



Shetland Islands Council Charter Party

PART I

1. Vessel Operators (Cl.1) Ferry Operations Division Shetland Islands Council Port Administration Building Sella Ness Sullom Voe Shetland ZE2 9QR Tel. 01806 244200 Fax 01806 244232	2. Owners and place of business (*) (a) Shetland Islands Council Town Hall LERWICK Shetland ZE1 0NT
3. Charterers and place of business (full style and address) (Cl.1) Tel. _____ Fax _____	4. Vessel's name (Cl.1)
5. Vessel's position (Cl.2) (Cl.4)	6. Loading port(s) (Cl.2)
9. Date and Time of Loading (Cl.2) (Cl.6) (Cl.10a)	10. Discharging port(s) (Cl.3) (Cl.7)
11. Date and Time of Discharging (Cl.2) (cl.10a) (cl.10 ff)	12. Nature of Cargo (Cl.2)
15. Hire (Cl.4) 15.1 For the first 3 hour block £ _____ 15.2 For every successive hour, or part thereof, after 15.1 £ _____	16. Numbers of the additional clauses covering special provisions, if any agreed

It is mutually agreed that this Charter Party shall be performed subject to the conditions contained herein consisting of PART I and PART II and such additional clauses from part III, if any, agreed and stated in Box 22. In the event of a conflict of conditions, the provisions of PART I shall prevail over those of PART II and PART III to the extent of such conflict, but no further.

For the Operators <i>Signature</i>	For the Charterers <i>Signature</i>
Place	Place
Date	Date

(*) Delete as appropriate; if no deletion, alternative a) applies.

Any insertion or deletion to this form must be clearly visible. In the event that any modification made to the pre-printed text of this document is not clearly visible or legible, the text of the original document shall apply, and in that event Shetland Islands Council assumes no responsibility for any loss, damage or expense arising from that.



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PART II

1. Operators, Charterers

It is this day agreed between the party designated in [Box 1](#), Operators of the Vessel named and described in [Box 4](#), and the party designated in [Box 3](#) as Charterers, THAT

2. Vessel, Loading Port(s) and Cargo

The said Vessel ("the Vessel") is tight, staunch and in every way fit for the voyage.

On the date of the Charter the Vessel shall proceed with all convenient speed from the position designated in [Box 5](#) to the Loading Port(s) designated in [Box 6](#). Moving the Vessel from the position designated in [Box 5](#) to the Loading Port(s) designated in [Box 6](#) shall be for the Charterer's account. In the case of [Box 6](#) being named port(s) the Operators acknowledge these as safe and suitable for this Vessel. The Vessel shall be at the Loading Port(s) designated in [Box 6](#) not later than the time designated in [Box 9](#). There the Vessel will load, always afloat in such safe berth, dock, wharf or anchorage as Charterers or their Agents or Shippers may direct, a cargo of the nature described in [Box 12](#). Charterers have the option of using a second safe berth. Charterers shall provide and install at their risk and expense and on their time all that is required for safe stowage of cargo according to local and international regulations. The cargo shall not exceed what the Vessel can reasonably stow over and above her bunkers, apparel, stores, provisions and accommodation. Unless specifically agreed, the whole cargo shall be carried and stowed on deck.

3. Discharging Port(s)

Being so loaded, the Vessel shall proceed with all convenient speed direct to the place designated in [Box 10](#), which in case of named port(s) Operators acknowledge as safe and suitable for this Vessel, and there discharge the cargo always afloat in such safe berth, dock, wharf or anchorage as Charterers or their Agents or Receivers may direct. Receivers have the option of using a second safe berth and any expenses arising from the exercise of that option shall be for the Charterer's account. At the place of designated in [Box 10](#), the cargo shall be discharged not later than the date and time specified in [Box 11](#). Without prejudice to the other clauses of this Charter Party, any delay beyond that time shall be for the account of the party causing it.

4. Hire

The hire agreed under this Charter Party shall be at the rates stated in [Box 15](#). The Charter shall be deemed to have commenced at the time the Vessel leaves the position designated in [Box 5](#). After the cargo is discharged, the Vessel shall proceed with all convenient speed to the position specified in [Box 5](#) or such other place which has been agreed between the Operators and the Charterers. The Charter Party shall end when the Vessel arrives at that position.

The hire shall be paid by the Charterers to the Vessel Operators within 30 days of the issue to the Charterer of an invoice.

All charges and dues levied on the cargo and vessel shall be for Charterers' account.

5. Loading and Discharging

Cargo shall be loaded and/or stowed at the risk and expense of Charterers.

Stowage shall be under Master's direction and responsibility. Charterers' representatives have the right to be on board the Vessel during loading, discharging or lightering for the purpose of inspecting the cargo. Charterers and Operators are allowed to work overtime, and such expenses shall be for account of the charterer. If ordered by Port Authorities, overtime shall be for Charterers' account. Overtime services rendered by ship's crew shall be in all cases for Operators' account.

6. Cancelling

Charterers shall have the option of cancelling this charter at any time not later than 24 hours before the date and time stated in [Box 9](#). Provided that at least 24 hours notice of such cancellation is given by the Charterer, he shall not be liable to pay the Operators any penalty but will be liable for any cost incurred by the operator. In the event that less than 24 hours notice is given, the Charterer may be liable at the Operators' discretion to pay to the Operators such sum as shall not exceed the sum specified in [Box 15.1](#).

In the event that the Vessel is unable to proceed on account of adverse weather or sea conditions the Charterer shall, at no additional cost, have the option either to cancel the Charter or of an alternative date on which to undertake the Charter.

7. Vessel's Positions, Notices

The Master of the Vessel and/or the Operators shall give notice of Vessel's Expected Time of Arrival (ETA) at discharging port as specified in [Box 10](#).

Master and/or Operator shall give the relevant parties prompt advice of any substantial change in Vessel's ETA at loading and at discharging ports.

8. ISM Clause

The Operators shall procure that both the Vessel and "the Company" (as defined by the ISM Code) shall comply with the requirements of the ISM Code. Upon request, the Operators shall provide a copy of the relevant Document of Compliance (DOC) and Safety Management Certificate (SMC) to the Charterers.

Except as otherwise provided in this Charter Party, loss, damage, expense or delay caused by failure on the part of the Owners or "the Company" to comply with the ISM Code shall be for the Operators account.

9. Deviation

Deviation in sailing or attempting to save life or property at sea or for bunkering purposes or any other reasonable deviation shall not be deemed an infringement of this Charter Party and the Operators shall not be liable for any loss or damage resulting therefrom.

10. Responsibilities and Immunities

All Passengers, goods, vehicles and livestock shall be carried entirely at the Charterers' risk without responsibility for loss or damage howsoever caused. The Operators shall not be required to send notice of the arrival of goods, vehicles or livestock to any person nor will it have any liability for the delivery or forwarding or custody of the same after they have been landed which shall be at the sole risk and expense of the Charterers. The Operators hereby advise Charterers of goods, vehicles and livestock to effect their own insurance cover to take account of the Terms and Conditions.

The Operators shall be entitled in their absolute discretion and at any time to refuse to receive or carry any goods, vehicle or livestock.

The Operators shall not be liable for any loss or damage or delay by reason of cancellation. The Vessel may sail with or without pilots, make trial trips, tow and assist other vessels and be towed.

The Operators shall be free to comply with any orders, recommendations or directions whatsoever given by the Government of the United Kingdom or the Scottish Executive or by any Department thereof or by any person acting or purporting to act with authority of such Government, Executive or Department or by any Committee or person having under the terms of the War Risks Insurance on the vessel the right to give such orders, recommendations or directions, and if by reason of, and in compliance with, any such orders, recommendations or directions, anything is done or is not done, that shall not be deemed a deviation or a breach of the contract of carriage and delivery in accordance with such orders and directions shall be a fulfilment of the carriage.

Without prejudice to any other of the Terms and Conditions the Operators are not in any circumstances whatsoever liable for any damage to, or loss of, goods vehicles or livestock before or at shipment or during the voyage, whether on deck or in the hold, or at or after landing.

The Operators are not liable for loss or damage howsoever, whensoever or wheresoever arising from any of the following causes or from any consequences of these causes, namely but not limited to:

- a delay caused by the Vessel not sailing at the time stated in [Box 9](#) or discharging at the time stated in [Box 11](#),
- b putting back,
- c being detained, lost or damaged or making deviations,



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- d accidents, losses or damage arising from the act of God, the Monarch's enemies, pirates, restraint of princes, rulers and people, or legal process,
- e strikes of crew or other workmen on board, or on shore,
- f jettison,
- g barratry,
- h collision,
- i stranding,
- j vermin,
- k fire on board, or in hulk craft, shed, store, or on shore,
- l theft, robbery, or pilferage of whatever kind, whether on land or afloat, wheresoever occurring, whether suspected or proved, and whether by Charterers, persons in the employment of the Operators on board or ashore, or of any other person whatsoever,
- m perils of the sea, rivers and navigation, from machinery, boilers oil or steam,
- n unseaworthiness or unfitness of the Vessel or ferryboat or, its or their appurtenances at, or after the commencement of the voyage,
- o breaking down of the Vessel or machinery, defect or breaking down of any vehicles,
- p defects of ventilation,
- q ballasting or stowing,
- r breakage,
- s short weight,
- t deficiency in number,
- u leakage,
- v rust,
- w stains,
- x decay,
- y sweating,
- z smell or contact with other goods,
- aa insufficiency of packages,
- bb want of or insufficiency of accuracy in address or marks,
- cc accidents to, disease or mortality of livestock,
- dd restlessness or agitation of livestock,
- ee any act, neglect, or mistake in judgment, defaults of the Operators, their servants, agents, the crew of the Vessel, or of any person directly concerned with the working or management of the Vessel or with the loading, discharge, stowage, storage, carriage or handling of the goods, vehicles or livestock for whom the Operators are or may become responsible whether before or during the voyage or after, or discharging the cargo at the time later than that specified in [Box 11](#).
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The Operators shall in no circumstances be liable for consequential loss or damage howsoever caused.

In the event of the Charterer not providing means to take delivery at the Vessel's side, the Operators reserve the right to detain any goods, vehicles or livestock on board, in store or otherwise or to land them at its discretion and that shall be entirely at the risk and expense of the Charterer.

Goods, vehicles and livestock are held to be received for carriage only when they reach the Vessel's deck.

Livestock must be accompanied at all times by a person in charge provided by the Charterer. The Operators have no liability to identify the respective stock of Charterer when mixed flocks or herds are carried. The Charterer shall ensure compliance by him and all others with all statutory provisions (whether by Act of Parliament, regulations, statutory or otherwise) and Codes of Practice concerning the carriage of such livestock and the Charterer shall indemnify the Operators upon demand in respect of all penalties or fines imposed upon or damages awarded against the Operators, their servants, agents or independent contractors resulting from failure so to comply.

Goods, vehicles and livestock may be carried on deck or in the hold and may be carried from port to port until it suits the convenience of the Vessel to discharge them at the port of discharge. Goods, vehicles or livestock warehoused or detained for any reason whatsoever are, as during transit, entirely at the risk of the Charterers.

The Operators undertake no responsibility for the safe custody or delivery of, nor will it be accountable for any loss which may happen to any gold, silver, watches, jewels, bullion, precious stones, bank notes or other forms of currency, bonds or other negotiable instruments, plate or other articles of value either before or at shipment or while on board the Vessel.

All goods, vehicles and livestock are subject to a general lien not only for the freight of such goods, vehicles and livestock but for all other freights or charges, arrears of freight, storage or charges due (whether the amount thereof has been ascertained in money at the time of exercising such lien or not) by the Charterers, consignees or consignors thereof to the Operators or their agent.

The Operators may without giving prior notice to the Charterers exercise such general lien by sale at such time and in such manner as the Operators may determine.

The Operators may deduct from the proceeds of sale of such goods, vehicles and livestock the costs and expenses incidental to such sale.

Average shall be settled in accordance with the York-Antwerp Rules 1974 as amended 1990, or any modification thereof.

The Operators draw the attention of all Charterers to the provisions of the Merchant Shipping Act 1894 and in particular section 446 in relation to the carriage of dangerous goods. That Section refers to vitriol, naphtha, benzine, gunpowder, lucifer matches, nitro-glycerine, petroleum, explosives for the purposes of the Explosives Act 1875, and any other goods which are of a dangerous nature. That Act provides that no person shall send or attempt to send any dangerous goods without distinctly marking their nature on the outside of the package containing the same, and giving written notice of the nature of those goods and of the name and address of the sender or Operators thereof to the Master or Charterers of the vessel at or before the time of sending the same to be shipped or taking the same on board the vessel. Any person who fails to comply with the Act is liable to an unlimited fine. In addition any person who sends dangerous goods under a false description or with a false description of the sender or carrier thereof is liable to a fine.

The Operators draw the attention of all Charterers and users of the services to the provisions of the Dangerous Substances in Harbour Areas Regulations 1987, and to the Merchant Shipping (Dangerous Goods and Marine Pollutants) Regulations 1990.

11. General Average and New Jason Clause

General average shall be adjusted according to the York-Antwerp Rules 1994 or any subsequent modification thereof.

12. Arbitration

All claims, questions or disputes arising out of or in connection with the present contract either during or after the performance of the present contract which cannot be settled by agreement shall be and are hereby referred to an Arbitrator to be appointed by agreement between the parties or, failing agreement as to such appointment within fourteen days after either party has given to the other a written request to concur in the appointment of an Arbitrator, an Arbitrator to be appointed by the President or Vice-President for the time being of the Law Society of Scotland on the application of either party to the said President or Vice-President. Without prejudice to any other powers, the Arbitrator shall have power: (i) to do all that is necessary in his opinion to determine the rights and obligations of the parties under the Contract; (ii) to order the implementation of any provision of the Contract; and (iii) to award compensation or damages and expenses to or against any of the parties to the arbitration. The Arbitrator shall be entitled to remuneration and reimbursement of his outlays. If after appointment, the Arbitrator is removed by order of a competent Court or is incapable of acting or dies and the parties do not within fourteen days of the vacancy arising agree on the appointment of a successor, then the President or Vice-President for the time being of the Law Society of Scotland will nominate and appoint a successor. All arbitrations shall take place in Scotland and shall in all respects be governed by the Laws of Scotland. The application of Section 3 of the Administration of Justice (Scotland) Act 1972 to any such arbitration is expressly excluded. Notwithstanding any rule of law to the contrary, any powers of an Arbitrator appointed under this Clause shall continue to have full force and effect until the Arbitrator has issued his final Decree Arbitral and any final awards of compensation, damages or expenses. Both parties hereby agree to consent to registration for preservation and execution of all Decrees Arbitral or awards made by an Arbitrator under this Clause.

13. Applicable Law

This Charter Party shall be construed according to the Laws of Scotland and the parties hereto submit themselves to the exclusive jurisdiction of the Scottish Courts.



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PART III

Additional conditions (for Operators' use only)

(A)

Example