

Sale/Purchase agreements and various forms of Ship Charter Agreements

a. NSF1993 (Norwegian Sales Form)

The NSF is the Industry's Standard Sales/Purchase agreement form Executed between the seller and the buyer which usually requires the Buyer to pay a 10%, usually a non-refundable deposit of the Ship's Agreed sale/purchase price

b. MOA (Memorandum of Agreement)

The MOA is another form of a Sales/Purchase agreement which is also widely used between the seller and the buyer which will also may require The Buyer to pay a 10% deposit of the Ship's agreed sale/purchase price

c. Time Charter Agreement (Standard T/C agreement)

The standard T/C agreement is a labor contract executed between the Charterer and the Shipowner that its usual term may be between one to three years that can be renewed for an additional term. Usually, the Standard T/C guarantees 350 to 355 days of employment annually and Allows with a 10 to 15 day intermission for Ship repairs

d. Time Charter Agreement on Hell or High Water basis

Provides that the charterer is obliged to pay the agreed hire daily rate under all circumstances including fatal accidents, stoppages of all sorts, Seizures, strikes etc. The **HHW Clause** compels the Charterer to make Payments regardless of what happens to the Shipowner or to the Collateral vessel.

The **HHW Clause** can be though bargained /negotiated between the Charterer and The Shipowner in all its detailed aspects.

e. COA (Contract of Affreightment)

The COA agreement is based on freight tonnage shipped. Unlike the T/C agreement, the COA is Freight transported and paid by the Ton

f. Bareboat Charter

Owners control their Ship's technical management and commercial operations only. Charterers take over all responsibility for the operation of the vessel and expenses for The duration.

g. Spot Market Trading

Where Ship owners deploy their Ship to trade in the Spot market without a long term Freight contract or Freight Guaranty. Some Ship Owners during the times of great demand for available free Ships prefer to deploy their ships in the spot market because Owners can charge sometime almost double of what they will get paid if their Ship was under a multi-year Time Charter. Though trading in the Spot Market is also very risky, there is no guarantee of hire or income. Which is why most Lenders will not lend for a Ship without a multi-year of time charter with a well known Charterer.