



Lion Shipping & Chartering

Freight Forwarder – Ship Agency – Chartering Broker

Operational office: 2 Dimitrie Cantemir Street, Modarex Building,
1st Floor, Constantza 900743, Constantza County, Romania

Tel: +40 241 616 594 Fax: +40 241 611 234

Email: office@ls-chartering.ro

VAT: RO22370128, Reg.No:J13/2984/2007

Applied from 01st of December 2020

To whom it may concern
Ship operators / Charterers

STANDARD TERMS AND CONDITIONS FOR SHIPBROKING ACTIVITIES PERFORMED BY LION SHIPPING & CHARTERING ROMANIA

Art.1. General / Applicability

- 1.1. *The Standard Terms and Conditions for shipbroking activity, set out below, are applied by the company 'Lion Shipping & Chartering Ltd' (hereinafter called 'Ship Broker') when acting as intermediary for concluding contracts of carriage by sea and/or by river(voyage charters, time charters, bareboat charters, contracts of affreightments, booking notes, river charters), sale and purchase contracts for ships and/or other floating objects, contract of towage (ocean and/or harbor).*
- 1.2. *The term 'Ship Broker' means the company 'Lion Shipping & Chartering Ltd' carrying on the profession of ship broker, that is acting as an intermediary for concluding above mentioned contracts and/or activities.*
- 1.3. *The term 'Principal' is the party entrusting the attendance of its business to the 'Ship Broker', and on whose behalf and account the services of the latter are performed. The 'Principal' means the owner, the registered owner, manager, managing agent, master, voyage charterer, time-charterer, bareboat charterer or other person in charge of the vessel and/or having under control the cargo and who entrust the 'Ship Broker' with a 'firm order'.*
- 1.4. *The present Standard Terms and Conditions are applicable for all shipbroking activities performed by the 'Ship Broker', regardless of whether the 'Ship Broker' is constantly engaged in such business and/or is occasionally engaged in it, or has been engaged in it.*
- 1.5. *The present conditions and not those of the 'Principal' are applicable in respect of the services rendered or expected to be rendered by the 'Ship Broker', unless have been otherwise agreed in writing (by email and/or by facsimile).*



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Art.2. Activity characteristics, duties and rights

- 2.1. *The 'Ship Broker' acts in all cases on behalf of and for the account of 'Principal' and undertakes to exercise his activity with the diligence of a prudent businessman, and to select with care the persons acting for him in fulfilment of his obligations.*
- 2.2. *The 'Ship Broker' is entitled and empowered to take all measures which appear to him to be necessary for execution of an order, in particular to sign contracts with third parties with usual conditions, on behalf of and for the account of the 'Principal'.*
- 2.3. *Notification to the 'Ship Broker' is required if the order placed by the 'Principal' includes goods which are subject to special treatment or to a requirement for permit or reporting for loading, storage, reception, transfer or transportation. This applies to dangerous goods under the IMDG Code.*
- 2.4. *The 'Ship Broker' is not required to give financial guarantees for his 'Principal' in respect of third parties, or to provide securities, or to make any payment for which he does not have cover, or for which he has not received collateral to an extent which he considers sufficient. The 'Ship Broker' is required to treat as confidential only such information and data of the 'Principal' as are explicitly identified by the Client to him as confidential.*
- 2.5. *The 'Principal' and the 'Ship Broker' have to inform their respective counterparts of all such circumstances that might significantly affect the fulfilment of the orders and/or duties. If the 'Ship Broker' must act without having had the possibility of asking for instructions from the 'Principal', he is deemed to have acted on behalf of the 'Principal' and at the 'Principal's' risk.*
- 2.6. *The 'Ship Broker' must act carefully and in accordance with good shipping and brokering practice when fulfilling the orders and/or duties. By doing so 'Ship Broker' shall keep all third parties advised that he is acting on behalf and for account of the respective 'Principal', third parties which are having connection with and attending its 'Principal's' business.*
- 2.7. *The 'Ship Broker' must be diligent at acquainting himself with market conditions and shall keep his 'Principal' advised and guided accordingly, handle all proposals in the most professional manner, assist the 'Principal' in reaching and performing an agreement, always rendering his best efforts and using his best judgement on his 'Principal's' behalf.*
- 2.8. *The 'Principal' shall provide the 'Ship Broker' with adequate and clear and firm orders, information, documents for the performance of the services prior to rendering the services. Any*



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omission thereof and resulting damages, if any, shall be a responsibility and/or of the Principals' account and expense.

Art.3. Liability/Claims for damages

- 3.1. The 'Ship Broker' is liable for the damage that he has caused the 'Principal' only if he has acted grossly negligent in fulfilling the duties and/or responsibilities. The burden of proof of the 'Ship Broker's negligence lies with the 'Principal'. The principal shall also provide proof of a foreseeable cause between the negligence and damage. The liability of the 'Ship Broker' is limited to **50.000 EUR** for each order and/or case. This limitation of liability is applied even if there is more than one incident causing damage within the scope of the case in question. The limitation of liability does not apply if the 'Ship Broker' himself has caused damage [wilfully or through gross negligence] done with the intent to cause such damage, or recklessly and with knowledge that such damage would probably result.
- 3.2. The 'Ship Broker' is not liable to the 'Principal' for the fulfilment of the contract to which the 'Ship broker' has been an intermediary.

Art.4. Payment, retention right, liens - for services rendered by 'Ship Broker'

- 4.1. The 'Ship Broker' shall receive as remuneration for his activity an amount which is subject to free negotiation, where there is no tariff or statutory requirement.
- 4.2. The shipbroker has a right to commission in shipbrokering, cargo brokering and shipyard brokering even if the parties who because of the brokerage have entered a chartering, purchased, sale, shipyard or other contract do not fulfil that contract.
- 4.3. Payment of the remuneration falls due on receipt of the invoice withing a period of 15 running days , except otherwise agreed in writing by the parties.
- 4.4. The 'Ship Broker' may demand reasonable advance payments, as the case may be.
- 4.5. The 'Ship Broker' is entitled to obtain satisfaction of his claims at any time from the due date of his claims, by offset with counterclaims of the 'Principal'. The 'Ship Broker' is in particular entitled to satisfy his claims from amounts collected by him for the 'Principal' (e.g. freight charges, demurrage, or any other amounts) for all claims he has against the 'Principal' and any companies in which the 'Principal' has a direct or indirect majority holding. The 'Ship Broker' also has the right of retention.
- 4.6. The 'Ship Broker' has a lien on the goods and the bill of lading and other documents connected with the goods, provided that the goods or the documents are in his possession, for the sums/amounts due from the 'Principal' and connected with the goods or the document in



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question, such as claims on warehouse rent, and for any other sums/amounts whatsoever due from the 'Principal'. The 'Shipbroker' has a similar lien on the payment to the 'Principal' due to insurance or some other reason because of loss of or damage to the above mentioned goods or documents.

- 4.7. The 'Ship Broker' has the right to sell goods so that the selling costs and the sums/amounts connected with the lien are covered. A similar right to sell is valid also as far as the documents connected with the lien are concerned.
- 4.8. The sums/amounts referred to above also include the right to delay interest.
- 4.9. For any financial guarantees and/or disbursements provided by the Ship Broker, the Ship Broker is entitled to receive payment of a commission of at least 2.5% related to the nominal value of the respective services, in addition to the reimbursement claim for all expenditures, such as interest, bank charges, etc. which are related to such services."

Art.5. Time-barred actions

- 5.1. Any action by the 'Principal' against the 'Ship Broker' relating to orders given by the 'Principal' to the 'Ship Broker' under these Standard Terms and Conditions is time-barred if judicial proceedings have not been instituted within a period of 12 months (1 year).
- 5.2. The limitation period commences on the day on which the 'Principal' became aware of the damage. However, the limitation period commences no later than 30 days from the day when the 'Ship Broker' has finalized the order given by the 'Principal'.
- 5.3. If the 'Principal's claim is time-barred he has lost his right to use such a claim in a set-off situation with the 'Ship Broker'.

Art.6. Place of jurisdiction / Applicable Law

Art.6.1. Any disputes with the 'Ship Broker' on the basis of a contract of which these conditions are a part, shall be decided exclusively by the ordinary Justice Court where the Ship Broker have the place of business, unless otherwise agreed.