

## Delivery and Duration

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Delivery under timecharter usually takes place at designed place or range and within certain time interval, also called laycan.

*An owner delivers a ship to a time charterer ... by placing her at the charterers' disposal and by placing the services of her master, officers and crew at the charterers' disposal, so that the charterers may thenceforth give orders (within the terms of the charter-party) as to the employment of the vessel to the master, officers and crew, which orders the owners contract that their servants shall obey.<sup>11</sup>*

As to geographical position of the vessel at the date of delivery it must meet requirement that the vessel is at the immediate and effective disposition of the charterers. This concept has been developed in cases relating to laytime under voyage charters. Generally, there is less strict requirements as to place of delivery as compared with berth or port voyage charters. Usually time charter provides for locations such as 'dropping last outward pilot' or OPL Singapore, etc. where exact vessel's location at the moment of delivery is of no importance. But whatever general description of delivery place might be, failure of the owners to deliver their vessel at such place gives the charterers a right to refuse delivery.

Time charter can expressly stipulate date and time of delivery but can instead contain a cancelling clause. An effect of cancelling clause is to give the charterers an option to cancel if the vessel is not ready by stipulated date. Mechanism of invocation of cancelling clause is similar to that in voyage charter contracts.

Duration of time charter may be expressed in fixed terms such as "six months" or "two years" or variable terms as for example "six months plus-minus 14 days". Although in the former case charterers undertake to redeliver the vessel on particular date it was held that, unless the charterers were not entitled to send the vessel on her last voyage and not was responsible for the delay, there is a presumption that a definite date for the termination of a time charter should be regarded as an approximate date only<sup>12</sup>. Any such delay will not constitute breach of charterparty and the charterers must pay full charter rate until the end of a legitimate last voyage<sup>13</sup>. Where delay is not reasonable,

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<sup>11</sup> *The Madeleine* [1967] 2 Lloyd's Rep. 224, per Roskill, J. at p.238

<sup>12</sup> Per Lord Reid in *London & Overseas Freighters v. Timber Shipping* [1971] 1 Lloyd's Rep. 523 at p.526, see also *Gray & Co. v. Christie & Co.*, (1889) 5 T.L.R. 577

<sup>13</sup> *Ibid.*