AMERICAN STEAMSHIP OWNERS MUTUAL PROTECTION AND INDEMNITY ASSOCIATION, INC.



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TO MEMBERS OF THE ASSOCIATION

Dear Member:

EBOLA DISEASE: CHARTERPARTY AND OTHER CONTRACTUAL CONSIDERATIONS

The current outbreak of Ebola disease in west Africa has raised concerns across the globe. It has also impacted shipping and international trade to and from the affected region. Many countries have implemented various restrictions and protocols for vessels that intend to call, or have recently called, at west African ports in an effort to stem the outbreak of the disease.

Such measures may result in the detention of, or delay to, vessels and the incurring of expenses that may flow therefrom, and generally have implications for charterparty and/or bill of lading rights and obligations. In an effort to assist in this regard, your Managers have developed guidance for Members in respect of some of the legal issues relevant to the shipping industry as a result of the Ebola outbreak. Details are set out below.

By way of background, it is worth noting that the legal issues in question may have a bearing on P&I claims – such as the illness of a crew member and ensuing deviation, repatriation or quarantine expenses – or on FD&D disputes between owners and charterers regarding the allocation of risk and responsibility associated with Ebola related delays or expenses. The legal implications will vary, depending on particular facts and circumstances, as well as the underlying contractual terms between the parties.

The guidance specified below covers existing charterparty clauses that either directly or indirectly address the expenses or delays caused by Ebola related issues. In addition, an Ebola clause tailored to provide more clarity for owners and charterers is also available.

This guidance can be found in the following documents which Members are encouraged to review: The Ebola Virus: Charter Party and Other Contractual Considerations and Ebola Virus Disease: Shipping Contractual Guidance from the Baltic and International Marine Council (BIMCO). Members are also encouraged to visit the Club's website section on Ebola at http://www.americanclub.com/page/ebola where regular updates on the disease, as well as these documents, can be found.

For any questions regarding any aspect of the foregoing, or with respect to Ebola disease as it affects shipping generally, Members are requested to contact the Managers.

Yours faithfully,

Joseph E.M. Hughes, Chairman & CEO Shipowners Claims Bureau, Inc., Managers for THE AMERICAN CLUB