

LNG FUEL DELIVERY CLAUSE FOR TIME CHARTER PARTIES

BACKGROUND

BIMCO LNG Fuel Delivery and Redelivery Clause for Time Charter Parties is a bespoke clause for ships using LNG. It is intended to be used together with the existing delivery and redelivery provision for conventional fuel under the charter party. It is important to note that elections must be made because the clause does not provide for default positions.

BIMCO LNG Fuel Delivery and Redelivery Clause for Time Charter Parties

- (a) The Vessel shall be delivered by Owners to Charterers with its LNG fuel tank(s):*
 - (i) containing a volume of LNG fuel of about ____ cubic metres; or
 - (ii) cooled down ready to load LNG fuel; or
 - (iii) warm and inerted, ready for gassing-up; or
 - (iv) warm and under hydrocarbon gas vapour ready for cooling down prior to loading LNG fuel; or
 - (v) subject to atmospheric conditions.

*Subclauses (i) - (v) are alternatives. Indicate which alternative shall apply;

- (b) The Vessel shall be redelivered by Charterers to Owners with its LNG fuel tanks
 - (i) containing a volume of LNG fuel of about ____ cubic metres; or
 - (ii) under hydrocarbon gas vapour.

*Subclauses (i) and (ii) are alternatives. Indicate which alternative shall apply; _____.

- (c) The Charterers shall accept and pay for all LNG fuel onboard at the time of delivery.
- (d) The Owners shall accept and pay for all LNG fuel onboard at the time of redelivery (whether it occurs at the end of the term of the Charter or on the earlier termination of the Charter).
- (e) The price payable for any LNG fuel onboard at delivery shall be the invoiced price paid by Owners (on a first-in first-out basis if applicable) per MMBtu basis the quality cited on the relevant bunker delivery note(s).
- (f) The price payable for any LNG fuel onboard at redelivery and (subject to any other provisions of the Charter to the contrary) at any other time during the term of the Charter shall be the last price paid by the Charterers (on a first-in first-out basis if applicable) per MMBtu basis the quality cited on the relevant bunker delivery note(s). If the Vessel is redelivered with a volume of LNG fuel in excess of that agreed at (b) above, the price payable for such excess volume shall be the lowest of the price(s) paid by Charterers for the excess volume.
- (g) For the purposes of (e) and (f) above, where quality is expressed in Joules (by mass or volume) the cited lower calorific (heating) value shall be applicable and 1 British thermal unit (Btu) shall be deemed equal to 1055.06 Joules.