

Circular From: ALCO 2026/0039

Date: 9 October 2026

NYPE Clause 11 Disclosure Limits

Background

In a recent LMAA arbitration, Charterers alleged that Owners were in breach of multiple charterparty obligations concerning a vessel that discharged at Chittagong, where damaged cargo was discovered in hold no. 5. The damaged cargo, soybean meal in bulk, was said to have been affected by heat transferred from the Fuel Oil Tank (FOT) and adjacent service/settling tanks.

On 26 January 2026, Charterers applied for early disclosure under the LMAA Terms, seeking Owners' disclosure of engine logs pursuant to Clause 11 of the NYPE form incorporated into the Charterparty.

Charterers argued that such logs were directly relevant to the dispute, as Clause 11 obliged the Master to keep a "*full and correct log*" showing the vessel's course, distance run, and fuel consumption.

On 3 February 2026, Owners provided extracts of the engine logbook for the relevant period. Charterers, however, contended that the logs were incomplete and not "*full and correct*" within the meaning of Clause 11, since designated fields for settling tank and service tank temperatures, and the capacity/fill level of FOT No. 3, had been left blank without explanation. They therefore sought disclosure of the missing data. Owners resisted, arguing that the request amounted to "fishing."

Ruling

The Tribunal exercised its discretion and dismissed the application, reasoning that:

Clause 11 requires Owners to provide, when required, "*a true copy of daily Logs, showing the course of the vessel and distance run and the consumption of fuel.*"

The engine logs had already been disclosed, regardless of whether they were defective.

Clause 11 does not entitle Charterers to request additional documents containing information about settling tank/service tank temperatures or FOT No. 3 capacity/fill level.

Disclosure should take place after the scope of the dispute has been defined in the submissions, in the usual way.

All questions of costs were reserved.

Conclusion and key takeaways

Since the Tribunal adopted a narrow construction of Clause 11 under the LMAA Terms in early disclosure requests, Claims handlers should be prepared that early disclosure under LMAA Terms is strictly tied to the wording of the clause. From charterer's perspective, in fixtures, the charterers may negotiate a wider scope for Clause 11.

Furthermore, this ruling indicates that the arbitral tribunal takes a conservative approach to "early disclosure". In future cases, charterers should avoid relying solely on Clause 11 as their primary means of gathering evidence; particularly in cargo damage cases of this nature, it is advisable to appoint an independent surveyor at an early stage to collect evidence regarding the temperature inside the hold and the condition of the cargo.