

NEWSLETTER NO. 12 / 20

BIMCO COVID-19 - Crew Change Clause for Time Charter Parties 2020

30th June 2020

In an effort to control the spread of the COVID-19 virus, many governmental authorities imposed periods of quarantine upon entering jurisdictions or crossing borders. Crewmembers represent a category of workers that are particularly affected by such measures. Due to the travel restrictions and, in some cases, availability of flights, many crewmembers have been required to remain on-board even after termination of their respective contract(s) of employment. To address the legal implications generated by such circumstances, BIMCO has produced a COVID-19 Crew Change Clause for Time Charter Parties 2020 (the 'Clause').

The Clause is drafted for use in time charter parties where, at the time of fixing, one or both of the parties is unaware of all places and ports at which the ship will call, or the travel restrictions and quarantine measures may change over time.

The Clause also entitles ship operators to deviate to perform crew changes under specified circumstances. The costs of such deviation can be allocated to parties as they so agree; however, the appropriate Club will still need to be informed prior to any such deviation to ensure that cover is not prejudiced.

Should you have any queries regarding the clause of Club cover, please do not hesitate to get in touch with your usual P.L. Ferrari contact or get in touch via our website at <https://www.plferrari.com>

P.L. FERRARI & CO.

BIMCO COVID-19 Crew Change Clause for Time Charter Parties 2020

- (a) In addition to any other right to deviate under this contract, the Vessel shall have liberty to deviate for crew changes if COVID-19-related restrictions prevent crew changes from being conducted at the ports or places to which the Vessel has been ordered or within the scheduled period of call. Any deviation under this clause shall not be deemed to be an infringement or breach of this contract, and Owners shall not be liable for any loss or damage resulting therefrom.
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- (b) Owners shall exercise the right under subclause (a) above with due regard to Charterers' interests and shall notify Charterers in writing as soon as reasonably possible of any intended deviation for crew changes purposes.
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- (c) Charterers shall procure that subclause (a) shall be incorporated into any and all sub-charter parties, bills of lading, waybills or other documents evidencing contracts of carriage issued pursuant to this Charter Party.
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- (d) During the period of such deviation the Vessel shall:
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 - (reduced i)* remain on hire, but at a rate of hire of USD per day. In the absence of an agreed amount, fifty per cent (50%) of the hire rate shall apply. The cost of bunkers consumed shall be shared equally between Owners and Charterers.
 - (ii)* be off-hire and the cost of bunkers consumed shall be for Owners' account.
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- (e) While the Vessel is at the port of deviation all port charges, pilotage and other expenses arising out of such crew changes shall be for the Owners' account.

**(d)(i) and (d)(ii) are alternatives. Delete whichever is not applicable. In the absence of deletions alternative (d)(i) shall apply.*