

# Chartering Terms & Abbreviations

## **Aoosa**

Always afloat or safe aground. The condition for a vessel whilst in port.

## **Addendum**

Additional terms at the end of a charter party.

## **Arbitration**

Method of settling disputes which is usually binding on parties. A clause usually in a charter party.

## **ASBA**

American Shipbrokers Association

## **B/L**

Bill of lading, receipt of goods shipped onboard signed by Master (or agent) who contracts to carry them, stating terms on which goods are carried.

## **B/N**

Booking note

## **Backletter**

Where a seller/shipper issues a 'letter of indemnity' in favour of the carrier in exchange for a clean bill of lading. May have only a limited value. Example: P & I problems.

## **BAF**

Bunker adjustment factor

## **Bale Capacity**

Cubic capacity of a vessels holds to carry packaged dry cargo such as bales/pallets.

## **Ballast Bonus**

Compensation paid by Charterer for (relatively long) ballast voyage

## **Bareboat Charter**

Vessel contract where charterers take over all responsibility for the operation of the vessel and expenses for a certain period of time.

## **BBB**

Before breaking bulk. Refers to freight payments that must be received before discharge of a vessel commences.

## **Berth C/P**

Term used in a voyage charter party, e.g. vessel shall proceed to Berth 2 at Falmouth.

**Brokerage**

Percentage of freight payable to broker (by owners in c/p's) or applicable to sale or purchase.

**C/P**

Charter Party

**Cargo Retention Clauses**

Clauses introduced by charterers based on shortage of delivered cargo because of increased oil prices.

**CBF**

Cubic feet

**CBM**

Cubic metres

**CIF**

Cost, insurance, freight

**COA**

Contract of affreightment

**COGSA**

Carriage of Goods by Sea

**Commission**

See "Brokerage"

**Conference**

A scheduled liner service offered by owners on given routes on conditions agreed by members.

**Congestions**

Port/berth delays

**Consignee**

Name of agent, company or person receiving consignment

**Deadfreight**

Space booked by shipper or charterer on a vessel but not used

**Deadweight/DWAT/DWCC**

Vessel carrying capacity viz. fuel, water, crew based on 2240 lbs per deadweight ton

**Demurrage**

Money payable to owner for delay for which owner is not responsible in loading/discharging after laytime expired.

**Despatch**

Time saved, reward for quick turnaround - in dry cargo only

**Deviation**

Vessel departure from specified voyage course

**ETA**

Estimated time of arrival

**ETD**

Estimated time of departure

**FAC**

Fast as can

**FHEX**

Fridays, holidays excluded

**FIO**

Free in/out

**FIOST**

Free in and out, stowed and trimmed

**First Refusal**

First attempt at best offer that can be matched

**Fixture**

Conclusion of shipbrokers negotiations to charter a ship - an agreement

**FO**

Fuel oil/free out

**Force Majeure**

Clause limiting responsibilities of charterers, shippers and receiver of cargo

**Free Pratique**

Clearance by the Health Authorities

**Freight**

Money payable on delivery of cargo in a mercantile condition.

**Frustration**

Charterers when cancelling agreement sometimes quote 'doctrine of frustration' i.e. vessel is lost, extensive delays.

**GA**

General Average

**Geographical Rotation**

Ports in order of calling

**Grain Capacity**

Cubic capacity in 'grain"

**Hague Rules**

Code of minimum conditions for the carriage of cargo under a bill of lading

**Hire**

T/C remuneration

**ITF**

International Transport Workers Federation (Trade Unions)

**Itinerary**

Route/Schedule

**IWL**

Institute Warrant Limits

**L/C**

Letter of credit

**LAY/CAN**

Laydays/cancelling

**Laytime**

Time at charterers disposal for purpose of loading/discharging

**Lien**

Retention of property until outstanding dept is paid

**LNG**

Liquefied natural gas

**Load Factor**

Percentage of cargo or passengers carried e.g. 4000 tons carried on a vessel of 10000 capacity has a load factor of 40%

**LOF**

Lloyds open form  
Letter of indemnity

**LT**

Long Ton = 1016.05 kilogram

**Lumpsum Freight**

Money paid to shipper for charter of a ship (or portion) up to stated limit irrespective of quantity of cargo

**Manifest**

Inventory of cargo onboard

**MOA**

Memorandum of agreement

**Mortgage**

Loan issued against some security

**NOR**

Notice of readiness

**OBO**

Ore/bulk/oil vessel

**P & I**

Protection and indemnity insurance

**Port CIP**

Contracts with berth CIP. NOR can be given when within commercial limits of the port

**Preamble**

Introduction to a Charter Party

**Proforma Acc**

Estimated account

**Recap**

Recapitulation of the terms and conditions agreed

**Reversible-time**

Option for charterers to add together time allowed for loading & discharging relative to terms of a particular charter party

**SB**

Safe berth

**Seaworthiness**

Statement on the condition of the vessel . It has valid certificates, is fully equipped and manned

**SHEX**

Sundays, holidays excluded

**SHINC**

Sundays, holidays, included

**SP**

Safe port

**ST**

Short ton

**STEM**

Subject to enough cargo

**Stowage Factor**

Cubic space (measurement tons occupied by one tonne (2240 lbs or 1000 kgs of cargo))

**Subject to**

Depending upon as a condition

**T/C**

Time charter

**T/C Equipment**

Revenue per day

**TBN**

To be named/to be nominated

**Time Bar**

Time after which legal claims will not be entertained

**Trading Limits**

Maritime area usually specified by range of ports in which a vessel may operate

**Weather Permitting**

That time during which weather that prevents working shall not count as laytime

**WIBON**

Whether in berth or not

**Wordscale**

Index used for voyage charters in the tanker market; e.g. WS120

**WW**

Weather working

**YAR 1974**

York Antwerp Rules