



# GENERAL TERMS AND CONDITONS

These general terms and conditions apply to all ship agents who are members of the Swedish Shipbrokers' Association, unless otherwise agreed in writing with the principal. Swedish is the original drafting language of these general terms and conditions. In case of conflict in texts, the Swedish text will prevail.

## 1. Definitions

**"Port agent"** In these terms and conditions a port agent is a legal entity acting as an agent for the principal, ship owner, master and possible other parties appointed by them.

**"Principal"** The principal is the legal entity ordering the appointment from the port agent.

**"Appointment"** The port agent's appointment is to attend to the requests of the principal, ship owner and master for professional and cost effective dispatch during the ship's port call.

**"Fonasba Code of Conduct"** The Code of Conduct of the Federation of National Associations of Ship Brokers and Agents are incorporated in these general terms of business.

## 2. Contracting the Appointment

2.1 All orders within the scope of the appointment shall be made in writing.

2.2 The port agent shall, on the request of the principal, present a preliminary estimate of all costs, subject to changes in costs, for the port call in question.

## 3. Remuneration

3.1 The port agent shall receive a fee for the appointment. The fee shall be agreed separately between the port agent and the principal parties.

- 3.2 The principal is liable for paying the port agent's fee in accordance with 3.1, together with expenses and all costs related to the appointment.
- 3.3 For unforeseen circumstances that create extra work for the port agent and do not fall within the scope of the appointment, the port agent shall have a right to special remuneration. The port agent and the principal shall make a separate agreement on such special remunerations. The special remuneration is determined on the same basis as for remuneration for the services included in the appointment.

#### **4. Advance Payments**

- 4.1 The principal shall, unless otherwise agreed, on the request of the port agent, pay in advance for all expenses and all costs estimated for the appointment in question. All port agents certified in accordance with FONASBA Quality Standard shall have a separate client account.
- 4.2 The port agent has the right to withdraw from the advance payment held on the principal's account every due debt (fee, costs, expenses, special remuneration) for which the principal has a payment liability for.
- 4.3 If the principal has not paid the advance payment within the time agreed upon, the port agent has a right to resign the appointment by notifying the principal in writing. In such case the principal shall pay for accrued expenses and costs or expenses and costs which cannot be canceled.
- 4.4 FONASBA Quality Standard-certified port agents are listed on the Swedish Shipbrokers' Associations home page ([www.swe-shipbroker.se](http://www.swe-shipbroker.se)) and on the home page of FONASBA ([www.fonasba.com](http://www.fonasba.com)) and by a special note in the publication Shipbrokers' Register.

#### **5. Payment**

- 5.1 Unless otherwise agreed, payment is made against the port agent's invoice, at the latest on its due date.
- 5.2 Due date is the date specified on the invoice or a day that lies 10 days after the date of the invoice.
- 5.3 If the principal does not pay on time, the port agent has a right to charge interest on arrears from the due date.
- 5.4 If the principal has not paid on time, the port agent has the right to resign from the appointment after a written notification to the principal. The port agent then has a right to seek payment through legal action in the Swedish courts in accordance with clause 12 for any damages incurred in addition to the interest.

## **6. Cash to master**

- 6.1 For delivering cash in excess of 50 000 SEK to a ship, the port agent has a right to employ a security company. All costs incurred for the handling of cash, including possible extra safety arrangements shall be for the principal's account.
- 6.2 The port agent reserves the right to provide cash only if paid in advance by the principal.
- 6.3 The port agent is not liable for loss of cash because of accident, criminal action or other unforeseen occurrences beyond the control of the port agent. If a criminal act is suspected, the police should be notified.

## **7. Cancellation**

- 7.1 The appointment of a port agent can be cancelled by the principal by notice in writing to the port agent.
- 7.2 If the appointment is cancelled, the port agent shall have a right to receive remuneration for any work already undertaken or expenses incurred in accordance with 3 above.
- 7.3 Advances already disbursed shall, after deducting for services already rendered, expenses and other costs, be returned to the principal without delay.

## **8. Damages and Limitation of Liability**

- 8.1 The port agent is not liable in any case for indirect damage, cost, loss or claim which can occur in connection with the appointment.
- 8.2 Furthermore, the port agent's liability in relation to the principal shall in no event exceed 2.5 times the relevant remuneration stated in 3.1.
- 8.3 The port agent is in no event liable for direct or indirect damages, cost, loss or claim that has occurred because the principal or his representative has omitted important information or given incorrect instructions.

## **9. Indemnity**

- 9.1 The principal shall indemnify the port agent against all third party claims, losses, damages and costs which the port agent can incur, unless such third party claims, losses, damages and costs have occurred because of the port agent's reckless or conscious action.

## **10. Force Majeure**

- 10.1 A party is free from sanctions for failure to perform a certain duty in accordance with this agreement if the failure is based on circumstances beyond the control of the party and hinders the performance thereof (Grounds for exemption). As soon as the hindrance ceases to exist the duty shall be performed as agreed. Grounds for

exemption shall constitute e.g. major fire or natural disaster, war, insurgence or riot and legal labour market conflict (unless the party itself is the object of or instigates such a conflict).

- 10.2 To receive exemption the party shall notify the other party in writing without delay. Notification in writing without delay shall also be made when the grounds for exemption cease to exist.
- 10.3 A party shall take adequate measures to lessen the extent and effects of grounds for exemption and resume the performance of the duties which have been hindered as soon as practically possible. When the grounds for exemption have lasted for sixty (60) days, the party that has not claimed grounds for exemption has a right to cancel this agreement in writing with immediate effect.

## **11. Complete Regulation**

- 11.1 These terms and conditions constitute the entire regulation between the parties on all issues to which these terms and conditions relates.

## **12. Disputes**

- 12.1 Any dispute in relation to the appointment or legal matters arising from the appointment shall, excluding other relevant fora, be decided by a Swedish court in accordance with Swedish law.