

SHIPSALE 22

BIMCO

AT A GLANCE:

- standard form of contract for ship sale and purchase transactions
- released April 2022
- based on wide industry consultation (200 organisations/ 800 comments received).

KEY HIGHLIGHTS:

- BIMCO “box” layout summarising agreement key information
- easy to navigate – follows sequence of normal sale and purchase transaction
- reduced negotiation time – contains comprehensive and relevant suite of clauses.

NEW FEATURES:

- **BIMCO “box” layout** – familiar box format to insert main commercial terms
- **subjects** – specifying any conditions and their deadlines which need to be satisfied for the agreement to be effective
- **guarantors** – options for both sellers and buyers to insert details of their respective guarantors
- **sanctions and anticorruption** – dedicated provisions now included following BIMCO’s standard clause wording
- **confidentiality** – now a standard provision clarifying that a breach does not entitle a party to terminate
- **electronic meetings and signatures** – introduces options for specifying electronic methods of documentary closing and signing
- **validity of classification certificates** – includes a requirement that the ship’s certificates should be valid for at least three or six months post-delivery.

WELCOME UPDATES:

- **bunkers, oils and greases** – now split into two categories
- **deposits** – both a Deposit Holding Agreement and a concept of Disruptive Bank Events are included
- **sale without inspection** – buyers now have an added option to purchase without inspection
- **underwater inspection** – maximum of two days for buyers to commence an underwater inspection introduced
- **drydocking** – buyers can no longer insist on having the tail shaft drawn unless required by class
- **drydock inspection** – sellers have a maximum twenty-one day extension if a ship has to be re-positioned for a drydock inspection.

NOT INCLUDED IN THE CONTRACT:

- COVID-19 and force majeure – after consideration both concepts were intentionally omitted
- BIMCO ship sales further trading clause – parties can consider including this free-standing clause committing the buyers to continue to trade the ship for an agreed period.