
Global Certificate in Ship Brokerage

Legal Aspects in Ship Brokerage

****Agency Agreement****

: A contract between a shipbroker and a principal, outlining the terms and conditions of the broker's authority to act on the principal's behalf in negotiating and concluding ship sale, purchase, or chartering transactions.

****Affreightment, Voyage****

: A type of charter party in which a shipowner contracts to carry a specific quantity of cargo from one port to another, with the charterer paying a fixed price for the transportation.

****Affreightment, Time****

: A type of charter party in which a charterer rents a ship from a shipowner for a specified period, during which the charterer has the right to use the ship as they wish, subject to the terms of the charter party.

****Anti-competitive Behavior****

: Practices that restrict or distort competition, such as price fixing, market allocation, and bid rigging, and are prohibited by law in many jurisdictions.

****BIMCO****

: The Baltic and International Maritime Council, a global shipping organization that develops standard contracts and clauses for use in the maritime industry.

****Bill of Lading****

: A legal document issued by a carrier to a shipper, acknowledging receipt of cargo for transportation and serving as a contract of carriage, a receipt, and a document of title.

****Charter Party****

: A contract between a shipowner and a charterer for the use of a ship, setting out the terms and conditions of the charter.

****Claim****

: A demand for payment or compensation made by a party to a contract or by a third party with a legal interest in the contract.

****Commission****

: A fee paid to a shipbroker for their services in negotiating and concluding a ship sale, purchase, or chartering transaction.

****Confidentiality****

: The obligation to keep certain information confidential, typically imposed by law or by the terms of a contract.

****Contract of Affreightment****

: A contract between a shipowner and a charterer for the transportation of goods by sea, setting out the terms and conditions of the transportation.

****Contract of Carriage****

: A contract between a shipowner and a shipper for the transportation of goods by sea, setting out the terms and conditions of the transportation.

****Cooling-off Period****

: A period of time during which a party to a contract has the right to cancel the contract without penalty, typically imposed by law to protect consumers.

****Damages****

: A financial remedy awarded to a party who has suffered a loss as a result of a breach of contract.

****Demurrage****

: A charge payable by a charterer to a shipowner for the delay in loading or discharging cargo beyond the time allowed in the charter party.

****Deviation****

: A departure from the agreed route or schedule in a contract of carriage, typically resulting in additional costs or liability for the party in breach.

****Earnest Money****

: A deposit paid by a buyer to a seller as a sign of their good faith and commitment to a contract, typically applied to the purchase price if the contract is completed.

****Force Majeure****

: An event or circumstance beyond the control of the parties to a contract, such as a natural disaster or war, that excuses performance of the contract.

****Freight Forwarder****

: A company that provides logistics and transportation services to shippers, typically arranging for the transportation of goods by multiple carriers.

****General Average****

: A principle of maritime law under which the costs of saving a ship and its cargo in a time of peril are shared among all parties with a financial interest in the ship and its cargo.

****Hague-Visby Rules****

: A set of rules governing the carriage of goods by sea, establishing minimum standards for the liability of shipowners and carriers.

****Letter of Indemnity****

: A document in which one party agrees to indemnify and hold another party harmless from any loss or liability, typically used in shipping and logistics to shift risk from one party to another.

****Liability****

: The legal responsibility for causing harm or loss to another party, typically resulting in an obligation to pay damages or compensation.

****Maritime Law****

: The body of law governing the rights and obligations of parties involved in maritime activities, such as the transportation of goods by sea.

****Negligence****

: The failure to exercise the care that a reasonably prudent person would exercise in similar circumstances, typically resulting in liability for any resulting harm or loss.

****Notification****

: The act of informing a party to a contract of a change in circumstances or of the need to take some action, typically required by the terms of the contract.

****Port State Control****

: The inspection and regulation of foreign ships in national ports, typically conducted by maritime authorities to ensure compliance with safety, security, and environmental standards.

****Promisee****

: The party to a contract who is entitled to performance by the promisor, typically the shipowner or charterer.

****Promisor****

: The party to a contract who is obligated to perform for the promisee, typically the shipper or receiver.

****Quote****

: A statement of the price and terms for the transportation of goods by sea, typically provided by a shipbroker or freight forwarder.

****Recourse****

: The right to take legal action or to seek compensation from a party for a loss or harm suffered, typically provided for in a contract.

****Release****

: The act of giving up a claim or right to sue, typically in exchange for payment or other consideration.

****Repudiation****

: The act of refusing to perform a contract, typically resulting in liability for breach of contract.

****Ro-Ro Ship****

: A ship designed to carry wheeled cargo, such as cars, trucks, and trailers, by driving them on and off the ship using ramps.

****Sale and Purchase Agreement****

: A contract for the sale and purchase of a ship, setting out the terms and conditions of the sale.

****Ship Arrest****

: The legal process of seizing a ship to secure a maritime claim, typically used to enforce a judgment or to obtain security for a claim.

****Ship Management Agreement****

: A contract between a shipowner and a ship manager, setting out the terms and conditions under which the ship manager will operate and maintain the ship.

****Ship Registry****

: The official registration of a ship with a national or international authority, typically required for the ship to operate and to be eligible for certain rights and privileges.

****Ship Sale Form****

: A standard contract for the sale and purchase of a ship, developed by BIMCO and used in the shipping industry.

****Shipbroker****

: A person or company that acts as an intermediary between shipowners and charterers, negotiating and concluding contracts for the use of ships.

****Spot Market****

: A market for the immediate or short-term sale and purchase of goods or services, typically used in shipping to refer to the market for the transportation of goods by sea on a one-time basis.

****Sub-Freight****

: The hiring of a ship or the transportation of goods by sea by a third party on behalf of the original charterer, typically permitted by the terms of the charter party.

****Terminal****

: A facility for the handling and storage of cargo, typically located in a port or near a transportation hub.

****Third Party****

: A person or entity that is not a party to a contract but has a legal interest in the contract or is affected by its performance.

****Time Charter****

: A contract for the rental of a ship for a specified period, during which the charterer has the right to use the ship as they wish, subject to the terms of the charter party.

****Tonnage****

: A measure of the cargo-carrying capacity of a ship, typically expressed in deadweight tons or gross tons.

****Voyage Charter****

: A contract for the transportation of a specific quantity of cargo from one port to another, typically for a fixed price.

****Warranty****

: A promise or guarantee made by a party to a contract, typically relating to the quality or performance of goods or services.