



Charter party
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☐ *Definition of Charter party*

☐ *Types of Charter party*

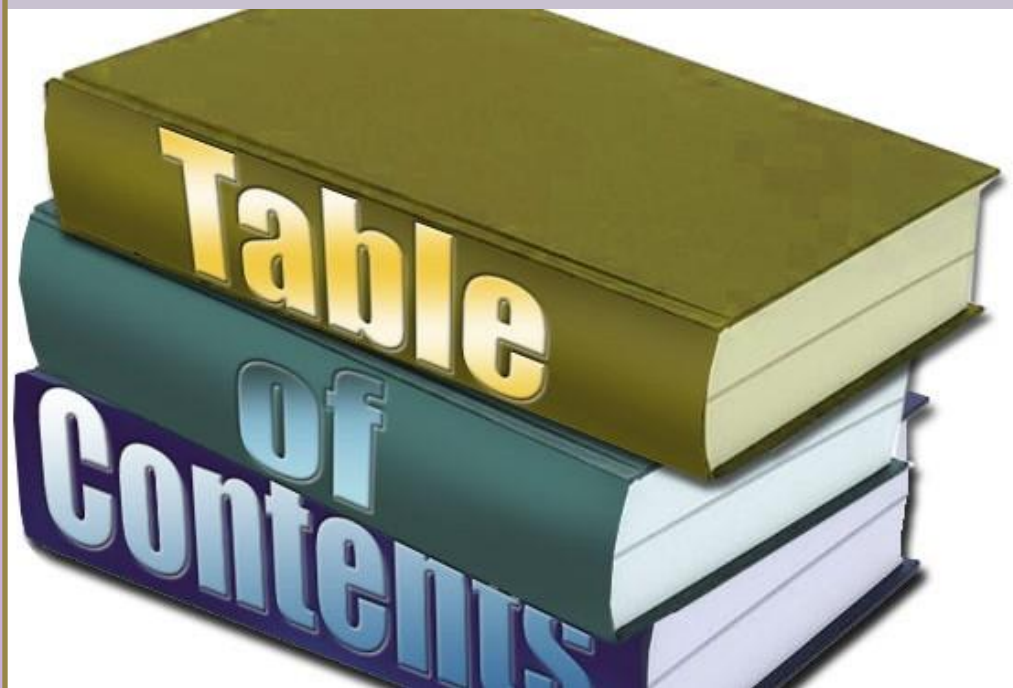
☐ *Clause of Voyage , Time and Demise charter party*

☐ *Differences between Voyage and Time Charter Party*

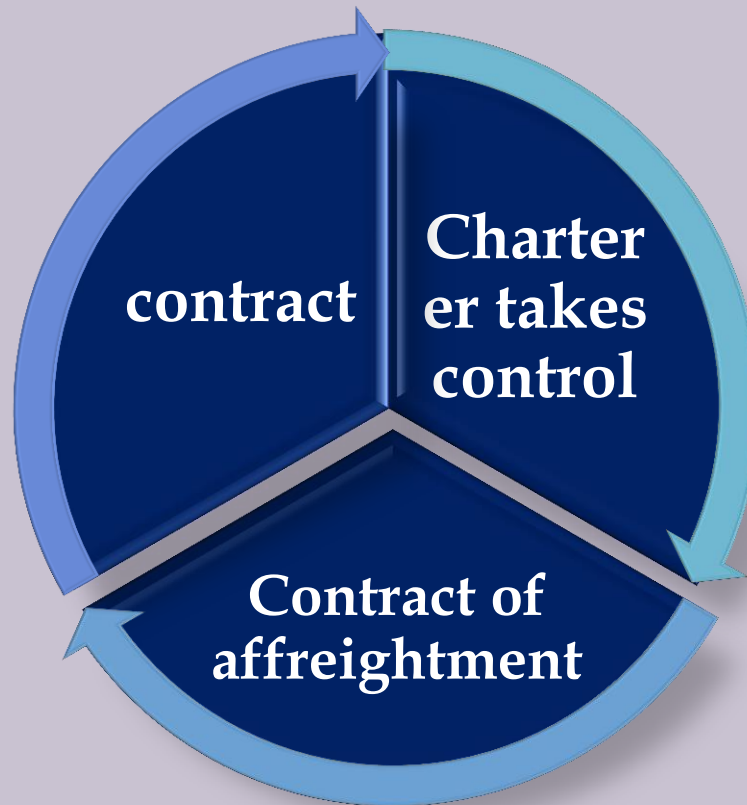
☐ *Hague Visby Rule*

☐ *Charter Party and UCP Issue*

☐ *References*



Definition of Charter Party



Types of Charter Party

Voyage
charter
party

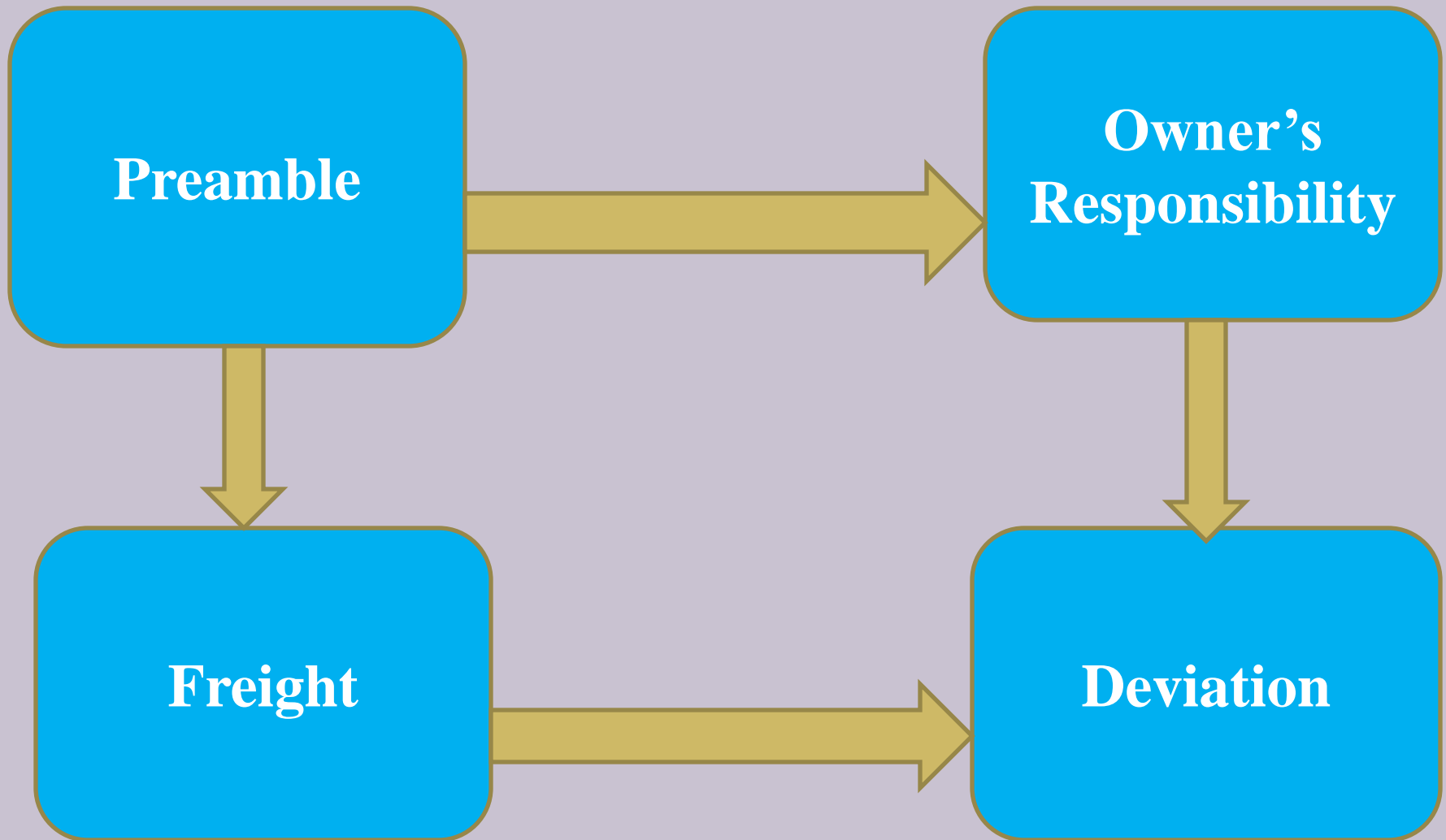
Time
charter
party

Demise
charter
party

Voyage charter

- Under this method a ship is chartered for a one-way voyage
 - specific ports with a specified cargo
 - a negotiated rate of freight.
- the owner bears all the expenses of the voyage (subject to agreement about costs of loading and discharging)

Clauses in a Voyage Charter Party



Demurrage

**Loading
Discharge ports**

Laytime

Time Charter

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

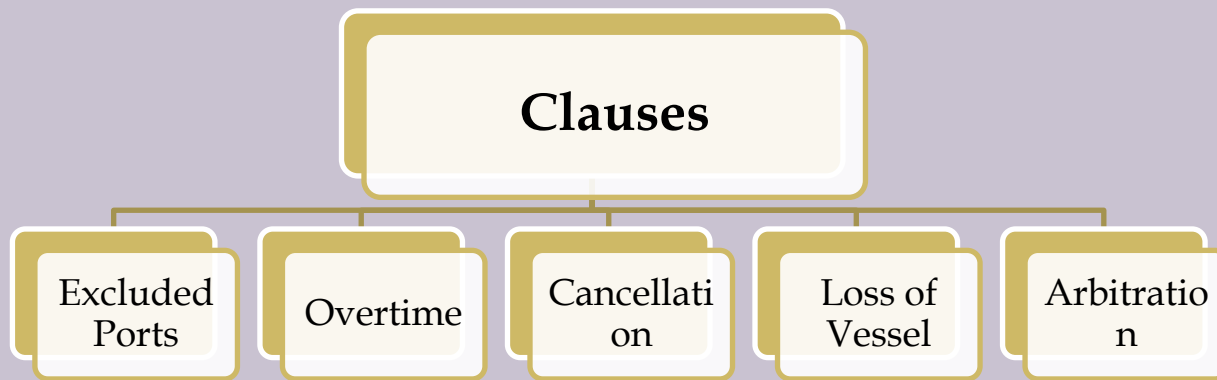
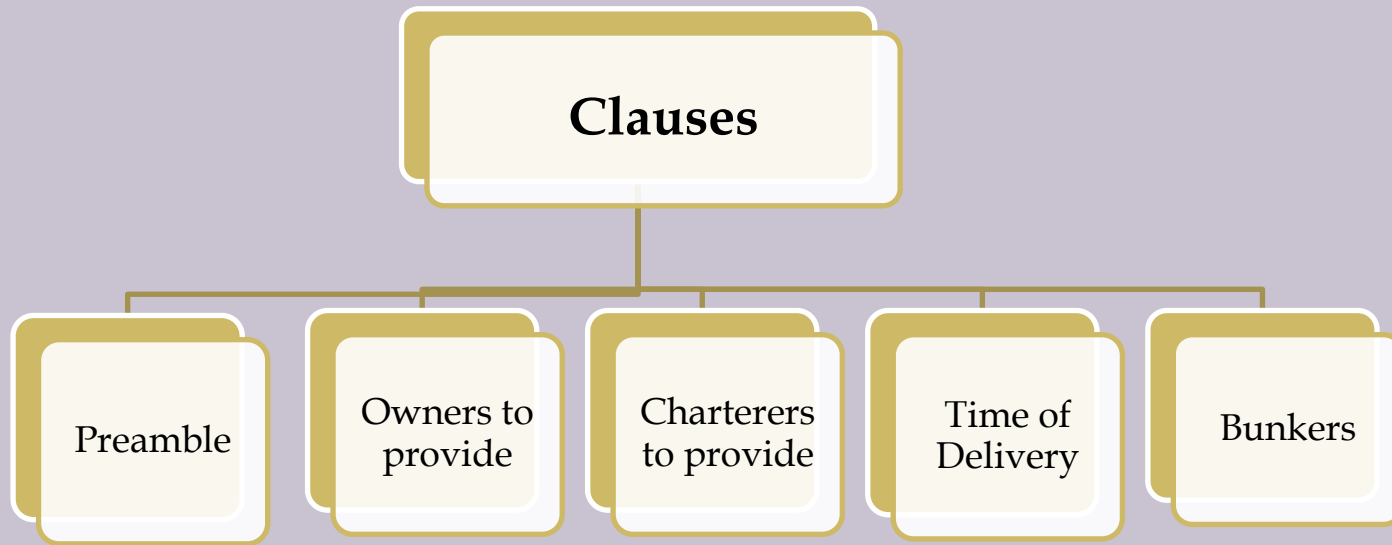


New York Produce Exchange Form

Issued by the Association of Ship Brokers and Agents (U.S.A.), Inc.

THIS CHARTER PARTY, made and concluded in
this day of 19
Between
Owners of the Vessel described below, and
Charterers.
Description of Vessel
Name Flag Built (year).
Port and number of Registry
Classed in
Deadweight long*/metric* tons (cargo and bunkers, including freshwater and
stores not exceeding long*/metric* tons) on a salt water draft of
on summer freeboard.

- The charterer hires the vessel for a particular period of time.
- The shipowner receives the freight on per day basis which is settled every month or every quarter.



Differences between Voyage and Time charter party

Time Charter Parties

- Ship owner be required to cover all costs connected with crewing, maintenance of the vessel and insurance, but vessel fuel consumption and port charges will be remunerated by the charterer
- Signed for a limited period of time without dictating a fixed route to the charterer
- Charterers pay daily hire to the shipowners of the vessels

Voyage Charter Parties

- Shipowner is not only responsible for the costs associated with crewing, maintenance of the vessel and insurance, but also pays for all the costs of the voyage, including bunkers and port charges
- Are signed to carry specific amount of goods between pre-determined route
- Charterers are obliged to pay the freight to the shipowners.

Demise Charter Party

- Has ownership along with the privileges of executives and control
- Has the right to engage in pay the Master and group
- Act as the representatives for the time of contract
 - On equality with the owner of a ship

Hague Visby Rules

Art 1(b) of the Rules mentions that only the contracts of carriage covered by a bill of lading.

The Rules will not apply to way bills or other non-negotiable documents as they are not document of title.

The Rules also do not apply to charter parties themselves unless specifically incorporated in clause paramount.

Charter party bills of lading and a UCP issue

- CPBL'S issued subject to the term's and condition's
 - A CPBL is synonymous with the commodity or bulk shipment cargoes
 - The goods are loaded and discharged according to the terms of the charter party.
 - The Bank do not consider CPBL as having the same level of security as usual bill of lading

- ▣ UCP 600 sub-article 22 (a) (i) states that a CPBL must appear to have been signed by:
- ▣ The master or a named agent for or on behalf of the master, or.
- ▣ The owner or a named agent for or on behalf of the owner, or,
- ▣ The charterer or a named agent for or on behalf of the charterer.

References

BOOK

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Article

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- ▣ Mathews M, 'Lawyers In India - Advocates, Law Firms, Attorney Directory, Lawyer, Vakil' (*Legalserviceindia.com*, 2020) <<http://www.legalserviceindia.com/article/l412-Charter-Party.htm>> accessed 27 October 2020
- ▣ Jassal C, 'A Latman's Guide To Lay Time, Charter Party Agreement And Voyage Charter' <<https://www.myseatime.com/blog/detail/laytime-and-voyage-charter-party>> accessed 27 October 2020
- ▣ Augustyn A and others, 'Charter Party' (Encyclopædia Britannica 2018) <https://www.britannica.com/topic/charter-party>

Website

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- ▣ <http://shipinspection.eu/coa-contract-of-affreightment/>
- ▣ <https://www.tradefinance.training/blog/articles/a-guide-to-charter-party-bills-of-lading-and-a-ucp-issue/>
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