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PRESS RELEASE

BIMCO publishes much anticipated GUARDCON Contract

28 March 2012- BIMCO is pleased to announce the publication of the GUARDCON standard contract for the employment of security guards on vessels. This brand new contract has been developed to provide ship owners and private maritime security companies (PMSC) with a clearly worded and comprehensive standard contract to govern the employment and use of security guards, with or without firearms, on board merchant vessels. While BIMCO would not like to see the use of armed security guards on ships becoming institutionalised, it recognises that while the industry awaits a more permanent long term solution, armed guards currently provide an effective deterrent to piracy attacks.

BIMCO's Chief Officer Legal and Contractual Affairs, Grant Hunter said "In response to ship owners' increasing demand for security services, an ever growing number of private maritime security companies have entered the market to meet that demand. In the absence of a standard contract for these services, ship owners and their P&I Clubs are currently faced with the difficult and time consuming task of assessing large numbers of contracts from these security companies, all with varying terms and conditions. GUARDCON's objective is to create a contractual benchmark for the employment of security services so that minimum levels of insurance cover for PMSCs are established and that adequate safeguards are put in place to ensure that liabilities and responsibilities are properly addressed and that all necessary permits and licenses are obtained."

According to BIMCO Deputy Secretary General, Søren Larsen, "GUARDCON has been drafted in just a little over three months by a small group of experts drawn from ship owners, underwriters, P&I Clubs and lawyers with first-hand experience of working with contracts for security services. The speed at which GUARDCON has been drafted is a considerable credit to the drafting group whose members devoted many long hours free of charge to the project."

The members of the drafting team are Tor Langrud, Wilhelmsen, Norway (Chairman); Daniel Carr, Stolt-Nielsen, USA; Chris South, West of England P&I Club; Andrew Moulton, Ascot Underwriters; Stephen Askins, Ince & Co; and Elinor Dautlich, Holman Fenwick Willan.

The drafting work was not however conducted in isolation; consultations were conducted with PMSCs and insurance underwriters during the process and the drafts were also carefully scrutinised by members of the International Group of P&I Clubs. BIMCO's own influential Documentary Committee also played their usual essential role by thoroughly reviewing GUARDCON to ensure it met the standards expected of a BIMCO standard contract.

BIMCO has also published Guidance on the Rules for the Use of Force (RUF) to accompany GUARDCON which will undoubtedly be of great assistance to owners and private maritime security companies when drawing up and agreeing RUF for their own purposes.

Sample copies of the GUARDCON contract, with detailed Explanatory Notes, and the Guidance on the Rules of the Use of Force can be obtained through BIMCO (www.bimco.org).



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