shipments of one commodity from one port of loading to one port of discharging.

Orders - Set of instructions given by the shipowner or ship operator to the master of a ship concerning the next voyage. These instructions include the names of the

intended ports of loading, bunkering and discharging together with the names, addresses, telephone numbers and cable addresses of the ship's agents at each port, details of the cargo, a schedule of bunkers needed for the voyage is not known. A ship is said to be awaiting orders and the master may be instructed to anchor where he is or to steam in the direction of the area where the shipowner expects to find a cargo.

Original Bill of Lading - Bill of Lading which bears the original signature of the master of a ship or his agent. It is exchanged for the goods at the place of destination of the contract of carriage.

OSB - One Safe Berth - See safe berth.

OSP - One Safe Port - See safe port.

OS&D - Over, Short and Damage Report - See outturn report.

OT - Overtime.

Outsider - See independent line.

Outturn Report - Written statement by a stevedoring company in which the condition of cargo discharged from a ship is noted along with any discrepancies in the quantity compared with the ship's manifest. Also referred to as an over, short and damage report.

Ourturn Weight - Weight of cargo ascertained when it is discharged from a ship. Freight on bulk cargoes is sometimes payable on the basis of this weight.

Overlap - The period of time during which a charterer retains a vessel beyond the stated period of the time charter.

Overage - Cargo discharged in excess of the quantity on the ship's manifest.

Overtonnaging - Situation where there are too many ships generally or in a particular trade, for the level of available cargoes.

Owners Agents - Ship's agent nominated by, and paid by: the shipowner in accordance with the Charter-Party.

Owners Broker - Shipbroker who acts on behalf of a shipowner in the negotiations leading to the chartering out of the owner's ship.

Owners Market - Strong market in favor of Ship Owner's.

P

Paramount Clause - Clause in a Bill of Lading or Charter-Party which stipulates that the contract of carriage is governed by the Hague Rules or the Hague-Visby Rules or the enactment of these rules in the country having jurisdiction over the contract.

Part Cargo - Goods which do not represent the entire cargo for a particular ship but whose quantity is sufficient to be carried on the charter terms.

Part Charter - The chartering of a ship to carry a quantity of goods, which represents only a part of the cargo.

Performance Claim - Claim made by the time charterer against a shipowner when the ship has been unable to achieve the speed agreed in the Charter-Party or has consumed too much fuel or both.

Performance Clause - Clause in a time Charter-Party which stipulates that, should the ship be unable to achieve the agreed speed or should she consume too much fuel, the charterer is entitled to recover from the shipowner the cost of time lost and extra fuel, normally by means of a deduction from hire money.

PFT - Per Freight Ton — see freight ton.

PLTC - Port Liner Term Charges - Cargo handling charges levied on the shipper by the shipping line at the port of loading.

Point to Port Rate - Freight rate which includes all costs from inland place of the exporting country to the port of discharge in the importing country.

Pooling - Sharing of cargo or the profit or loss from freight by member lines of a liner conference pooling arrangements do not exist in all conferences.

Port to Point Rate - Freight rate which includes all costs from the port of loading in the exporting country to an inland place in the importing country.

Post Fixture - After the contract for the charter of a ship has been agreed. Said of work carried out by a shipowner, charterer or shipbroker, including payment of hire or freight, calculation of despatch or demurrage and the resolution of any disputes.

Preamble - First few lines of a Charter-Party in which the parties to the contract and the ship are identified.

Private Form - Standard Charter-Party devised and used by a particular company. Oil companies when chartering tankers use the majority of these charter-parties.

Pro Forma Charter-Party - Document containing all the terms and conditions of a contract between a shipowner and a charterer but which is unsigned and therefore is not a contract itself.

Pro Forma Disbursements Account - Statement sent by a ship's agent at a port to the shipowner in advance of the ship's call at the port. It consists of the expenses that are likely to be incurred, including port charges, pilotage, towage and the agent's commission. This account is used to help the shipowner estimate the viability of a voyage and serves as a request by the agent for sufficient funds to be made available prior to the ship's arrival.

Protecting Agent - Agent appointed by the owners or charterers to protect their interest and to supervise the work carried out by the ship's agent when, under the Charter-Party, the vessel is consigned to another's agent. If the Charter-Party calls for owner's agents, the charterers may appoint a protecting or supervisory agent to protect their interest at the port of loading and / or discharge. The same applies to shipowners, time charterers and voyage charterers.

Protective Clauses - Clauses in a Charter-Party which provide contingencies for unforeseen situations, such as ice, strikes, general average or collision. Also known as protecting clause.

Purposes - Time allowed in a voyage Charter-Party for loading and discharging combined, expressed as a number of days or hours. Also referred to as all purposes.

R

Rate of Demurrage - Amount payable by a voyage charterer to a shipowner for each day used to load and / or discharge cargo in excess of the time allowed in the Charter-Party.

Rate of Discharging / Loading - Number of tons of cargo discharged /loaded each day from / into a ship. Such a provision is often included in the terms of a voyage charter.

Rate of Freight - See freight rate.

Received for Shipment Bill of Lading - Bill of Lading evidencing that the goods have been received into the care of the carrier, but not yet loaded on board. It also serves as evidence of the contract of carriage and is a document of title, although because the goods have not necessarily been loaded on to the ship, this type of Bill of Lading is not always acceptable to banks as collateral security.

Receiver - Party who receives the cargo at the place of destination in the contract of carriage.

"Recommended" Charter - When there has been no proper groups of charterers with whom to negotiate a particular charter, for instance. "Gencon" Charter it is issued as a "recommended" charter. The same is the case if the parties with which a charter has been negotiated will not be able to bind their members to use the charter as a clean document. This is the position, for instance, for the "Norgrain" Charter and the "Nuvoy" Charter. Whereas BIMCO naturally wishes the printed text of a "recommended" charter to be followed by charterers and shipowners. there were no compulsion in this respect.

Redly – Redelivery - Return of a ship by the time charter to the shipowner at the end of the period of the charter.

Redelivery Certificate - Document signed by or on behalf of the shipowner and the charterer, certifying the time, date and place of redelivery of the ship, that is, the returning of the ship by the time charterer to the shipowner at the end of the period

of charter. The certificate also states the quantity of bunkers onboard at the time redelivery.

Release a Bill of Lading (to) - To provide the shipper with an original Bill of Lading, often in exchange for the freight.

Reversible Laytime - Term used in a voyage Charter-Party to signify that the time allowed for loading may at the charterers option, be added to the time allowed for discharging for the purpose of calculating demurrage or despatch.

RT – Revenue Ton - Unit of cargo on which a freight rate is based, generally one ton or one cubic meter whichever is greater. Also called freight ton.

Round Voyage - Voyage involving two legs the second of which brings the ship back to the geographical area where the first leg commenced.

Running Days - Consecutive days of 24 hours including weekends and holidays.

S

Saleform - Memorandum of agreement giving details of the purchase of a ship, devised by the Norwegian Shipbroker's Association.

SB — Safe Berth - Term in a charter party which places the responsibility onto the cargo interests to order the chartered ship to a berth which is physically safe for her while she is there for the purpose of loading or discharging.

SD - Single deck ship.

Sea Waybill – See liner waybill

Seaworthiness - Fitness of a ship for a particular voyage with a particular cargo. The main requirements for seaworthiness are that a ship has sufficient crew, stores and fuel, the machinery and equipment are in good repair and that the ship is fit to receive and carry the cargo.

Service Agreement or Service Contract - Agreement between a shipper and a liner conference in which the shipper undertakes to ship some or all, as the case may be, of his cargo on conference line ships for a specific period of time in return for an agreed rate of freight and level of service. Some contracts require the shipper to achieve a minimum quantity of cargo over the agreed period.

SHEX - Sundays and Holidays Excepted - Charter-Party term which provides that Sundays and public holidays do not count in the calculation of laytime. See also even if used. and unless used.

SHINC - Sundays and Holidays Included - Charter-Party term, which provides that Sundays and public holidays count in the calculation of laytime, whether or not used for loading or discharging, as the case may be.

Shipbroker - Person having one or several occupations: chartering agent or owner's broker, negotiating the terms for the charter of a ship on behalf of a charterer or shipowner respectively, sale and purchase broker, negotiating on behalf of a buyer or seller of a ship: ship's agent, attending to the requirements of a ship, her master

and crew when in port on behalf of the shipowner, loading broker, whose business is to attract cargoes to the ships of his principal.

Shipped Bill of Lading or Shipped on Board Bill of Lading - Bill of Lading issued when the goods have been loaded on board the ship. This type of Bill of Lading, which must contain a reference to the goods having shipped on board, is often required by banks who advance money using the Bill of Lading as collateral security and who wish to be satisfied that the goods are on board the ship.

Shipper - Person or company who enters into a contract with a liner conference, shipping line or shipowner for the carriage of goods.

Ship's Agent - Person who looks after the interests of a ship while she is in port. His duties include the arranging of pilotage, towage and a berth for the ship, the signing of bills of lading and the collection of freight. The agent is paid a fee, agreed in advance with the shipowner.

Short Form Bill of Lading - Bill of Lading which does not have printed on it the full terms and conditions of the contract of carriage but instead contains a reference to the carrier's conditions, normally stating that a copy is available on request.

Short Shipment - Part of consignment which has not been shipped in a specific ship, normally because there was insufficient space in the ship or because the goods arrived at the port of loading after the ship has completed loading or has sailed.

Sim Sub. - Similar Substitute - ship offered by a shipowner to a charterer as a replacement for the one originally chartered which is similar in respect of the principal characteristics, which include deadweight, capacities and hold and hatch sizes.

Sister Ship - Ship with the same specification as another. This is sometimes offered to a charterer by a shipowner who has two or more identical ships but is not certain at the time of negotiating the charter that will be in the most suitable geographical position to perform the voyage.

SP – Safe Port - Term in a Charter-Party which places the responsibility on to the cargo interests to order the chartered ship to a port which is physically and

politically safe for her to reach, remain and leave, taking into consideration the cargo to be loaded or discharged.

S & P Sale and Purchase Broker - Person who negotiates the terms for the sale of a ship on behalf of the buyer or seller.

SSHEx - Saturdays, Sundays and Holidays Excepted - Charter-Party term which provides that Saturdays, Sundays and public holidays do not count in the calculation of laytime. See also even if used, and unless used.

SSHINC - Saturdays, Sundays and Holidays Included - Charter-Party term which provides that Sundays and public holidays count in the calculation of laytime, whether or not used for loading or discharging, as the case may be.

Statement of Facts - Statement, prepared by the ship's agent at the loading and discharging ports, which shows the date and times of arrival of the ship and the commencement and completion of loading and discharging. It details the quantity of cargo loaded or discharged each day, the hours worked and the hours stopped with the reasons for the stoppages, such as bad weather, a strike or breakdown of equipment.

Stem - Availability of a cargo on the date or dates on which a ship is offering to load.

Strike Clause - Clause in a Bill of Lading or Charter-Party that sets out the options available to the parties to the contract of carriage in the event that a strike prevents or interrupts the loading or discharging of the cargo. The wording of the clause and the options vary according to the individual contract. In the case of a charter, the clause may contain a provision for the effect of a strike on laytime.

Sub-Charterer - Person or company who charters a ship for a party, who is not the owner but who, in turn, has chartered the ship.

Sub-Freight - Freight payable by the sub-charterer, normally to the charterer.

Sub. Details - Subject Details - Term qualifying an offer or counter-offer for the charter of a ship which demotes that only minor details remain to be agreed. It is widely accepted that the conclusion of a contract is conditional on these details

being agreed although an American court has ruled that the acceptance of such offer or counter-offer is sufficient to create a contract, leaving the details to be agreed subsequently.

Sub. Free - Subject Free - Term used in an offer made by a shipowner to signify that the acceptance of that offer will only result in a contract if one has not been concluded in the meantime with a third party. Also referred to as subject open or subject unfixd.

Sub. Open - Subject Open - see subject free.

Sub. Unfixd - Subject Unfixd - See subject free.

Subject Stem - Subject to the availability of the cargo on the dates on which a ship is offering to load.

Sub-Let - The charter of a ship to one party by another party who is not the owner but who, in turn, has the charter of the ship. Also referred to as a sub-charter.

Substitute - Replacement for a ship for a particular voyage.

Substitution - The replacement of a ship with another ship. A shipowner often has an option in a voyage to employ a ship other than the one named in the Charter-Party since he may not know which of his ships will be capable of performing the voyage at the time the contract is concluded, particularly if this is done well in advance of loading.

SWL - Safe Working Load - Maximum load which can safely be borne by a lifting or hauling appliance, such as crane or winch. The safe working load is generally marked clearly on the equipment and must not be exceeded.

T

TA Round - Transatlantic round voyage.

Tariff - Schedule of charges. such as the freight tariff of a shipping line or conference, in which are published freight rates, generally for a wide variety of commodities.

TBA - To be advised.

TBN - To Be Nominated - Said in respect of a voyage for which a specific ship has yet to be designated by the shipowner or shipping line.

Tender Notice of Readiness (to) - As master of a ship to present cargo interests or their agent with written notice that the ship has arrived and is ready to load or discharge, as the case may be. some charter parties provide that this notice may be offered at certain times only, for example during office hours.

TEU - Twenty Foot Equivalent Unit - Unit of measurement equivalent to one 20 foot shipping container. Thus a 40-foot container is equal to two t.e. u.s. This measurement is used to quantify for example, the container capacity of a ship, the number of containers on a particular voyage or over a period of time, or it may be the unit on which freight is payable.

Through Bill of Lading - Bill of Lading issued by a shipping line for a voyage requiring on-carriage, thus involving at least one transshipment. According to the particular contract, the issuer of the Bill of Lading may be responsible for the goods throughout the voyage or only for one leg, acting as agent for the on-carriage. Often referred to simply as a through bill.

Time - Frequently used term to mean laytime.

Time Charter - The hiring of a ship from a shipowner for a period of time. Under this type of contract, the shipowner places his ship, with crew and equipment, at the disposal of the charterer, for which the charterer pays hire money. Subject to any restrictions in the contract, the charterer decides the type and quantity of cargo to be carried and the ports of loading and discharging. He is responsible for supplying

the ship with bunkers and for the payment of cargo handling operations, pod charges, pilotage, towage and ship's agency. The technical operation and navigation of the ship remain the responsibility of the shipowner. A ship hired in this way is said to be on time charter.

Time Charterer - A person or company who hires a ship for a period of time.

Time Charter-Party - A document containing the terms and conditions of a contract between a charterer and a shipowner for the hire of a ship for a period of time.

Time Lost Waiting for Berth to Count - A Charter-Party expression which denotes that the laytime are to start from the time the Notice of readiness is presented by the master to the charterer's agent, even, though vessel is held up because no berth is available.

Time reversible - Overall calculations of laydays, in loading and discharging in a voyage Charter-Party. Time saved in loading can be made up for time lost, if any, in discharging or vice versa.

Time Sheet - Statement, drawn up by the ship's agent at the loading and discharging ports, which details the time worked in loading or discharging the cargo together with the amount of laytime used. This latter figure, when compared with the time allowed in the voyage Charter-Party, is used by the shipowner and charterer to calculate demurrage or despatch, as the case may be.

Time to Begin on Arrival - A Charter-Party clause referring to the laytime in the strict sense that time is to count immediately on arrival at the port of loading or discharging irrespective whether a berth is available or not.

Ton Mile - Unit cargo ton/distance carried and covered. This is arrived at as follows. If two tons of merchandise are carried for 25 miles, then the "ton mile" will be 2 x 25 or 50 ton miles.

TPC - Tons per Centimeter - A quantity, for example of cargo or fuel, needed to immerse a ship one further centimeter. This quantity varies not only ship by ship but also according to the quantity already on board.

TPD - Tons per Day - The quantity of cargo loaded or discharged each day. The time allowed by a shipowner to a charterer for loading or discharging, known as laytime, is often expressed as a number of tons per day.

TPI - Tons per Inch - A quantity, for example of cargo or fuel, needed to immerse a ship one further inch. This quantity varies not only ship by ship but also according to the quantity already on board.

Turn Round Time or Turnround or Turnaround Time - Time between a ship arriving in port and sailing.

Turn Time - Time during which a ship waits for a berth.

U,V,W

UBC - Universal bulk carrier.

UCE – Unforeseen circumstances excepted including MEED (Main engine breakdown).

Unclean Bill of Lading - See dirty Bill of Lading.

UU - Unless Used - Charter-Party term which provides that a proportion normally all or half, of time used to load or discharge, as the case may be, during excepted periods counts for the purpose of calculating total time used.

V/C - Voyage Charter - Contract of carriage in which the charterer pays for the use of a ship's cargo space for one, or sometimes more than one, voyage. Under this type of charter, the shipowner pays all the operating costs of the ship while payment for port and cargo handling charges are the subject of agreement between the parties. Freight is generally paid per unit of cargo, such as ton, based on an agreed quantity, or as lump sum irrespective of the quantity loaded, the terms and conditions of the contract are set down in a document known as Charter-Party. A ship chartered in this way is said to be on voyage charter.

Voyage Charter-Party - Document containing the terms and conditions of a contract between a charter and a shipowner for the use of a ship's cargo space for one, or more than one voyage.

Voyage Estimate - Calculation of the profitability of a prospective voyage of a ship using estimated figures. In the case of a tramp shipowner, the estimate is used to compare two or more possible voyages in order to determine which is the most profitable. Similarly, a time charterer would compare two or more ships so as to charter the one that is least costly overall. The content of an estimate varies according to the type and terms of the charter and whether a shipowner or charterer is making the calculation. For an owner, the principal costs are running cost of the ship (or hire money for a time charterer), bunker costs, port charges and canal dues together with ship's agency fee and any cargo handling costs; the revenue is the daily hire, in the case of a time charter, or the freight, less any commission in the case of a voyage charter.

War Clause - Clause in a Bill of Lading or Charter-Party which sets out the course of action open to the master of a ship in the event that the ship or her cargo or crew would be put at risk because of war should the voyage proceed. The clause varies according to individual contracts but invariably the master would not be required to put his ship or crew at risk.

Waybill - See Liner Bill.

WEF - with effect from - This is said, for example, of the date when a new or amended surcharge of a shipping line takes effect.

WIBON - Whether in Berth or Not - Provision in a voyage charter that, once the ship has arrived at the port and tendered notice of readiness, if required, laytime will start to count in accordance with the Charter-Party whether or not the ship has reached the berth.

WIPON – Whether in port or not

WIFPON – Whether in free Pratique or not

Withdraw a ship from the service of the charterer (to) - To remove control of a ship from the time charterer for the remaining period of the charter. This action is taken by the shipowner in accordance with the charter when there has been serious breach of contract, commonly when the charterer has failed to pay hire money on time.

WOG - Without Guarantees.

Workable Hatch - Term in a voyage charter which determines the number of days allowed for loading and / or discharging 'by dividing the quantity of cargo in the largest hatch by the quantity per workable hatch per day as stipulated in the Charter-Party. Difficulties of interpretation may arise in the calculation of laytime allowed when expressed in this way, particularly if the ship has hatches capable of being worked by two gangs simultaneously. Also referred to as a working hatch.

Workable Crane - Term in a voyage charter which determines the number of days allowed for loading and / or discharging by the number of cranes available for use

by the charterers for operations. Generally expressed in tons per workable crane per day.

Working Day - When normal working is carried out in a port.

Working Day of 24 Consecutive Hours - Working day equates to one layday. The word consecutive was introduced after it was ruled in court that a working day of 24 hours might be considered as more than one layday according to the length of normal working time each day in a port.

Working Day of 24 Hours - Period of time which contains 24 normal working hours. If it is the custom of a port that eight hours represents the normal working time per day. then a working day of 24 hours would be considered as three laydays.

WP - Weather Permitting - Term used in a voyage charter to signify that laytime does not count when weather conditions do not allow loading or discharging operations to be carried out.

WTS - Working Time Saved - Charter-Party term used to define one method by which despatch money is calculated, that is, by deducting laytime used from laytime allowed. If, for example, a Charter-Party provides for six laydays for loading and the charterer uses three days, he is entitled to three days' despatch money. Also referred to as laytime saved.

WWD - Weather Working Day - Days on which work is normally carried out at a port and which counts as laytime unless loading or discharging would have ceased because of bad weather.

WWR - When Where Ready - Frequently used provision in a time charter to determine the time and place of delivery / redelivery of a ship by the charterer to the shipowner. This term is qualified in such a way as to make the time and place unambiguous. such as on completion of discharge at a named port, abbreviated to w.w. r.c.d. followed by the name of the port.

WWRCD - When Where Ready on Completion of Discharge - see WWR - when where ready above.

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