



# CHARTER PARTY GUARANTEE

CHARTERERS' GUARANTEE OF SUMS  
DUE UNDER TIME CHARTER PARTY

2022

BIMCO recommends that the Owners request the Guarantor to deliver to the Owner a legal opinion from a lawyer qualified in the place of incorporation of the Guarantor confirming that the Guarantor has the necessary power and has taken all necessary corporate action and obtained all necessary approvals (including exchange control approvals) to perform its obligations under this Guarantee.

## Part I

1. Place and date of Guarantee	2. Date of Charter Party
3. Guarantor (Cl. 1)  (i) Name of Guarantor: (ii) Address of registered office: (iii) Country of incorporation:	
4. Owners (Cl. 1)  (i) Name of Owners: (ii) Address of registered office: (iii) Country of incorporation:	
5. Charterers (Cl. 1)  (i) Name of Charterers: (ii) Address of registered office: (iii) Country of incorporation:	
6. Vessel's name (Cl. 1)	
7. Rate of interest per annum (Cl. 2)	
8. Notifications/Demands  (i) For Owners (insert name, generic email address): (ii) For Charterers (insert name, generic email address):	
9. Governing law (state country) (Cl. 11(a))	

**PART II**  
**CHARTER PARTY GUARANTEE 2022**

**1. Definitions**

“Banking Days” means the days on which banks are open for general business in the places/countries stated in Boxes 3, 4 and 5 and, if the currency of the Guaranteed Amount is in US dollars, then New York.

“Charter Party” means the charter party dated as per Box 2, as may be amended in writing from time to time.

“Charterers” means the party stated in Box 5.

“Demand” means a demand for payment under this Guarantee made in accordance with Clause 6 (Demands for Payment).

“Guarantee” means this document and is made on the date and at the place stated in Box 1.

“Guarantor” means the party stated in Box 3.

“Guaranteed Amount(s)” means any sum or sums, including damages, due and payable from the Charterers to the Owners under or in connection with the Charter Party, including, without limitation:

(1) any recoverable costs and expenses that may be incurred by the Owners in enforcing any of their rights under or in connection with the Charter Party, whether in legal proceedings or otherwise; and

(2) any liability on the part of the Owners to pay the cost of bunkers, port charges, stevedoring costs or any other costs arising during the course of the Charter Party which would properly be the responsibility of the Charterers.

“Owners” means the owners/disponent owners stated in Box 4.

“Vessel” means the vessel named in Box 6.

**2. Guarantee**

In consideration of the Owners agreeing to charter the Vessel to the Charterers and/or continuing to charter the Vessel to the Charterers and accepting this Guarantee as security for the payment by the Charterers of sums due under this Charter Party, the Guarantor hereby unconditionally and irrevocably guarantees to pay any Guaranteed Amount within five (5) Banking Days following a Demand, together with interest at the rate stated in Box 7 per annum from the due date for payment by the Charterers to the date of payment by the Guarantor.

**3. Continuing Nature of the Guarantee**

- (a) This Guarantee shall not be discharged by any allowance, waiver or delay given to the Charterers nor by any amendment to, or variation of, the Charter Party that may be agreed between the Owners and the Charterers nor by any circumstances that would otherwise discharge the Guarantor’s liability under this Guarantee.
- (b) The Guarantor’s liability under this Guarantee shall not be discharged in whole or in part or otherwise be affected in any way by reason of the bankruptcy, insolvency, liquidation, dissolution, amalgamation, reconstruction or reorganisation of the Charterers or the appointment of a receiver, administrative receiver or administrator of any of the Charterers’ assets (or the equivalent of any such matters occurring in any other jurisdiction).
- (c) The Guarantor’s liability under this Guarantee shall continue until such time as all obligations of the Charterers under the Charter Party have been fully performed.
- (d) The Guarantor’s liability hereunder is continuing and shall not be discharged or satisfied by any one Demand. For the avoidance of doubt the Owners shall be entitled to make multiple Demands.

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**4. No Deduction or Withholding**

All payments to be made under this Guarantee shall be made without any set off or counterclaim and without deduction or withholding for or on account of any taxes, duties or charges whatsoever, unless the Guarantor is compelled by law to deduct or withhold the same in which case the Guarantor shall make the minimum deduction or withholding permitted, and will pay such additional amounts as may be necessary in order that the amount received by the Owner after such deductions or withholdings shall be equal to the amount which would have been received had no such deduction or withholding been made.

**5. Owners' Rights, Powers and Remedies**

The Owners shall not be obliged before exercising any of the rights, powers or remedies conferred upon them under this Guarantee or by law to:

- (a) make any demand to the Charterers;
- (b) take any action or obtain judgment in any court against the Charterers;
- (c) make or file any claim or proof in a winding-up, liquidation, entering into administration or dissolution of the Charterers; or
- (d) enforce or seek to enforce any other security taken in respect of the Charter Party.

**6. Demands for Payment**

- (a) All Demands under this Guarantee shall be in writing and shall include a statement of the amount claimed and to what it relates.
- (b) All such Demands shall be sent to the address for the Guarantor stated in Box 3 and may be sent by any effective means including, but not limited to, e-mail, registered or recorded mail, courier or by hand. If sent by email, the Demand shall be treated as effectively served from the date and time the e-mail was sent.

**7. Costs, Charges and Expenses**

The Guarantor agrees that it will reimburse the Owners on demand for all costs, charges and expenses incurred by the Owners in maintaining, exercising or enforcing any of their rights or powers under the Guarantee.

**8. Modification**

Neither this Guarantee nor any terms hereof may be amended, waived, discharged or terminated other than by instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

**9. Assignment and Successors**

The Owners shall be entitled, at their sole discretion, to transfer to any party by way of assignment any or all of their rights under this Guarantee and this right of assignment shall extend also to any assignee or subsequent assignee. The Guarantor may not assign, charge or transfer any of its rights or obligations under this Guarantee without the prior written consent of the Owners.

**10. Representations and Warranties**

The Guarantor hereby warrants to the Owners that it has all the corporate powers, and has taken all necessary corporate, administrative or other steps (including registration of the Guarantee, where appropriate), to enable it to execute, deliver and perform this Guarantee, and that this Guarantee constitutes valid and binding obligations of the Guarantor.

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**11. Governing Law and Jurisdiction**

- (a) This Guarantee shall be governed by and construed in accordance with the law of the country stated in Box 9. If Box 9 is left blank then English law shall apply.
- (b) The jurisdiction clause or arbitration clause in the Charter Party shall be deemed incorporated into this Guarantee and any dispute arising out of or in connection with this Guarantee shall be determined in accordance with such clause. If there is no such jurisdiction or arbitration clause in the Charter Party then the BIMCO Law and Arbitration Clause 2020 (English law, London arbitration) shall be deemed incorporated.

IN WITNESS whereof the Guarantor has executed and delivered this Guarantee as of the date set forth in Box 1.

SIGNED by \_\_\_\_\_ (print name and sign)

Authorised Signatory

For and on behalf of the Guarantor

SIGNED by \_\_\_\_\_ (print name and sign)

Authorised Signatory

For and on behalf of the Owners

Sample Copy

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**Recommended Additional Clause to be added to Charter Party where the Guarantee has been agreed at the time of concluding the Charter Party**

It is recommended that the following clause be inserted as an additional clause in the Charter Party in respect of which the Guarantee is to be issued:

**Charter Party Guarantee Clause**

Not later than seven (7) days after concluding this Charter Party but always prior to the delivery of the Vessel, the Charterers shall arrange for the provision of a guarantee in substantially the form of the BIMCO Charter Party Guarantee 2022 to be provided by a guarantor acceptable to the Owners. The provision of such a guarantee acceptable to the Owners as being in a form that is valid and enforceable shall be a condition precedent to the Owners' obligation to perform this Charter Party and in the event that the Owners have not received the guarantee within the permitted time, the Owners shall be entitled to cancel this Charter Party.

Neither the provision of such a guarantee nor the payment of any sums by the guarantor to the Owners under the terms of the guarantee shall amount to or be construed as a waiver of, or shall otherwise prejudice, any rights that the Owners may have against the Charterers under this Charter Party.

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