

# IRON ORE CHARTER PARTY

## Vale do Rio Doce Terms 1967

Geneva, PROFORMA

**Code Name**  
**"RIODOCEORE"**

1. It is this day mutually agreed between .....  
as Owners and/or Voyage Charterers and/or Disponents of the good.....  
Vessel called ..... Flag of .....  
..... tons net and ..... tons gross register, classed .....  
and of about ..... tons of 1016 kilos d.w., now trading, and expected ready to load under this charter-  
party not before ..... and laydays not count before this date (except Shippers consent to load), and not  
later than ..... and .....  
.....  
..... as Charterers.

**Port of Loading**

2. That the said Vessel, being in every respect fitted for the voyage, shall with all convenient speed sail and proceed to ..... VALE DO RIO DOCE ore  
quay at VITORIA and/or TUBARAO and there load to her draft always safe and afloat, in the customary manner, as and where ordered by the Agents  
of the Shippers a full cargo of .....  
..... in bulk of .....  
tons of ..... 10% more or less in Master's/Owner's option, and being so loaded shall therewith proceed  
with all convenient speed to.....

**Port of discharge**

3. ....  
.....  
or so near thereto as she may safely get, always safe and afloat as ordered on signing Bills of Lading, but the Charterers shall latest three days before  
Vessel's expected arrival at the port of discharge have liberty to require the Owners to order the Vessel to another port named herein or within the range  
specified herein by telegram or wireless, and there deliver the cargo as customary alongside any wharf and/or craft as directed by the Consignees.

**Freight**

4. Freight at the rate of .....  
..... per ton of .....  
outturn weight or, in case of non-weighing at port of discharge, Bill of Lading weight less .....  
percent, shall be paid by the Charterers in .....  
on unloading and right delivery of the cargo, to .....  
in cash less advance and cost thereof as per Clause 6.

**Dues and charges**

5. Dues and other charges levied against the cargo shall be paid by the Charterers, and dues and other charges levied against the Vessel shall be paid by  
the Owners.

**Freight advance**

6. Cash for Vessel's use, if required, not exceeding one third of the calculated amount of freight, shall be advanced against Master's receipt at the port of  
loading, subject to 3 percent to cover interest, commission and cost of insurance.

**Cancelling**

7. The Charterers shall have the option of cancelling the charter-party if the Vessel be not ready to load on or before the cancelling date as per Clause 1.  
If, when the Vessel be ready to leave her last port of call (whether a discharging port or not), the Owners inform the Charterers by telegram that she  
cannot reach the loading port on or before the cancelling date, the Charterers shall declare by telegram within 36 running hours, Sundays and holidays  
excluded, from the receipt of such notice whether or not they cancel the charter-party.

**Arrival Telegrams**

8. On sailing from the last port for Tubarao and/or Vitoria the Owners or the Master shall telegraph the expected time of arrival (ETA) to  
VALERIO DOCE RIO and .....  
and the same also fifteen (15) days, eight (8) days, forty eight (48) hours and twenty four (24) hours prior to Vessel's expected arrival at loading port.

<b>Loading Notice of readiness Commencement of laytime</b>	9. The laytime shall commence ..... three (3) hours after notice of readiness has been given to the Shippers or their Agents at the port of loading. Such notice ..... may be tendered after arrival during or outside official office hours, Saturdays, Sundays and Holidays included, whether the Vessel is at or off the port, in berth or not. If Vessel after berthing is not found ready in all respects, the actual time lost until she is in fact ready, not to count as laytime.
<b>Loading time</b>	10. The Vessel shall be loaded in regular turn, with all other Vessels of the same type of iron ore. Laytime for loading shall be no more than three (3) running days of 24 hours, weather permitting, Saturdays, Sundays and Holidays included. Any time lost in trimming, where Shipper awaits Master's instructions, not to count as laytime. In case loading has to be interrupted due to reasons of the responsibility of the Vessel, such time lost shall not count as laytime.
<b>Cost of loading</b>	11. The cargo shall be loaded and well trimmed by the loading conveyor belt(s) free of any risk, liability and expense whatsoever to the Owners, any extra trimming required by the Owners shall be for their account.
<b>Shifting cost</b>	12. If the Vessel is required to load at more than one berth, shifting costs other than Vessel's, Officer's and Crew's over- time shall be for Shipper's account and time to count.
<b>Agents</b>	13. At port of loading the Master shall apply to and employ ..... ..... as Agents, paying the customary fees.
<b>Tug boats</b>	14. At port of loading the Vessel shall employ, if necessary, tug boats belonging to Messrs. VALE DO RIO DOCE
<b>Discharge Notice of readiness Commencement of laytime</b>	15. The laytime shall commence ..... hours after the Vessel is in every respect ready to discharge and notice of readiness has been given to the Consignees or their Agents ..... during office hours whether the Vessel is at or off the port and in berth or not. If the discharge be commenced earlier, laytime shall count from actual commencement. Any time lost because of the Vessel having to wait at or off the port for a berth shall count as laytime used in discharging.
<b>Discharging time</b>	16. The cargo shall be discharged, weather permitting, in no more than ..... running days of 24 hours, Sundays and holidays and time between ..... excepted unless used.
<b>Cost of discharging</b>	17. The cargo shall be discharged free of any risk, liability and expense whatsoever to the Owners.
<b>Shifting cost</b>	18. If the Vessel is required to discharge at more than one berth, shifting costs other than Vessel's, Officer's and Crew's overtime shall be for Charterer's account and time to count.
<b>Agents</b>	19. At port of discharge the Master shall apply to and employ ..... ..... as Agents, paying the customary fees.
<b>Demurrage</b>	20. Demurrage shall be paid by the Charterers at the rate of US\$ 0.07 ..... per ton loaded for up to 50 000 tons and US\$ 0.04 per ton loaded for above 50 000 tons per day or pro rata for part of a day.....
<b>Right to average Overtime</b>	21. Charterers to have the right to average the days allowed for loading and discharging 22. The Charterer or their Agents shall have liberty to require discharging outside ordinary working hours and on Sun- days and/or holidays, the Charterers paying all overtime expenses. Of such overtime at discharging port as may be ordered by port authorities 50 per cent shall be paid by the Charterers and 50 per cent by the Owners. Overtime earned by the Officers and Crew during discharging of the cargo shall always be entirely for Owners account.
<b>Bad weather</b>	23. The Master shall cover at Owner's expense the hatch of each hold as soon as the loading into it has finished and, if the weather be wet, all hatches when the loading or discharging has finished for the day. He shall also during rain and snow cover all hatches not actually in use for loading or discharging.
<b>Repairs of damage</b>	24. Time reasonably required to complete repairs of loading and/or discharging damage, if any, for which the Vessel is not responsible, shall count as laytime used in loading or discharging as the case may be.
<b>Lighterage</b>	25. Lighterage, if required by the Charterers, shall be for their account and time used shall count.
<b>Deviation</b>	26. The Vessel shall have liberty to call at any ports en route to sail with or without pilots, to tow and to be towed, to assist Vessels in distress and to deviate for the purpose of saving life and/or property or for bunkering purpose or to make any reasonable deviation. Any such movement shall not be deemed an infringement of this charter-party and the Owners shall not be liable for any loss or damage resulting therefrom.

**Excluded ports**

27. The Vessel shall not be ordered to nor bound to enter any port where fever or epidemics are prevalent or to which the Master, Officers and Crew by law are not bound to follow the Vessel. If, for any of the above reasons, the Vessel is unable to enter the loading port, the charter-party, or if the charter-party is for more than one voyage, the voyage in question shall be considered cancelled.
- a) Should a quarantine be declared affecting the port of discharge prior to Vessel's entering, the Charterers shall request the Owners to order the Vessel to another port named herein or within the range specified herein where she can safely discharge, such orders to be given within 36 hours, Sundays and/or holidays excluded, after the Master or the Owners have given notice to the Charterers of the quarantine at the port of discharge. If the Charterers cannot arrange safe discharge at a port named herein or within the range specified herein, they shall have the option of requesting the Owners to order the Vessel to another port and all conditions of this charter-party and of the Bill of Lading shall apply and the Vessel shall receive the same freight as if she had discharged at the original port of destination, except that if the distance between the substituted port and the port named herein or within the range specified herein exceeds 100 nautical miles, the freight on the cargo delivered at the substituted port shall be increased in proportion. If the Charterers fail to arrange a substitute port or to give orders within 36 hours, Sundays and/or holidays excluded, as stated above, the detention, if any, to be for their account.
- c) If the Vessel has already entered the loading or discharging port, detention by quarantine only on the Vessel shall not count as time used. In case of detention in the loading or discharging port caused by epidemics ashore, unless the Vessel is already on demurrage, half demurrage caused by these epidemics shall be paid by the Charterers.

The Charterers, however, shall not be responsible for damages caused by the fact that the Owners cannot deliver their Vessel within laydays under a following contract.

**Bills of Lading**

28. The Master shall sign Bills of Lading without prejudice to this charter-party. The Charterers shall indemnify the Owners if the Owners are held liable under the Bills of Lading in respect of any claim for which the Owners are not liable towards the Charterers under this charter-party.

**Negligence clause**

29. Notwithstanding anything herein contained no absolute warranty of seaworthiness is given or shall be implied. The Owners, in all matters arising under or affecting this contract, shall be entitled to the like rights and immunities as are contained in Article IV of the Hauge Rules dated Brussels, August 25th, 1924, the term "carrier" in the said Article being taken to mean Owners.

**Exception clause**

30. Time lost by reason of cases of Force Majeure, war, insurrection, civil commotion, political disturbances, floods, landslides, frost, stoppage on railway, whether partial or total on river, canal, quay, wharf, jetty, rope or cable way; at loading or discharging plants and equipment, lack of trucks, stoppage of miners or workmen or other hands connected with the mining or handling of the cargo, breakdown of machinery at the mines, whether partial or general, or by reason of any cause of whatsoever kind or nature beyond the control of the Charterers or their agents, supplying, loading, discharging or conveying the cargo from the mines to the vessel, shall not be computed in the loading or discharging time unless the vessel is already under demurrage. If a case such as above should last longer than 72 hours, clauses 38 to come into force.

**Lien**

31. The Owners shall have a lien on the cargo for any amount due under this charter-party and necessary costs of re-covering same.

The Charterers shall remain responsible for any amount due to the Owners under this charter-party.

**Insurance**

32. Any extra insurance on cargo on account of Vessel's age and/or flag and/or class shall be for Owner's account.

**Ice**

33. In case of ice preventing the Vessel from reaching or entering the port of discharge the Vessel shall have liberty to proceed to a near accessible port (within the same range if possible) as ordered by the Receivers and there deliver the cargo according to the terms of the charter-party. Unforeseen detention shall be for Charterer's account.

**Substitution**

34. The Owners shall have liberty to substitute a Vessel of the same class or condition and of similar size, type and the same laydays and the same cancelling date on giving due notice hereof to the Charterers.

**War risks**

35. 1. The Master shall not be required or bound to sign Bills of Lading for any blockaded port or for any port which the Master or the Owners in his or their discretion consider dangerous or impossible to enter or reach.
2. A) If any port of loading or discharge named in this charter-party or to which the Vessel may properly be ordered pursuant to the terms of the Bills of Lading be blockaded or  
B) if owing to any war hostilities, warlike operations, civil war, civil commotions, revolutions, or the operation of international law  
a) entry to any such port of loading or of discharge or the loading or discharge of cargo at any such port be considered by the Master or the Owners in his or their discretion dangerous or prohibited or  
b) it be considered by the Master or the Owners in his or their discretion dangerous or impossible for the Vessel to reach any such port of loading or of discharge --- the Charterers shall have the right to order the Vessel or the cargo or such part of it as may be affected to be loaded or discharged at any other safe port of loading or of discharge within the range of loading or discharging ports respectively established under the

provisions of the charter-party (provided such other port is not blockaded or that entry thereto or loading or discharge of cargo thereat is not in Master's or Owner's discretion dangerous or prohibited). If there is no range of loading ports agreed, this charter-party to be considered cancelled for the voyage in question. If part cargo has already been loaded and no range of loading ports being agreed the Owners must proceed with same, (freight payable on loaded quantity only) having liberty to complete with other cargo on the way for their own account, such cargo to be properly separated from Charterer's cargo at Owner's risk and expense.

If in respect of a port of discharge no orders be received from the Charterers within 48 hours after they or their Agents have received from the Owners a request for the nomination of a substitute port, the Owners shall then be at liberty to discharge the cargo at any safe port which they or the Master may in their or his discretion decide on (whether within the range of discharging ports established under the provisions of the charter-party or not) and such discharge shall be deemed to be due fulfilment of the contract or contracts of affreightment so far as cargo so discharged is concerned. In the event of the cargo being loaded or discharged at any such other port within the respective range of loading or discharging ports established under the provisions of the charter-party, the charter-party shall be read in respect of freight and all other conditions whatsoever as if the voyage performed were that originally designated. In the event, however, that the Vessel discharges the cargo at a port outside the range of discharging ports established under the provisions of the charter-party, freight shall be paid as for the voyage originally designated and all extra expenses involved in reaching the actual port of discharge and/or discharging the cargo thereat shall be paid by the Charterers or cargo owners. In this latter event the Owners shall have a lien on the cargo for all such extra expenses.

3. The Vessel shall have liberty to comply with any directions or recommendations as to departure, arrival, routes, ports of call, stoppages, destinations, zones, waters, delivery or in any other wise whatsoever given by the government of the nation under whose flag the Vessel sails or any other government or local authority including any de facto government or local authority or by any person or body acting or purporting to act as or with the authority of any such government or authority or by any committee or person having, under the terms of the war risks insurance on the Vessel, the right to give any such directions or recommendations. If by reason of or in compliance with any such directions or recommendations, anything is done or not done such shall not be deemed a deviation.

If by reason of or in compliance with any such direction or recommendation the Vessel does not proceed to the port or ports of discharge originally designated or to which she may have been ordered pursuant to the terms of the Bills of Lading the Vessel may proceed to any safe port of discharge which the Master or the Owners in his or their discretion may decide on and there discharge the cargo. Such discharge shall be deemed to be due fulfilment of the contract or contracts of affreightment and the Owners shall be entitled to freight as if discharge has been effected at the port or ports originally designated or to which the Vessel may have been ordered pursuant to the terms of the Bills of Lading. All extra expenses involved in reaching and discharging the cargo at any such other port of discharge shall be paid by the Charterers and/or cargo owners and the Owners shall have a lien on the cargo for freight and all such expenses.

#### War clause

- a) 36. In the event of war involving the two or more of the following countries, namely.....

.....

or the country of the flag of the Vessel, either party to have the right to cancel this charter-party

- b) If a world war breaks out or a situation arises that is similar to a world war, either party shall have the right to cancel this charter-party.

#### General average "Gencon" general strike clause

37. General average shall be adjusted, stated and settled according to the York-Antwerp Rules 1950.

38. Neither the Charterers nor the Owners shall be responsible for the consequences of any strikes or lock-outs preventing or delaying the fulfilment of any obligations under this contract.

If there is a strike or lock-out affecting the loading of the cargo, or any part of it, when the Vessel is ready to proceed from her last port or at any time during the voyage to the port or ports or loading or after her arrival there, the Master or the Owners may ask the Charterers to declare that they agree to reckon the laydays as if there were no strike or lock-out. Unless the Charterers have given such declaration in writing (by telegram, if necessary) within 24 hours, the Owners shall have the option of cancelling this contract.

If part-cargo has already been loaded, the Owners must proceed with same, (freight, payable on loaded quantity only) having liberty to complete with other cargo on the way for their own account, such cargo to be properly separated from Charterer's cargo at Owner's risk and expense.

If there is a strike or lock-out affecting the discharge of the cargo on or after Vessel's arrival at or off the port of discharge and same has not been settled within 48 hours, the Receivers shall have the option of keeping the Vessel waiting until such strike or lock-out is at an end against paying half demurrage after expiration of the time provided for discharging, or of ordering the Vessel to a safe port where she can safely discharge without risks of being detained by strike or lock-out. Such orders to be given within 48 hours after the Master or the Owners have given notice to the Charterers of the

strike or lock-out affecting the discharge. On delivery of the cargo at such port, all conditions of this charter-party and of the Bills of Lading shall apply and the Vessel shall receive the same freight as if she had discharged at the original port of destination, except that if the distance of the substituted port exceeds 100-nautical miles, the freight on the cargo delivered at the substituted port to be increased in proportion.

**Loading and discharging  
Grab clause**

39. Vessel to be guaranteed suitable for grab-discharge. If any cargo is loaded in tweendecks, deeptanks or bunkers, any extra trimming etc. incurred for cargo not accessible to grabs and any time lost in loading and discharging to be for Owner's account. Deeptanks, tunnels and all other provisions within Vessel's holds to be sheltered against damages by Receivers' grab-discharging, failing which, Owners to be responsible for any consequences.

**Brokerage**

40. A commission of ..... per cent on the gross amount of freight and deadfreight under this Charter-Party is payable by the Owners to ..... ..

.....

on shipment of the cargo.

**Jurisdiction  
Arbitration**

41. This contract shall be governed by ..... law.

42. Any disputes arising under this contract shall be settled by arbitration in ..... in accordance with the arbitration law and procedure prevailing there.

**Notice to the Masters**

43. Vessels are to have sufficient ballast pump capacity in relation to loading capacity. Time eventually lost due to insufficiency of such capacity shall not count as laytime.

THE OWNERS:

THE CHARTERERS: