

NEWSFRONT

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LEGAL OPINION

Broker's Commission

A brokerage is entitled to commission when its intervention leads to conclusion of a charter party. In a case brought before Piraeus courts, a shipowner had entered into a charter party through a broker, who received the agreed commissions.

By the end of the charterparty, the owner negotiated again with the same charterer through two competing brokers, the one that had already intervened and another one. A new charterparty was entered into, with the shipowner having finally opted to proceed through the new broker. The initial broker sued requesting commissions for the new charter party as well.

The Court, however, found mere circulation of information without leading to a concluded agreement does not generate a right to commission. So the initial broker's claim for the new charter party was rejected.

One membered Court of Appeal Judgment no 242/2015, Judge: F. Tserketzoglou, Attorneys at law: N. Pitsinos, V. Vernikos, Maritime Law Review vol. 43, p. 260.

NOTE: Often a number of brokers compete to provide work for a vessel. In this specific case, the peculiarity lay in the fact that two brokers competed for the conclusion of a charter party for the same deal and between the same parties, which already had a charter party relationship immediately prior with one of the brokers.

*The legal column was written by Manolis Eglezos, Attorney at law,
Manolis Eglezos & Associates Law Firm, Attorneys at Law and Consultants*