

CIRCULAR

SETTING THE STANDARD FOR SERVICE AND SECURITY

TO ALL MEMBERS OF THE LONDON CLASS

4 January 2012

Dear Sirs

AMENDMENTS TO THE LONDON CLASS RULES

This letter and attachments set out proposed amendments to the Association's London Class rules and details of the necessary meeting of members to effect these proposed amendments. Since the reorganisation of the Standard clubs, all members are now insured by The Standard Steamship Owners' Protection & Indemnity Association (Europe) Limited. However, all members retain membership rights in the parent company, The Standard Steamship Owners' Protection & Indemnity Association (Bermuda) Limited, which will maintain identical rules.

In Appendix A to this letter you will find a notice of an Annual General Meeting of the members of the London Class (Class 3) of the Association. This has been called for members of that Class to adopt amendments to the Rules of the Association. You will find in Appendix B details of the proposed amendments together with explanatory notes.

A proxy form for the meeting is enclosed for those who are unable to attend. It is important that the proxy form should be completed correctly and your attention is drawn to the notes at the bottom of the proxy form. A proxy need not be a member but you are reminded that, to be valid, the form, duly completed, must reach the secretary of the Association at the Association's registered office at Standard House, 12-13 Essex Street, London WC2R 3AA, not less than 48 hours before the time of the meeting. Completion and return of the proxy form will not prevent you from attending and voting in person if you so wish.

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The Standard Steamship Owners' Protection and Indemnity Association (Europe) Limited

www.standard-club.com

Registered in England No. 17864. Authorised and regulated by the UK Financial Services Authority

Managers' London Agents: **Charles Taylor & Co. Limited**. Registered in England No. 2561548

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We should also like to take the opportunity to inform members that the clubs in the International Group are having preliminary discussions concerning the possibility of extending the P&I cover given by the clubs so that war risks would not be generally excluded. It is possible (but at this stage by no means certain) that these discussions will be completed during 2012 and that a decision could be taken to extend cover during the currency of the 2012/13 policy year to include war risks to a greater extent than is currently the case. We shall keep members informed.

Yours faithfully

Alistair Groom
Chief Executive
Charles Taylor & Co Limited

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APPENDIX A

THE STANDARD STEAMSHIP OWNERS' PROTECTION AND INDEMNITY ASSOCIATION (EUROPE) LIMITED ('the company')

Registered no: 17864

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting of the members of the London Class (Class 3) of the company will be held at Le Richemond Hotel, Jardin Brunswick, 1201 Geneva, Switzerland, on Tuesday, 24 January 2012 at 9.45 am for the purpose of considering and, if thought fit, passing the following resolution:

Rule changes

1. THAT with effect from noon GMT on 20 February 2012, the Rules of the London Class (Class 3) of the company be amended as set out in Appendix B to the letter to the members dated 4 January 2012.

Dated 4 January 2012

By order of the Board

Charles Taylor & Co. Limited
Secretary

Registered Office:
Standard House
12-13 Essex Street
London
WC2R 3AA

Notes:

1. A member of the company or a member of the London Class entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member.
2. Copies of the Rules of the London Class are available at the company's registered office during normal office hours and at the meeting.



APPENDIX B
LONDON CLASS RULES
AMENDMENTS TO THE RULES

1. Approval of contracts

This amendment clarifies that the requirement for the approval of contracts also includes Heavycon contracts.

Rule 2.3 – Replace the existing wording with:

“Where such liabilities would not have arisen but for the terms of any contract or indemnity, the contract or indemnity must either correspond to any specific requirements set out in rule 3 or rule 5, or have been approved by the managers.”

2. Wreck removal of property on board

This amendment clarifies that wreck removal cover includes cargo and any other property on board.

Rule 3.11.2 – Replace the first sentence with the following:

“Liabilities resulting from the actual or attempted raising, removal or destruction of the wreck of the ship, cargo or any other property on board.”

Rule 3.11.3 – Replace the rule with the following:

“Liabilities resulting from the presence or involuntary shifting of the wreck of the ship, cargo or any other property on board caused by the casualty or event which led to the loss of the ship, cargo or any other property on board. Unless the board otherwise determines, a member is not entitled to be reimbursed by the club in respect of any liability incurred more than two years after the ship, cargo or any other property on board became a wreck.”

Rule 3.11.4 and Exclusions to rule 3.11– replace all references to “cargo” with “cargo or any other property”.

3. Deck cargo

This amendment confirms that the carriage of deck cargo on terms which are subject to the Hague or Hague-Visby Rules is covered.

Rule 3.13 – replace Exclusion (10) with the following:

“(10) loss of, damage to or responsibility in respect of cargo carried on deck unless it is carried under a contract of carriage which permits it to be carried on deck and the contract states that it is being so carried and either it exonerates the member from all liability in respect of such cargo or it applies the Hague or Hague-Visby Rules to such cargo, or it is customary to carry such cargo on deck, or such carriage has been approved by the managers”.



4. Loss of hire

This amendment clarifies the type of consequential losses in relation to the member's own ship which are excluded.

Rule 5.4 – Replace the rule with the following:

“Loss of freight, hire, time, market, production, profit or any other direct or indirect losses whatsoever or any proportion thereof in relation to the ship, unless such loss, with the agreement of the managers, forms part of a claim for liabilities in respect of cargo.”

5. Accommodation ship

These amendments ensure consistent use of language.

Rule 5.12.1 – Replace reference to “*accommodation unit*” with “*accommodation ship*”.

Rule 5.15 – Replace reference to “*accommodation vessel*” with “*accommodation ship*”.

6. Sanctions

This amendment deletes language which is not needed as it falls within a defined term under the rules.

Rule 6.22 – Delete the following from the rule:

“costs and expenses”.

7. Evidence

These amendments clarify members' obligations in relation to the provision of evidence and the consequences of failing to comply.

Rule 7.9 – Replace the existing wording with:

“A member must not withhold or conceal any evidence which it is or may be relevant to disclose, or make any false statement. If such evidence is withheld or concealed or false statement is made any liabilities already incurred or reimbursed by the club must be repaid by the member.”

8. Powers of the managers relating to the handling of claims

This amendment clarifies that the club may appoint a lawyer or expert on behalf of the member but subject to the application of the relevant deductible.

Rule 8.4 – Amend the rule to read as follows:

“The managers may at any time appoint, on behalf of a member at the expense of the club subject to any applicable deductible, experts or lawyers to deal with any matter which may result in liabilities in respect of which the member may be covered under the rules.”



9. Entry

This amendment clarifies the consequences of a member's failure to disclose any change in any material information.

Rule 11.2 – Insert heading of “*Immediate termination*” and replace the last sentence with the following:

“Upon such disclosure, or failure to disclose, the managers may amend the member's premium rating or terms of entry, or terminate the entry in respect of such ship.”

10. Classification

This amendment clarifies the requirement for classification of the ship with a class society approved by the managers or, if agreed by the managers, the ship must remain fully approved by the government authority responsible for ship certification for the trade in question.

Rule 15.1 – Replace the existing wording with:

“Unless otherwise agreed by the managers, the following are conditions of the insurance of every ship:

(1) the ship must be and remain fully classed with a classification society approved by the managers, or, provided agreed by the managers, remain fully approved by the government authority responsible for ship certification for the trade in question (hereafter ‘society/authority’).

(2) any matter in respect of which the society/authority might make recommendations about action to be taken must be promptly reported to the society/authority.

(3) the member must comply with all the rules, recommendations and requirements of the society/authority within the time or times specified by that society/authority.

(4) the managers may inspect any document, and/or obtain any information relating to the maintenance of the ship's class or approval, in the possession of any society/authority with which the ship is or at any time has been classed or approved, and the member authorises such society/authority to disclose such documents and/or information to the managers for whatever purposes they may consider necessary.

(5) the member must comply with all statutory requirements of the ship's flag state relating to the construction, adaptation, condition, fitment, equipment, manning and operation of the ship and must at all times maintain the validity of such statutory certificates as are required or issued by or on behalf of the ship's flag state, including those in respect of the ISM and ISPS codes.”

Rule 11.2 – Amend the first sentence of the rule to read as follows:

“The member is obliged to disclose any change in any material information relating to an entry including, but not limited to, change of: management, flag, classification society, government authority responsible for ship certification for the trade in question, nationality of crew, trading or operating area or nature of trade or operation.”



**THE STANDARD STEAMSHIP OWNERS' PROTECTION AND
INDEMNITY ASSOCIATION (EUROPE) LIMITED**

Registered no: 17864

**ANNUAL GENERAL MEETING OF THE LONDON CLASS
24 January 2012 at 9.45 am ('the meeting')**

Form of Proxy

I (Block Capitals), a member of the above-named company, hereby appoint the chairman of the meeting or _____ as my proxy to vote for me on my behalf at the Annual General Meeting of the members of the London Class (Class 3) of the company to be held at Le Richemond Hotel, Jardin Brunswick, 1201 Geneva, Switzerland on 24 January 2012 at 9.45 am, and at any adjournment thereof.

Signature.....

Dated.....2012

Please indicate with an X in the spaces below how you wish your votes to be cast.

RESOLUTION	FOR	AGAINST
THAT with effect from noon GMT on 20 February 2012, the Rules of the London Class of the company be amended as set out in Appendix B to the letter to the members dated 4 January 2012.		

Notes

1. A member may appoint a proxy of his own choice. If such an appointment is made, delete the words 'the chairman of the meeting' and insert the name of the person appointed proxy in the space provided.
2. If the appointor is a corporation, this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.
3. If this form is returned without any indication as to how the person appointed proxy shall vote, he will exercise his discretion as to how he votes or whether he abstains from voting.
4. To be valid at the General Meeting referred to, this form must be completed, signed and dated. It should then be deposited with the Secretary of the company, Charles Taylor & Co Limited, Standard House, 12-13 Essex Street, London WC2R 3AA, or scanned and emailed to p&i.london@ctcplc.com not less than 48 hours before the time fixed for holding the meeting or adjourned meeting
5. Completion and return of this form will not prevent you from attending and voting in person if you wish. Copies of the form can be downloaded from www.standard-club.com.