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The Documentary Committee of The Japan Shipping Exchange, Inc.

NIPPON GRAIN CHARTER PARTY

Place & Date	CODE NAME: **"NIPPONGRAIN"** **PART I**
1. Owners/Chartered Owners/Disponent Owners (Cl. 1)	2. Charterers (Cl.1)
3. Vessel (name/GT/DW) (Cl. 1)	4. Cargo (also state quantity) (Cl. 1, 3(a))
5. Laydays/Cancelling date (Cl. 10(a), 11, 12)	
6. Loading port(s) (Cl. 1) Notice to be given to (Cl. 3(a)(c)(d), 10(a)): (See clause):	7. Discharging port(s) (Cl. 1, 4(b)) Notice to be given to (Cl. 4(c), 10(a)): (See clause):
8. Freight rate/Payment (Cl. 5)	
9. Laytime (loading) (Cl. 8)	10. Laytime (discharging) (state average rate in m.t.) (Cl. 15)
11. Demurrage (Cl.9(a))	12. Brokerage Com. (Cl. 22) / 13. Address Com. (Cl. 23)
14. Broker (Cl. 22)	
15. Original Charter Party to be held by:	
16. Numbers of additional clauses attached:	

It is mutually agreed that this Contract shall be performed subject to the conditions contained in the Part I and Part II of this Charter Party. In the event of conflict of conditions, the provisions of Part I shall prevail over those of Part II to the extent of such conflict but no further.

Signature (Owners) Signature (Charterers)

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Approved by
The Documentary Committee of The Baltic and
International Maritime Council (BIMCO), Copenhagen

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"NIPPONGRAIN" Charter Party (PART II)

1. Preamble

It is agreed between the party named in Box 1 as the Owners, Chartered Owners, or Disponent Owners (hereinafter referred to as "the Owners") of the Vessel named in Box 3 of the GT indicated in Box 3 and carrying about the number of metric tons of deadweight capacity all told on summer loadline stated in Box 3, being tight, staunch and strong, and in every way fit for the voyage, and the party named in Box 2 as the Charterers that the Vessel shall, with all convenient speed, proceed to the loading port stated in Box 6, or so near thereto as she may safely get and lie always afloat, and there load a full and complete cargo stated in Box 4, in bulk, and being so loaded the Vessel shall, with all convenient speed, proceed to the discharging port stated in Box 7 or so near thereto as she may safely get and lie always afloat and there deliver the said cargo in the customary manner, as ordered.

2. Separations

Cargo separations other than the Vessel's compartment, if any, shall be for the Charterers' account, risk and time.

3. Advice of Readiness, Loading Port Orders

(a) The Vessel shall give the party stated in Box 6 the notice of the expected date of arrival at the loading range and of approximate quantity required of the cargo stated in Box 4, when the Vessel sails from last port on the previous voyage or 15 days prior to arrival at the loading port, whichever earlier, and also ten days notice of arrival.

(b) If the day of the 15 days notice and/or ten days notice falls on Saturday, Sunday or Holiday at the loading port, such notice shall be given from 08:00 to 17:00 hours on the preceding working day.

(c) The Vessel shall notify the party stated in Box 6 of any change in the Vessel's expected time of arrival at loading range, whilst on passage.

(d) The Vessel shall apply by radio to the party named in Box 6 for the first or sole loading port orders, which shall be declared latest 96 hours prior to the Vessel's arrival.

4. Vessel Inspection, Destination, Discharging Port(s) Orders

(a) The Vessel shall load under inspection of National Cargo Bureau, Inc., and a Grain Inspector holding a licence issued by the United States Department of Agriculture pursuant to the U.S. Grain Standards Act, in United States ports, or of the Port Warden and a Grain Inspector employed by the Canada Department of Agriculture, in Canadian ports, at her expense, and comply with their rules, not exceeding what she can reasonably stow and carry over and above her cabin, tackle, apparel, provisions, fuel and furniture.

(b) The discharging ports shall always be in geographical rotation from north to south or from south to north at the Charterers' option.

(c) The Vessel shall apply by radio to the party named in Box 7 for the first discharging port orders 96 hours before the Vessel is off Japan. The Charterers shall give the first discharging port declaration within 48 hours from the Vessel's application for the first discharging port orders. Second or second and third discharging port(s) shall be declared upon arrival at the first discharging port.

5. Freight

(a) Full freight at the rate stated in Box 8 shall be prepaid in Tokyo, in US Currency on Bill(s) of Lading weight confirmed through telegraphic advice on signing Bill(s) of Lading.

(b) In case second or second and third discharging port(s) used, extra freight shall be paid upon declaration of each additional discharging port.

(c) Freight shall be deemed earned on cargo as taken on board the Vessel, and shall be non-returnable, the Vessel and/or cargo lost or not lost.

6. Signing of Bills of Lading

The Master shall call at the Charterers', or their Agents' office as requested, and sign Bills of Lading as presented in the form customary for grain cargos, without prejudice to this Charter Party.

7. Stevedores

Stevedores at loading and discharging ports shall be employed and paid by the Charterers.

8. Laytime at Loading

(a) The cargo shall be loaded within the number of weather working days of 24 consecutive hours each as indicated in Box 9, Saturdays, Sundays and Holidays excepted, unless used, if used, actual working time shall count as laytime.

(b) Laytime for loading and discharging shall be non-reversible.

9. Demurrage/Despatch

(a) The Charterers shall pay demurrage to the Owners at the rate agreed in Box 11 per day or pro rata for any part of a day, for all time in excess of laytime at the loading and/or discharging ports.

(b) If sooner despatched, the Owners shall pay despatch money to the Charterers at the rate of half of demurrage per day or pro rata for any part of a day for laytime saved at loading and/or discharging ports.

(c) Demurrage or despatch money shall be paid within 30 days after completion of loading and discharging respectively.

10. Notice of Readiness

(a) Notification of the Vessel's readiness to load or discharge at the first or sole loading or discharging port shall be given to the Charterers or their nominees named in Box 6 or 7 at the loading or discharging port respectively at or before 16:00 hours on any normal business day or at or before 12:00 hours on Saturday, unless Saturday is a holiday, whether in berth or not. The Vessel shall have the right to give notice of readiness before the laydays date stated in Box 5.

(b) At the loading port the Vessel shall also have been entered at the Custom House, accompanied by:

I in United States Ports:

1) Certificate of Readiness for all Cargo Compartments issued by the National Cargo Bureau, Inc.;

2) Certificate that all Cargo Compartments are free of insect infestation and objectionable odours, issued by a Grain Inspector holding a licence issued by the U.S. Department of Agriculture pursuant to the U.S. Grain Standards Act, or other official body customarily issuing such certificate(s);

II in Canadian ports:

1) Certificate of Readiness for all Cargo Compartments issued by the Port Warden;

2) Certificate that all Cargo Compartments are free of insect infestation and objectionable odours, issued by a Grain Inspector employed by the Canada Department of Agriculture or other official body customarily issuing such certificate(s) (and/or U.S. Grain Inspector if loading U.S. grain in a Canadian port);

and also confirmation, in the notice of readiness, that the Vessel's gear certificate as required by U.S. Department of Labor, or any similar authority, where applicable, is in order.

(c) Laytime at loading port shall commence at 07:00 hours on the next business day after notice of readiness is given in such manner as described above, whether in berth or not.

(d) Laytime at discharging port shall commence at 07:00 hours on the next business day after notice of readiness is given, whether in berth or not.

(e) At the second and third ports of discharge, if used, time shall count on the Vessel's arrival, whether in berth or not.

(f) In case there is no anchorage in the discharging port limits and the Vessel is forced to wait her discharging turn outside of the port limits due to port congestion or any other reason, the Vessel shall have the right to give the notice of readiness on her arrival at the point where vessels usually wait in such cases.

(g) If such port or ports as mentioned at (f) above is/are used as the second and/or third discharging port(s), time shall commence on the Vessel's arrival at the waiting point as mentioned at (f) above.

(h) Time shifting from the waiting point to the discharging port shall not count as laytime or for demurrage if the Vessel is on demurrage.

11. Laydays

Laytime for loading, if required by the Charterers, shall not commence before the laydays date stated in Box 5.

12. Cancelling Date

(a) Should the notice of readiness at the loading port not be given as per Clause 10 at or before 16:00 hours on the cancelling date stated in Box 5, the Charterers shall, at any time thereafter, but not later than the presentation of notice of readiness together with the required certificates at the Charterers' or their nominees' office, have the option of cancelling this Charter Party.

(b) The Owners shall not be responsible for any charges and/or expenses whatsoever incurred to the Charterers which may result from the Vessel's missing the cancelling date.

13. Berths

(a) At the loading port the Charterers shall be entitled to use up to two loading berths in the Columbia River including Portland Oregon or in Puget Sound, or up to three loading berths in British Columbia excluding Prince Rupert, or at the Charterers' option up to two loading berths at Prince Rupert, free of expense to the Charterers, but all time used for shifting shall count.

(b) At each discharging port the Charterers shall have the option of two discharging berths, free of expense to the Charterers, but all time used for shifting shall count.

(c) In case the Vessel is ordered by the Charterers, their agent and/or Port Authorities, to shift out from the loading or discharging berth on the way of loading or discharging, and afterwards is ordered again to shift back to the same berth to continue additional loading or discharging, as the case may be, such transaction shall be considered as two berths loading or discharging.

(d) The Vessel shall be left in seaworthy trim to the Master's satisfaction for shifting between loading and/or discharging berths.

14. Securing

(a) Any securing (bagging or strapping, etc.) required by the Master, National Cargo Bureau or Port Warden for safe trim/stowage shall be supplied and paid for by the Owners and time used shall not count as laytime.

(b) However, in case such securing is required due to a variance between the stowage factor of the cargo actually being loaded and the standard stowage factor for wheat cargo of 41CFT to 44CFT/metric ton (or 48CFT to 54CFT/metric ton for barley cargo), expenses incurred and time used thereby shall be shared equally between the Charterers and the Owners.

15. Discharge Terms

The cargo shall be discharged at the average rate of number of metric tons stated in Box 10 per weather working day of 24 consecutive hours each, Sundays and Holidays excepted, unless used, if used, actual working time shall count as laytime.

16. Seaworthy Trim

If ordered to discharge at two or three ports, the Vessel shall be left in seaworthy trim to the Master's satisfaction to proceed between ports.

17. Overtime

(a) Overtime at loading or discharging ports shall be for account of the party ordering the same.

(b) If ordered by Port Authorities and/or Elevators, the same shall be for the Charterers' account.

(c) Overtime for the Vessel's officers and crew shall always be for the Owners' account.

18. Winches, Power and Lights

(a) If required, the Master shall give free use of the Vessel's winches and power to drive the gear, runners, ropes and slings as on board, and winchmen from the crew.

(b) If shore regulations do not permit the crew to operate winches, then shorewinchmen shall, if used, be for the Charterers' account at loading and discharging ports.

(c) The Master shall also give free use of the Vessel's lighting as on board, if required, for night work.

19. Lighterage Clause

Should the Vessel be ordered to discharge at a place where there is not sufficient water for her to get the first tide after arrival without lightening, and lie always afloat, laytime shall count as per Clause 10 at the time when the Vessel shall arrive at a safe anchorage for similar vessels to wait for lightening and any lighterage incurred to enable her to reach the place of discharge shall be at the expense and risk of the Charterers. Time occupied in lightening shall count as laytime.

20. Agents

The Owners' agents shall be employed at loading and discharging ports.

21. Removal of Beam

Opening and closing of hatches at the loading and discharging ports shall be for the Charterers' account and time used shall count as laytime, except for the first opening and the last closing of hatches at each port.

22. Brokerage Commission

A brokerage commission at the rate stated in Box 12 on the freight, dead freight and demurrage is due to the brokers mentioned in Box 14, by the Owners.

23. Address Commission

An address commission at the rate stated in Box 13 on gross freight, dead freight and demurrage is due to the Charterers on shipment of the cargo, the vessel lost or not lost, the Charterers having the right to deduct such commission from payment of freight.

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"NIPPONGRAIN" Charter Party

24. Lien

The Owners shall have a lien on the cargo and all subfreight payable in respect of the cargo for all freight, dead freight, demurrage, general average and salvage.

25. Assignment

(a) The Charterers shall have the privilege of transferring or assigning all or part of this Charter Party to others, guaranteeing to the Owners the due fulfilment of this Charter Party.

(b) The Owners shall have the privilege of transferring or assigning all or part of this Charter Party to others, guaranteeing to the Charterers the due fulfilment of this Charter Party.

26. General Average

General Average shall be adjusted and settled in Tokyo according to the York/Antwerp Rules, 1994 or any modification thereof.

27. New Jason Clause

Where the adjustment is made in accordance with the law and practice of the United States of America, the following clause shall apply:

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

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

and the Charterers shall procure that all Bills of Lading issued under this Charter Party shall contain the same clause.

28. Arbitration

Any dispute arising out of or in connection with this Charter Party shall be submitted to arbitration held in Tokyo by the Tokyo Maritime Arbitration Commission (TOMAC) of The Japan Shipping Exchange, Inc. in accordance with the Rules of TOMAC and any amendment thereto, and the award given by the arbitrators shall be final and binding on both parties.

29. Exceptions Clause

It is mutually agreed that the Owners shall not be liable for loss or damage occasioned by causes beyond their control, by the perils of the seas or other waters, by fire from any cause, wheresoever occurring, by barratry of the Master or crew, by enemies, pirates or robbers, by arrest and restraint of Princes, rulers or people, by explosion, bursting of boilers, breakage of shafts or any latent defect in hull, machinery or appurtenances, by collisions, stranding or other accidents of navigation of whatsoever kind (even when occasioned by the negligence, default or error in judgment of the pilot, Master, mariners or other servants of the Owners, not resulting, however, in any case, from want of due diligence by the Owners or any of them, or by the Ship's Husband or Manager).

30. War Risks ("Voywar 1993")

(a) For the purpose of this clause, the words:

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

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

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

(c) The Owners shall not be required to continue to load cargo for any voyage, or to sign Bills of Lading for any port or place, or to proceed or continue on any voyage, or on any part thereof, or to proceed through any canal or waterway, or to proceed to or remain at any port or place whatsoever, where it appears, either after the loading of the cargo commences, or at any stage of the voyage thereafter before the discharge of the cargo is completed, that, in the reasonable judgement of the Master and/or the Owners, the Vessel, her cargo (or any part thereof), crew or other persons on board the Vessel (or any one or more of them) may be, or are likely to be, exposed to War Risks. If it should so appear, the Owners may by notice request the Charterers to nominate a safe port for the discharge of the cargo or any part thereof, and if within 48 hours of the receipt of such notice, the Charterers shall not have nominated such a port, the Owners may discharge the cargo at any safe port of their choice (including the port of loading) in complete fulfilment of this Charter Party. The Owners shall be entitled to recover from the Charterers the extra expenses of such discharge and, if the discharge takes place at any port other than the loading port, to receive the full freight as though the cargo had been carried to the discharging port and if the extra distance exceeds 100 miles, to additional freight which shall be the same percentage of the freight contracted for as the percentage which the extra distance represents to the distance of the normal and customary route, the Owners having a lien on the cargo for such expenses and freight.

(d) If at any stage of the voyage after the loading of the cargo commences, it appears that, in the reasonable judgement of the Master and/or the Owners, the Vessel, her cargo, crew or other persons on board the Vessel may be, or are likely to be, exposed to War Risks on any part of the route (including any canal or waterway) which is normally and customarily used in a voyage of the nature contracted for, and there is another longer route to the discharging port, the Owners shall give notice to the Charterers that this route will be taken. In this event the Owners shall be entitled, if the total extra distance exceeds 100 miles, to additional freight which shall be the same percentage of the freight contracted for as the percentage which the extra distance represents to the distance of the normal and customary route.

(e) The Vessel shall have liberty:

(i) to comply with all orders, directions, recommendations or advice as to departure, arrival, routes, sailing in convoy, ports of call, stoppages, destinations, discharge of cargo, delivery or in any way whatsoever which are given by the Government of the Nation under whose flag the Vessel sails, or other Government to whose laws the Owners are subject, or any other Government which so requires, or any body or group acting with the power to compel compliance with their orders or directions;

(ii) to comply with the orders, directions or recommendations of any war risks underwriters who have the authority to give the same under the terms of the war risks insurance;

(iii) to comply with the terms of any resolution of the Security Council of the United Nations, any directives of the European Community, the effective orders of any other Supranational body which has the right to issue and give the same, and with national laws aimed at enforcing the same to which the Owners are subject, and to obey the orders and directions of those who are charged with their enforcement;

(iv) to discharge at any other port any cargo or part thereof which may render the Vessel liable to confiscation as a contraband carrier;

(v) to call at any other port to change the crew or any part thereof or other persons on board the Vessel when there is reason to believe that they may be subject to internment, imprisonment or other sanctions;

(vi) where cargo has not been loaded or has been discharged by the Owners under any provisions of this Clause, to load other cargo for the Owners' own benefit and carry it to any other port or ports whatsoever, whether backwards or forwards or in a contrary direction to the ordinary or customary route.

(f) If in compliance with any of the provisions of sub-clauses (b) to (e) of this Clause anything is done or not done, such shall not be deemed to be a deviation, but shall be considered as due fulfilment of this Charter Party.

31. Strike Clause

(a) If the cargo cannot be loaded by reason of riots, civil commotions or of a strike or lock-out of any class of workmen essential to the loading of the cargo, or by reason of obstructions or stoppages beyond the control of the Charterers caused by riots, civil commotions or a strike or lock-out on the railways, or in the docks, or other loading places, the time for loading shall not count during the continuance of such causes, provided that a strike or lock-out of the Shippers' men shall not prevent demurrage from accruing if by the use of reasonable diligence they could have obtained other suitable labour at rates current before the strike or lock-out.

(b) If the cargo cannot be discharged by reason of riots, civil commotions, or of a strike or lock-out of any class of workmen essential to the discharge, the time for discharging shall not count during the continuance of such causes, provided that a strike or lock-out of the Charterers/Receivers' men shall not prevent demurrage from accruing if by the use of reasonable diligence they could have obtained other suitable labour at rates current before the strike or lock-out.

(c) For the purpose of settling despatch accounts, any time lost by the Vessel through any of the above causes at loading port(s) and/or discharging port(s), as the case may be, shall be counted only as time used in loading and/or in discharging.

(d) In case of any delay by reason of the above causes (except the Vessel being already on demurrage), no claim for damages or demurrage shall be made by the Charterers/Receivers of the cargo, or the Owners.

(e) Except for the cases described in the above sub-clauses (a) through (d), neither the Charterers nor the Owners shall be responsible for the consequences of any strikes or lock-outs preventing or affecting the actual loading or discharging of the cargo.

32. P&I Bunker Clause

The Vessel shall have the liberty as part of the contract voyage to proceed to any port(s) at which bunker oil is available for the purpose of bunkering at any stage of the voyage whatsoever and whether such ports are on or off the direct and/or customary route or routes between any of the ports of loading or discharge named in this Charter Party and may there take oil bunkers in any quantity in the discretion of the Owners even to the full capacity of fuel tanks and deep tanks and any other compartment in which oil can be carried, whether such amount is or is not required for the chartered voyage.

33. Both to Blame Collision Clause

If the liability for any collision in which the Vessel is involved while performing this Charter Party falls to be determined in accordance with the laws of the United States of America, the following clause shall apply:

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

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

and the Charterers shall procure that all Bills of Lading issued under this Charter Party shall contain the same clause.

34. Paramount Clause

It is also mutually agreed that all Bills of Lading issued under this Charter Party shall be deemed to incorporate the above clauses as well as containing the following clause(s):

[U.S.A. Clause Paramount, delete if inapplicable]

This Bill of Lading shall have effect subject to the provisions of the Carriage of Goods by Sea Act of the United States, approved April 16, 1936, which shall be deemed to be incorporated herein, and nothing herein contained shall be deemed a surrender by the Owners of any of its rights or immunities or an increase of any of its responsibilities or liabilities under said Act. If any term of this Bill of Lading is repugnant to said Act to any extent, such term shall be void to that extent but no further.

[Canadian Clause Paramount, delete if inapplicable]

This Bill of Lading, so far as it relates to the carriage of goods by water, shall have effect, subject to the provisions of the Carriage of Goods by Water Act (R.S.C. 1985, c. C-27), enacted by the Parliament of the Dominion of Canada, which shall be deemed to be incorporated herein, and nothing herein contained shall be deemed a surrender by the Owners of any of its rights or immunities, or an increase of any of its responsibilities or liabilities under said Act. If any term of this Bill of Lading is repugnant to said Act to any extent, such term shall be void to that extent but no further.

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