

1. Place and date of Contract	
2. Owners/place of business (Cl. 2(a))	3. Charterers/place of business (Cl. 2(a))
4. Vessel (name, type and other particulars; also description of Owners' equipment) (Cl. 2(a) & 4(b))	
5. Cargo (full description of cargo; indicate whether full and complete cargo or part cargo; also state minimum/maximum weight of cargo) (Cl. 2(a) & 10(e))	
6. Loading port(s) (Cl. 2(a))	7. Discharging port(s) and intended route from loading port to discharging port (Cl. 2(a) & 3(b))
8. Loading method(s) (indicate alternative(s): (a),(b) or (c), as agreed) (Cl. 4(c))	9. Discharging method(s) (indicate alternative(s): (a),(b) or (c), as agreed) (Cl. 4(f))
10. First layday (Cl. 8(a))	11. Cancelling date (Cl. 8(a))
12. Notices for loading to be given to (Cl. 9(a) & 9(b))	13. Notices for discharging (state interval periods and to whom to be given) (Cl. 9(b) & 9(c)).
14. Marine Surveyor(s) and date for transportation approval (Cl. 10(a) & 10(d))	
15. Freight (Cl. 11)	16. Freight and demurrage, etc. payment (currency and where payable; also state owners' bank account) (Cl. 11)
17. Free time for loading/discharging and canal transit (if applicable) (state total number of running hours) (Cl. 12(a) & 14(a))	18. Demurrage rate per day (Cl. 12(b))
19. Mobilisation charge (if agreed, state lump sum amount) (Cl. 13(a))	20. Demobilisation charge (if agreed, state lump sum amount) (Cl. 13(b))
21. Canal transit costs (if any) limited to (Cl. 14(b))	22. Price per ton of bunker oil (Cl. 15)
23. Termination Fee(s) (state amount(s) if agreed) (Cl. 20(a) & 20(b))	24. Liability for cargo (state whether Bill of Lading <u>or</u> Cargo Receipt) (Cl. 21(d) or Cl. 21(e))
	25. General average shall be adjusted/settled at (Cl. 25)
26. Brokerage and to whom payable (Cl. 31)	27. Law and arbitration (state 32(a), 32(b) or 32(c) of Cl. 32, as agreed; if 32(c) agreed state place of arbitration) (if Box 27 not filled in 32(a) shall apply) (Cl. 32)
28. Numbers of additional clauses covering special provisions, if agreed	

It is mutually agreed that this Contract shall be performed subject to the conditions contained in the Contract consisting of PART I including additional clauses, if any agreed and stated in Box 28 and PART II. In the event of a conflict of conditions, the provisions of PART I and any additional clauses shall prevail over those of PART II to the extent of such conflict but no further.

Signature (Owners)	Signature (Charterers)
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Sample copy

**PART II**  
**HEAVYCON Standard Transportation Contract**

**1. Definitions**

In this Contract the following words and expressions shall have the meanings hereby assigned to them.

“The Owners” shall mean the party identified in Box 2.

“The Charterers” shall mean the party identified in Box 3.

“The Vessel” shall mean the transportation unit(s) described in Box 4.

“Loading port” shall mean the port(s) or area(s) specified in Box 6.

“Discharging port” shall mean the port(s) or area(s) specified in Box 7.

“The Cargo” shall mean any goods or equipment or other items described in Box 5.

“The Transportation” shall mean the carriage of the cargo and, as the case may be, the loading, discharge and all other operations connected therewith.

**2. Voyage**

- (a) It is agreed between the Owners mentioned in Box 2 and the Charterers mentioned in Box 3 that, subject to the terms and conditions of this Contract, the cargo described in Box 5 shall be transported by the Owners from the loading port(s) mentioned in Box 6, or so near thereunto as she may safely get and lie always safe and afloat, to the discharging port(s) mentioned in Box 7, or so near thereunto as she may safely get and lie always safe and afloat, by means of the Vessel named and described in Box 4 or in an appendix.
- (b) At the commencement of the voyage the Owners shall exercise due diligence in making the Vessel seaworthy. The Owners shall perform the voyage with due despatch unless otherwise agreed.

**3. Deviation/Delays/Part Cargo**

- (a) The Vessel has the liberty to sail without pilots, to tow and/or assist vessels in all situations, to deviate for the purpose of saving life, to replenish bunkers and/or to deviate for the purpose of safety of the cargo, crew, Vessel and for any other reasonable purpose.
- (b) Without prejudice to the provisions of Clause 25, should the Master decide, for the purpose of the safety of the cargo, to deviate from the normal route which is stipulated in Box 7, the Charterers shall pay for all time lost as a consequence of the deviation at the demurrage rate stipulated in Box 18. The time lost shall include all time used until the Vessel reaches the same or equidistant position to that where the deviation commenced and the Charterers shall also pay all additional expenses incurred by such deviation including bunkers, port charges, pilotage, tug boats, agency fees and any other expenses whatsoever incurred.
- (c) If the Vessel for reasons beyond the Owners' control is being delayed at loading port(s) or place(s) and/or discharging port(s) or place(s), including obtaining free pratique, customs, port clearance or other formalities, such delays shall be paid for by the Charterers at the demurrage rate stipulated in Box 18.
- (d) Unless the cargo is described as a full and complete cargo in Box 5, the Owners shall have the liberty of restowing the cargo and of loading and of discharging other part cargo(es) for the account of others than the Charterers from places enroute or not enroute to places enroute or not enroute. The rotation of loading and discharging places shall be at the Owners' option. When the Owners exercise such option(s) this shall in no way constitute a deviation, notwithstanding anything else contained in this Contract.

**4. Loading and Discharging**

- (a) The Charterers shall have the cargo in all respects ready for the said voyage at the loading port(s) on the date for which notice of expected loadreadiness is given by the Owners as per Clause 9, but not before the date stated in Box 10 as first layday.

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The precise loading area or place within the agreed loading port, which shall be always safe and accessible and suitable for the loading operation, shall be nominated by the Charterers upon receipt of the first notice given by the Owners pursuant to Clause 9, always subject to the approval of the Owners and the Master. Such approval shall not be unreasonably withheld.

- (b) The Owners shall provide the equipment stated in Box 4 or in an appendix and shall in their own time and at their own expense prepare such equipment for the loading. All other equipment shall be provided by the Charterers. When the cargo has been loaded and positioned, it shall be seafastened and/or lashed by the Owners at their expense to the satisfaction of the Master.
- (c) At the loading port, the cargo shall be delivered by the Charterers without delay in the sequence required by the Master at any time during day or night, Saturdays, Sundays and holidays included and shall be loaded by one or more of the following methods stated in Box 8:

(i)\* If agreed in Box 8 that the Owners shall load the cargo with their own gear or tackle, the Charterers shall bring the cargo alongside within reach of such loading equipment. The Owners shall procure the necessary labour and winchmen, either from the crew or from ashore and shall pay for same except that any shore labour forced upon the Vessel by local or union regulations shall be for the Charterers' account.

(ii)\* If agreed in Box 8 that the Charterers shall perform the loading, the cargo shall be placed on board and positioned by the Charterers to the full satisfaction of the Master. The Charterers shall procure and pay for all labour and all necessary equipment other than that stated in Box 4.

(iii)\* If agreed in Box 8 that the cargo shall be loaded by means of float-on method, the Charterers shall position the cargo prior to loading at 50 metres or at an agreed distance from the Vessel's submerged deck to the full satisfaction of the Master. The Owners shall attach lines to the cargo and shall position and secure the cargo over the submerged deck by using winches and/or tugs. The Owners shall procure and pay the necessary labour and winchmen either from the crew or from shore except that any shore labour forced upon the Vessel by local or union regulations shall be for the Charterers' account.

The Charterers shall procure and pay for workboats and tugs required for the positioning of the cargo. The Owners shall have the right to use such workboats and tugs for the loading operation reimbursing the Charterers for the actual costs for the use thereof from the time the Vessel's first line is attached to the cargo until the time when the last line is released from the cargo and the workboats and tugs are dismissed by the Owners.

\*Indicate alternative(s) (a), (b) or (c), as agreed, in Box 8.

- (d) The precise discharging area or place within the discharging port and which shall be always safe and accessible and suitable for the discharging operation, shall be named by the Charterers well in advance of the Vessel's arrival, always subject to the approval of the Owners. Such approval shall not be unreasonably withheld.

At the discharging port the Charterers shall take delivery of the cargo without delay in accordance with Clause 4(f) at any time during day or night, Saturdays, Sundays and holidays included.

- (e) Prior to actual discharge the Owners shall, unless otherwise agreed, remove all seafastening and/or lashing and prepare the Vessel for the discharge operation. The entire discharge operation always to be done to the full satisfaction of the Master.
- (f) The cargo shall be discharged by one or more of the following methods stated in Box 9:

(i)\* If agreed in Box 9 that the Owners shall discharge the cargo with their own gear or tackle, the Charterers shall take delivery of the cargo upon discharge and within reach of said gear or tackle. The Owners shall procure and pay for necessary winchmen and labour to perform the discharge except that any shore labour forced upon the Vessel by local or union regulations shall be for the Charterers' account.

(ii)\* If agreed in Box 9 that the Charterers shall discharge the cargo, the Charterers shall procure and pay for the necessary equipment and labour for the discharge of the cargo.

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(iii)\* If agreed in Box 9 that the cargo shall be discharged by means of float-off method, the Owners shall submerge the Vessel and float-off the cargo. The Owners shall procure and pay the necessary labour and winchmen either from the crew or from shore except that any shore labour forced upon the Vessel by local or union regulations shall be for the Charterers' account.

The Charterers shall procure and pay for workboats and tugs required for discharging the cargo. The Owners shall have the right to use such workboats and tugs for the discharging operations reimbursing the Charterers the actual cost for the use thereof from the time when the first line is attached to the cargo until the time when the last part of the cargo passes the side of the Vessel at which time the Charterers shall take custody of the cargo.

\*Indicate alternative(s) (a), (b) or (c), as agreed, in Box 9.

- (g) All expenses associated with the Vessel such as harbour dues, pilotages, local tug assistance, if required, agency fees, fuel and lubricants shall be paid for by the Owners except as otherwise provided for in this Contract.

**5. Permits/Licences**

- (a) All necessary permits and/or licences pertaining to the loading and/or discharging operations shall be provided and paid for by the Charterers. The same applies to permits and/or licences pertaining to the carriage of cargo. If required, the Owners shall assist the Charterers in obtaining such permits and/or licences.
- (b) Any delay by the Charterers in obtaining the permits and/or licences related to sub-clause 5(a) shall be at the Charterers' time and any time lost shall be paid for at the demurrage rate stipulated in Box 18.

**6. Taxes, Charges, etc.**

The Charterers shall pay all duties, taxes and charges whatsoever levied on the cargo and/or the freight at the loading port and/or discharging port irrespective of how the amount thereof may be assessed, including agency commission assessed on the basis of the freight.

**7. Quarantine**

Unless due to health conditions on board the Vessel, any time lost as a result of quarantine formalities and/or health restrictions imposed or incurred at any stage of the voyage, including any such loss of time at the loading port and/or the discharging port, shall be paid for by the Charterers at the demurrage rate specified in Box 18. The Charterers shall also pay for all other expenses which may be incurred as a result thereof.

**8. Commencement of Loading/Cancelling Date**

- (a) The date of commencement of the loading shall be at any time on or between the first layday stated in Box 10 and the cancelling date stated in Box 11, both dates inclusive, in the Owners' option. Should the Owners give notice of readiness prior to the first layday, the Charterers may, at their option, accept such an earlier loading date and the time used shall count against the free time as per Clause 12.
- (b) Should it clearly appear that the Vessel will not be ready to commence the loading latest on the cancelling date the Owners shall immediately notify the Charterers hereof and state a new cancelling date as soon as they are in a position to state with reasonable certainty such new cancelling date. Within 72 running hours after receipt of the Owners' notice as aforesaid and latest when the Vessel is ready for loading, whichever is the earlier, the Charterers shall advise the Owners whether they elect to cancel this Contract, failing such advice the new cancelling date as notified by the Owners shall apply.
- (c) Should the Charterers cancel the Contract according to sub-clause 8(b), any amount paid to the Owners in advance and not earned shall be returned to the Charterers by the Owners.
- (d) The Owners shall not be responsible for any loss or damages whatsoever incurred by the Charterers as a result of the Charterers cancelling this Contract as per sub-clause 8(b) nor shall the Owners be responsible for any loss or damages whatsoever suffered by the Charterers as a result of the failure of the Vessel to be ready for loading latest on the cancelling date agreed in Box 11 in the case that a new cancelling date has been agreed.

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- (e) Should the cargo for reasons beyond the Owners' control not be loaded within 14 days from tendering of notice of readiness, the Owners shall have the option to cancel this Contract.

If the Owners exercise their option to cancel the Contract in accordance with this sub-clause, the Charterers shall pay to the Owners the applicable termination fee according to the provisions of Clause 20 in addition to any demurrage incurred.

**9. Notices**

- (a) Advance Notices of Expected Loadreadiness

The Owners shall give notices as per Box 12 of the expected day of the Vessel's readiness to load 14 (fourteen) days, 7 (seven) days and 3 (three) days in advance. Furthermore, the Owners shall give 24 (twenty-four) hours approximate notice of the expected hour of the Vessel's readiness to load.

- (b) Notice of Readiness

The Owners shall give notice of readiness by letter, cable, telex or telephone as per Box 12 advising when the Vessel is ready to commence loading at the loading port and when the Vessel is ready to commence discharge at the discharging port as per Box 13. All notices may be given at any time of the day, Fridays, Saturdays, Sundays and holidays included and notwithstanding hindrances as referred to in Clause 3(c).

- (c) During the voyage the Owners shall give notice of expected time of arrival at discharging port(s) with intervals of the number of days stipulated in Box 13.

**10. Marine Surveyor/Condition of the Vessel and Cargo**

- (a) The Marine Surveyor(s) stated in Box 14 will be appointed for this transportation. If Box 14 has not been filled in the Charterers and the Owners shall agree on the appointment of Marine Surveyor(s) acceptable to the cargo underwriters.

- (b) All relevant documentation required by the Marine Surveyor(s) for their approval of the transportation shall be submitted to the Marine Surveyor at the earliest possible stage after this Contract is made, if not already submitted earlier. As soon as possible after submission of the relevant documentation, transportation approval shall be given by the Marine Surveyor. The Charterers shall pay all expenses relating to the production of documentation related to the cargo and/or the Charterers' equipment. The Owners shall pay all expenses relating to documentation related to the Vessel and all other equipment being provided by the Owners in the performance of the transportation.

- (c) The Charterers shall arrange and pay for all the Marine Surveyor(s) services, including their approval of the transportation.

- (d) Should the Marine Surveyor(s) not give transportation approval by the date stipulated in Box 14, both the Charterers and the Owners may elect to terminate this Contract and all freight paid or advanced by the Charterers to the Owners shall be promptly refunded.

- (e) The Charterers warrant that the full description of the cargo mentioned in Box 5 is correct and further warrant that the cargo is in all respects tight, staunch, strong and in every way fit for the transportation.

Should the cargo and/or its description not be in compliance with the aforesaid then the Owners shall have the option to cancel this Contract. If the Owners exercise their option to cancel the Contract in accordance with this Clause the Charterers shall pay to the Owners the applicable termination fee according to the provisions of Clause 20.

**11. Freight**

The freight stipulated in Box 15 shall be paid in instalments as follows: 10% upon signing of this Contract and the balance shall be fully prepaid upon completion of loading against surrender of the Cargo Receipt or Bills of Lading whichever the case may be. The freight shall be considered earned upon completion of loading and shall be non-

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returnable whether the Vessel and/or cargo is lost or not lost and whether lost due to perils of the sea or howsoever. The freight instalments shall be paid discountless and be telegraphically remitted in the currency and paid into the Owners' bank account stipulated in Box 16.

**12. Free Time/Demurrage**

- (a) The Charterers are allowed the free time stipulated in Box 17 in the loading and discharging port(s) and for canal transit if applicable, Fridays, Saturdays, Sundays and holidays included.

The free time at the loading port(s) shall start counting 6 running hours after notice of readiness has been tendered, in accordance with Clause 9(b), whether in berth or not, unless loading has commenced earlier and shall count until the cargo is in all respects fully seafastened on board the Vessel and approved by the Marine Surveyor(s).

The free time at the discharging port(s) shall start counting 6 running hours after notice of readiness has been tendered in accordance with Clause 9(b), whether in berth or not, unless discharge has commenced earlier and shall count until the cargo is in all respects removed from the Vessel.

If the Owners are to load and discharge the cargo in accordance with Clauses 4(c) (i) or (iii) and 4(f) (i) or (iii) free time or time on demurrage shall not count for time used for the actual loading and discharge operation in excess of the fixed hours stipulated in Box 17 of Part I, unless such time used in excess of the fixed time is due to reason beyond the Owners' control.

- (b) Demurrage shall be payable for all time used in excess of the free time. The demurrage rate for the Vessel is the amount stipulated in Box 18 calculated per day or pro rata for part of a day.
- (c) Free time shall not count and if the Vessel is on demurrage, demurrage shall not accrue for time lost by reason of strike or lockout of the Master, officers or crew or by reason of breakdown of the Vessel or the Owners' equipment.
- (d) The demurrage and other amounts which are calculated at the demurrage rate fall due and are payable by the Charterers immediately upon presentation of the Owners' invoice to the Owners' bank account stipulated in Box 16.

Should more than 14 days of demurrage have accrued, the Owners are entitled to demurrage on account. The Owners may demand payment against presentation of invoices covering the first 14 days and thereafter for every 7 days.

**13. Mobilisation/Demobilisation**

- (a) Mobilisation

If agreed upon in Box 19 the Charterers shall pay the lump sum stipulated therein in respect of mobilisation, which amount shall be earned and non-returnable upon the Vessel's arrival in the loading port.

- (b) Demobilisation

If agreed upon in Box 20 the Charterers shall pay the lump sum stipulated therein in respect of demobilisation, which amount shall be earned and non-returnable upon the Vessel's arrival in the discharging port.

- (c) The mobilisation and demobilisation amounts shall be payable against the Owners' invoice.

**14. Canal Transit**

- (a) If the transportation is scheduled to pass through a canal according to Box 7, the Charterers are granted free time for any such transit, and such free time shall count against the number of hours stipulated in Box 17. If the transportation is delayed beyond the free time stipulated therein, the Charterers shall pay for such extra transit time at the rate of demurrage stipulated in Box 18 and shall, in addition, pay for all other documented extra expenses thereby incurred. Canal transit time is defined as from arrival at pilot station or customary waiting

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place or anchorage, whichever is the earlier, and until dropping last outbound pilot when leaving for the open sea.

- (b) The freight rate stipulated in Box 15 is based upon the Owners paying canal tolls limited to the amount stipulated in Box 21. Any increase in the canal tolls and/or any additional expenses imposed on the transportation for the canal transit actually paid by the Owners shall be reimbursed by the Charterers to the Owners upon presentation of the Owners' invoice.
- (c) Should the transit of a canal be made impossible for reasons beyond the Owners' control, the Charterers shall pay for all extra time by which the voyage is thereby prolonged at the rate of demurrage stipulated in Box 18. The Charterers shall also pay all other expenses, including for bunkers, in addition to those which would normally have been incurred had the Vessel been standing-by in port less the amount of canal tolls being refunded to the Owners for not having transitted the canal.
- (d) Notwithstanding the provisions of sub-clause 14(c) the Owners may, at their sole discretion, instruct the Master to discharge the cargo at the nearest safe and reachable port or place and such discharge shall be deemed due fulfilment of the Contract. All provisions of this Contract regarding freight, discharge of the cargo, free time and demurrage as agreed for the original discharging port shall also apply to the discharge at the substitute port.

**15. Bunker Escalation**

This Contract is concluded on the basis of the price per ton for bunker oil stated in Box 22 in force on the date of this Contract.

If the price actually paid by the Owners for the quantity of bunker oil consumed during the transportation should be higher, the difference shall be paid by the Charterers to the Owners.

If the price actually paid by the Owners for the quantity of bunker oil consumed during the transportation should be lower, the difference shall be paid by the Owners to the Charterers.

**16. Ice**

- (a) If on passage to the loading port or discharging port the Master finds that the port cannot be safely reached owing to ice, the Owners shall request the Charterers to immediately nominate an alternative safe, ice-free and accessible port where there are facilities for loading or discharging the cargo. In this event, freight shall be paid at the rate applicable under this Contract to such alternative loading or discharging port and, in addition, any period by which the time taken to reach either or both such alternative ports exceeds the time which would have been taken had the Vessel proceeded thither direct shall be paid for by the Charterers at the rate of demurrage specified in Box 18 per running day and pro rata for part of a running day as well as the costs of any additional bunkers consumed. If no rate of freight is specified in Box 15 for the selected alternative port, then freight shall be paid at the rate applicable for the voyage first nominated adjusted by allowance at the demurrage rate specified in Box 18 for the difference in the time taken for the actual voyage and the estimated time required to perform the first nominated voyage, the costs of the difference in bunker oil consumption and the difference, if any, in port charges at the respective ports.
- (b) If on or after the Vessel's arrival at or off the nominated loading port or discharging port there is a danger of the Vessel being frozen in, the Master shall be at liberty to proceed to the nearest safe and ice-free position and shall, at the same time, request the Charterers by radio for revised orders. Immediately upon receipt of such request, the Charterers shall give orders for the Vessel to proceed to an alternative safe, ice-free and accessible port where there is no danger of Vessel being frozen in and where there are facilities for loading or discharging the cargo.

If the Vessel is ordered to proceed to an alternative port, the sum in respect of freight and delay to be paid by the Charterers shall be as specified in sub-clause 16(a), but if the Vessel loads or discharges at the nominated port then the whole of the time occupied from the time the Master's request for revised orders has been received by the Charterers until completion of loading or discharging shall count against free time or, if the Vessel is on demurrage, for demurrage. Any delay caused by reasons of the Vessel being ordered to a port where there is danger of being frozen in shall count against free time or, if the Vessel is on demurrage, for demurrage.



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- (c) The Vessel not to be obliged to force ice nor to follow icebreakers.

**17. Dangerous Cargo**

If part of the cargo is of an inflammable, explosive or dangerous nature or condition or at any stage may develop into such nature or condition it must be packed and stored or stowed in accordance with IMO Dangerous Goods Code and/or other applicable regulations always to the full satisfaction of the Master. Any delay to the transportation in this respect shall be paid for by the Charterers at the demurrage rate stipulated in Box 18.

**18. Lien**

The Owners shall have a lien on the cargo and any Charterers' equipment for all freight and all other expenses in relation to the transportation, deadfreight, advances, demurrage, damages for detention, general average and salvage including costs for recovering same.

**19. Substitution**

The Owners shall, at any time before the cancelling date, be entitled to substitute the Vessel named in Box 4 with another vessel of equivalent capability and capacity, provided such substitute vessel is approved by the Marine Surveyor. Nothing herein shall be construed as imposing on the Owners an obligation to make such substitution.

**20. Termination**

- (a) Notwithstanding anything else provided herein, the Charterers shall have the right to terminate this Contract prior to the Vessel's arrival at the first loading port against payment of the applicable amount stipulated in Box 23 less any prepaid freight.
- (b) Furthermore, the Charterers shall have the right to terminate this Contract after the Vessel's arrival at the first loading port but not later than upon commencement of loading against payment of the applicable amount stipulated in Box 23 plus compensation for all time spent at the first loading port at the demurrage rate stipulated in Box 18 less any prepaid freight together with the actual expenses incurred by the Owners in preparation for the loading.
- (c) If Box 23 is not filled in, this Clause shall not apply.

**21. Liability for Cargo - Bill of Lading or Cargo Receipt**

- (a) Notwithstanding anything else contained herein, the Owners shall be liable for all loss or damage of whatsoever nature to or sustained by the Vessel, any liability in respect of wreck removal and the expense of moving, lighting or buoying the Vessel, and any liability in respect of death or injury of any of the Owners' employees, servants, agents or sub-contractors' personnel, and any liability in respect of other cargo on board not the subject of this Contract, all of which shall be for the sole account of the Owners without recourse to the Charterers, their servants or agents, and the Owners shall indemnify, defend and hold the Charterers harmless from and against any and all claims, losses, costs, damages and expenses of every kind and nature including legal expenses arising from the foregoing.
- (b) Notwithstanding anything else contained herein, the Charterers shall be liable for all loss or damage or delay of whatsoever nature and howsoever caused to or sustained by the cargo, including any property operated, owned, hired and/or leased by the Charterers on board, and any liability in respect of wreck removal and the expense of moving, lighting or buoying the cargo, and any liability in respect of death or injury of any of the Charterers' employees, servants, agents or sub-contractors' personnel, or the Marine Surveyor(s) personnel, and all liabilities consequent upon loss, damage or delay to the cargo, all of which shall be for the sole account of the Charterers without recourse to the Owners, their servants or agents or insurers and the Charterers shall indemnify, defend and hold all these harmless from and against any and all claims, losses, costs, damages and expenses of every kind and nature including legal expenses arising from the foregoing.
- (c) The Owners and the Charterers shall agree and state in Box 24 whether a Bill of Lading or a non-negotiable Cargo Receipt will be issued by Owners upon loading of the cargo.

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(d)\* Bill of Lading

(i) If, as stated in Box 24, the Owners have agreed to issue a Bill of Lading, same shall be as per the "Heavyconbill" form which shall incorporate all terms, conditions, liberties, clauses and exceptions of this Contract, including the Arbitration Clause.

(ii) The Owners shall not be liable for any loss, damage or delay to cargo in the period before loading and after discharge.

(iii) Unless otherwise agreed, the cargo shall be shipped on deck at Shipper's risk and the Owners not to be responsible for any loss or damage or delay to the cargo whatsoever and whether due to negligence of whosoever or howsoever arising and by whosoever caused, and the Bill of Lading issued hereunder shall be so claused.

(iv) If the cargo is shipped under deck,

(1) The Hague Rules contained in the International Convention for the Unification of Certain Rules relating to Bills of Lading, dated Brussels 25th August 1924, as enacted in the country of shipment shall apply to the Bills of Lading issued hereunder provided that when no such enactment is in force in the country of shipment, the corresponding legislation of the country of destination shall apply, but in respect of shipments to which no such enactments are compulsorily applicable the terms of the said Convention shall apply.

(2) Trades where Hague-Visby Rules apply:

Notwithstanding the provisions of sub-paragraph (1), in trades where the International Brussels Convention 1924 as amended by the Protocol signed at Brussels on 23rd February 1968 - the Hague-Visby Rules - apply compulsorily, the provisions of the respective legislation shall be considered incorporated in the Bills of Lading issued hereunder.

(3) Trades where US COGSA apply:

Notwithstanding the provisions of sub-paragraph (1), in trades where the US COGSA 1936 applies compulsorily, the provisions of the Act shall be incorporated in the Bills of Lading issued hereunder and shall, subject to sub-clause (ii) above, apply to the period prior to loading and after discharging when the cargo is in the custody of the Owners.

(4) The Owners' liability for delay during the transportation shall be limited in accordance with the applicable Hague or Hague-Visby Rules or US COGSA 1936 to the same extent as for cargo damage.

(e)\* Cargo Receipt

(i) If, as stated in Box 24, the Owners have agreed to issue a non-negotiable Cargo Receipt, same shall be as per the "Heavyconreceipt" form incorporating all terms, conditions, liberties, clauses and exceptions of this Contract, including the Arbitration Clause.

(ii) It is expressly agreed that neither the Hague Rules nor the Hague-Visby Rules nor any statutory enactment thereof shall apply to this Contract and to the Cargo Receipt, unless compulsorily applicable, in which case the Owners take all reservations possible under such applicable legislation, relating to the period before loading and after discharging and while the goods are in the charge of another carrier, and to deck cargo.

(iii) Unless otherwise agreed, the cargo shall be shipped on deck at the Charterers' risk and the Owners not to be responsible for any loss or damage or delay to the cargo whatsoever and whether due to negligence of whosoever or howsoever arising and by whosoever caused, and the Cargo Receipt issued hereunder shall be so claused.

(iv) If the cargo is shipped under deck, the Cargo Receipt shall be claused as per sub-clause (b) above.

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(v) The Cargo Receipt shall always be claused "All Risks Insurance has been placed for the full value of this cargo by the Charterers and in the name of the Charterers and the Owners."

\*Indicate alternative 21(d) (Bill of Lading) or 21(e) (Cargo Receipt), as agreed, in Box 24.

**22. Insurance**

- (a) Without prejudice to the Charterers' obligations and liabilities under this Contract, the Charterers shall take out and, in their name and at their expense, maintain at all material times and throughout the duration of this Contract a policy or policies of insurance in respect of all loss or damage to the cargo up to the full value of the cargo including but not limited to a policy or policies comprising All Risks cargo cover and cover against liabilities to third parties (including liability in respect of death and injury and claims for consequential loss), and wreck removal of the cargo. The Charterers shall arrange at their expense that the Owners shall be named as co-insured under the said policy or policies of insurance and arrange that the underwriters waive the right of subrogation. The Charterers hereby agree to produce the original certificates of insurance maintained hereunder to the Owners or their appointed representatives when requested so to do.
- (b) The Owners shall arrange at their expense such insurance(s) as required to protect the Charterers against the Owners' liabilities under Clause 21(a).

The Owners hereby agree to produce the original certificate(s) of insurance maintained hereunder to the Charterers or their appointed representatives when requested to do so.

**23. Himalaya Cargo Clause**

It is hereby expressly agreed that no servant or agent of the Owners (including every independent contractor from time to time employed by the Owners) shall in any circumstances whatsoever be under any liability whatsoever to the Shipper, Consignee or owner of the cargo or to any Holder of the Bill of Lading for any loss, damage or delay of whatsoever kind arising or resulting directly or indirectly from any act, neglect or default on their part while acting in the course of or in connection with their employment and, but without prejudice to the generality of the foregoing provisions in this Clause, every exemption, limitation, condition and liberty herein contained and every right, exemption from liability, defence and immunity of whatsoever nature applicable to the Owners or to which the Owners are entitled hereunder shall also be available and shall extend to protect every such servant or agent of the Owners acting as aforesaid and for the purpose of all the foregoing provisions of this Clause the Owners are or shall be deemed to be acting as agent or trustee on behalf of and for the benefit of all persons who are or might be their servants or agents from time to time (including independent contractors as aforesaid) and all such persons shall to this extent be or be deemed to be parties to this Contract.

The Owners shall be entitled to be paid by the Shipper, Consignee, owner of the cargo and/or Holder of the Bill of Lading (who shall be jointly and severally liable to the Owners therefor) on demand any sum recovered or recoverable by either such Shipper, Consignee, owner of the cargo and/or Holder of the Bill of Lading or any other from such servant or agent of the Owners for any such loss, damage, delay or otherwise.

**24. Both-to-Blame Collision Clause**

If the Vessel comes into collision with another vessel as a result of the negligence of the other vessel 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 cargo carried hereunder will indemnify the Owners against all loss or liability to the other or non-carrying vessel 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 cargo, paid or payable by the other or non-carrying vessel or her Owners to the owners of said cargo and set-off, recouped or recovered by the other or non-carrying vessel or her Owners as part of their claim against the carrying vessel or Owners.

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

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**25. General Average and New Jason Clause**

General Average shall be adjusted and settled at the place indicated in Box 25 according to the York/Antwerp Rules, 1974, or any modification thereof, but if, notwithstanding the provisions specified in Box 25, 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 consequence of which, Owners are not responsible, by statute, contract or otherwise, the goods, shippers, consignees or owners of the goods shall contribute with Owners in general average to the payment of any sacrifices, 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 Vessel is owned or operated by Owners, salvage shall be paid for as fully as if the said salving Vessel or vessels belonged to strangers. Such deposit as Owners, or their 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 Owners before delivery”.

**26. Strike**

- (a) Responsibility. Neither the Charterers nor the Owners shall be responsible for the consequences of strike or lock-out preventing or delaying the fulfilment of any obligation under this Contract.
- (b) Loading port. In the event of 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 of loading or after her arrival there, the Owners may ask the Charterers to declare that they agree to count the time as if there were no such hindrance. 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 Vessel must carry it to the port of discharge, freight payable in full. Any savings or net profit in completing with other cargo shall be credited to the Charterers.
- (c) Expected strike. In the event of strike or lock-out which can reasonably be expected - before the loading has commenced - to affect the discharge of cargo, the Owners are at liberty to cancel this Contract unless the Charterers declare (within 24 hours of receipt of Owners' notification of intended cancellation) that they agree to count the time at port of discharge as if there were no such hindrance, without prejudice to the Charterers' right of ordering the Vessel to a substitute port of discharge in accordance with sub-clause 26(d). Time for loading does not count in the said 24 hours.
- (d) Discharging port. In the event of strike or lock-out affecting the discharging of the cargo on or after Vessel's arrival at or off the port of discharge, the Charterers shall have the option of keeping the Vessel waiting up to maximum 7 days against paying demurrage after the expiration of the time provided for discharging or of ordering the Vessel to a safe port where she can safely discharge without risk of being detained by strike or lockout. Such orders to be given within 48 hours after the Owners have given notice to the Charterers of Vessel's readiness to discharge or of the Owners' request for orders. After waiting 7 running days, the Owners shall be at liberty to discharge the cargo at any safe port which they may, in their discretion, decide on and such discharge shall be deemed to be due fulfilment of the Contract. In the event of cargo being discharged at any such other port, the Owners shall be entitled to freight as if the discharge had been effected at the port or ports named in the Bill(s) of Lading or to which the Vessel may have been ordered pursuant thereto.
- (e) Notification. The party who first learns about the occurrence of strike or lock-out shall immediately notify thereof the other party.

**27. War Risks**

- (a) In these clauses “War Risks” shall include any blockade or any action which is announced as a blockade by any Government or by any belligerent or by any organized body, sabotage, piracy, and any actual or threatened war, hostilities, warlike operations, civil war, civil commotion, or revolution.

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- (b) If at any time before the Vessel commences loading, it appears that performance of the Contract will subject the Vessel or her Master and crew or her cargo to war risks at any stage of the adventure, the Owners shall be entitled by letter or telegram despatched to the Charterers, to cancel this Contract.
- (c) The Master shall not be required to load cargo or to continue loading or to proceed on or to sign Bill(s) of Lading for any adventure on which or any port at which it appears that the Vessel, her Master and crew or her cargo will be subjected to war risks. In the event of the exercise by the Master of his right under this Clause after part or full cargo has been loaded, the Master shall be at liberty either to discharge such cargo at the loading port or to proceed therewith. In the latter case the Vessel shall have liberty to carry other cargo for Owners' benefit and accordingly to proceed to and load or discharge such other cargo at any other port or ports whatsoever, backwards or forwards, although in a contrary direction to or out of or beyond the ordinary route. In the event of the Master electing to proceed with part cargo under this Clause freight shall in any case be payable on the quantity delivered.
- (d) If at the time the Master elects to proceed with part or full cargo under sub-clause 27(c), or after the Vessel has left the loading port, or the last of the loading ports, if more than one, it appears that further performance of the Contract will subject the Vessel, her Master and crew or her cargo, to war risks, the cargo shall be discharged, or if the discharge has been commenced shall be completed, at any safe port in vicinity of the port of discharge as may be ordered by the Charterers. If no such orders shall be received from the Charterers within 48 hours after the Owners have despatched a request by telegram to the Charterers for the nomination of a substitute discharging port, the Owners shall be at liberty to discharge the cargo at any safe port which they may, in their discretion, decide on and such discharge shall be deemed to be due fulfilment of the Contract. In the event of cargo being discharged at any such other port, the Owners shall be entitled to freight as if the discharge had been effected at the port or ports named in the Bill(s) of Lading or to which the Vessel may have been ordered pursuant thereto.
- (e) (i) The Vessel shall have liberty to comply with any directions or recommendations as to loading, departure, arrival, routes, ports of call, stoppages, destination, zones, waters, discharge, delivery or in any other wise whatsoever (including any direction or recommendation not to go to the port of destination or to delay proceeding thereto or to proceed to some other port) given by any Government or by any belligerent or by any organized body engaged in civil war, hostilities or warlike operations or by any person or body acting or purporting to act as or with the authority of any Government or belligerent or of any such organized body 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 direction or recommendation, anything is done or is not done, such shall not be deemed a deviation.
- (ii) If, by reason of or in compliance with any such directions or recommendations, the Vessel does not proceed to the port or ports named in the Bill(s) of Lading or to which she may have been ordered pursuant thereto, the Vessel may proceed to any port as directed or recommended or to any safe port which the Owners in their discretion may decide on and there discharge the cargo. Such discharge shall be deemed to be due fulfilment of the Contract and the Owners shall be entitled to freight as if discharge had been effected at the port or ports named in the Bill(s) of Lading or to which the Vessel may have been ordered pursuant thereto.
- (f) All extra expenses including extra war risks insurance costs incurred in performance of the transportation and discharging of the cargo at the loading port or in reaching or discharging the cargo at any port as provided in sub-clauses 27(d) and 27(e)(ii) of this Clause shall be paid by the Charterers, and the Owners shall have a lien on the cargo for all sums due under this Clause.

**28. Limitation of Liability**

Any provisions of this Contract to the contrary notwithstanding, the Owners shall have the benefit of all limitations of, and exemptions from, liability accorded to the Owners or chartered Owners of vessels by any applicable statute or rule of law for the time being in force, and the same benefits to apply regardless of the form of signatures given to this Contract.

**29. Interests**

If any amounts due under this Contract are not paid when due, then interest at the rate of 1.5% per month or pro rata for part of a month shall be paid on all such amounts until payment is received.

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**30. Agency**

Vessel shall be addressed to Owners' agents at port(s) of loading and discharging.

**31. Brokerage**

The Owners shall pay a brokerage at the rate stated in Box 26 to the Broker(s) mentioned in Box 26 on any freight, demurrage, mobilisation fee, demobilisation fee and/or termination fee paid under this Contract. If the full amounts as aforesaid are not paid owing to breach of this Contract by either of the parties, the party liable therefor shall indemnify the Broker(s) against his or their loss of brokerage.

**32. Law and Arbitration**

(a)\* If agreed and stated in Box 27, this Contract shall be governed by English law and any dispute arising out of this Contract or any Bill of Lading issued thereunder shall be referred to arbitration in London, one arbitrator being appointed by each party, in accordance with the Arbitration Acts 1950 and 1979 or any statutory modification or re-enactment thereof for the time being in force. On the receipt by one party of the nomination in writing of the other party's arbitrator, that party shall appoint their arbitrator within fourteen days, failing which the decision of the single Arbitrator appointed shall apply. If two Arbitrators properly appointed shall not agree they shall appoint an umpire whose decision shall be final.

(b)\* If agreed and stated in Box 27, this Contract shall be governed by U.S. Law and all disputes arising out of this Contract or any Bill of Lading issued thereunder shall be arbitrated at New York in the following manner:

One arbitrator is to be appointed by each of the parties herein and a third by the two so chosen. Their decision or that of any two of them shall be final, and for the purpose of enforcing any award, this agreement may be made a rule of the court. The Arbitrators shall be commercial men. Such Arbitration is to be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc., New York, as currently amended.

A sole arbitrator may be appointed, if so desired by both parties.

Either party may call for arbitration by service of notice upon the other. If the other party does not appoint its arbitrator within fourteen days of such written notice, then the first moving party shall have the right, without further notice, to appoint a second arbitrator, with the same force and effect as if said second arbitrator had been appointed by the other party.

(c)\* If agreed and stated in Box 27, any disputes arising out of this Contract or any Bill of Lading issued thereunder shall be referred to arbitration at the place indicated in Box 27, subject to the law and procedures applicable there.

(d) If Box 27 is not filled in, sub-clause 32(a) of this Clause shall apply.

\*Indicate alternative 32(a), 32(b). or 32(c), as agreed in Box 27.