

CIRCULAR

Setting the standard for
service and security

TO ALL OWNERS AND MEMBERS

3 December 2014

Dear Sirs

RULE AMENDMENTS

Rule amendments

The attachments to this letter set out proposed amendments to the club's P&I, Offshore and Defence rules, explanations for the proposed changes, and details of the necessary meetings of owners/members to effect these proposed amendments. The relevant meeting notices are referred to below.

Meeting notices

In Appendix A to this letter you will find a notice of an Extraordinary General Meeting of the owners/members of the P&I Class (Class 1) of the Association. This has been called to consider resolutions for amendments to the P&I Rules and the Offshore P&I Rules. You will find in Appendices B and C details of the proposed rule amendments together with explanatory notes.

In Appendix D you will find a notice of an Extraordinary General Meeting of the owners/members of the Defence Class (Class 2) of the Association. This has been called to consider resolutions for amendments to the Defence Rules. You will find in Appendix E details of the proposed rule amendments.

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The Standard Club Asia Ltd

www.standard-club.com

Incorporated in Singapore No. 199703224R. Authorised and regulated by the Monetary Authority of Singapore

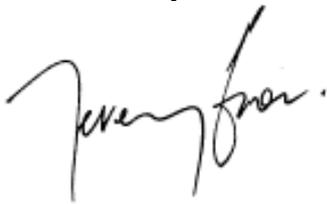
Managers: Charles Taylor Mutual Management (Asia) Pte. Limited

Registered Office: 140 Cecil Street, #15-00 PIL Building, Singapore 069540. Registered in Singapore No. 199703244C

Telephone: +65 6506 2896 E-mail: pandi.singapore@ctplc.com

Proxy forms for the meetings are enclosed for those who are unable to attend. It is important that the proxy forms should be completed correctly and your attention is drawn to the notes at the bottom of the proxy forms. A proxy need not be an owner/member but you are reminded that, to be valid, the forms, duly completed, must reach the club's secretary at the club's registered office at 140 Cecil Street, #15-00, PIL Building, Singapore 069540, not less than 12 hours before the time of the meetings. Completion and return of the proxy forms will not prevent you from attending and voting in person if you so wish.

Yours faithfully



Jeremy Grose
Chairman
Charles Taylor Mutual Management (Asia) Pte Limited

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APPENDIX A

THE STANDARD CLUB ASIA LTD ('the company')

Company Registration No : 199703224-R

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of the owners/members of the company and the owners of the P&I Class will be held at Jumeirah Beach Hotel, Jumeirah Beach Road, Dubai, UAE on 27 January 2015 at 9.00am transact the following business:

RESOLUTIONS

1. THAT with effect from noon GMT on 20 February 2015, the Rules of the Protection and Indemnity Class of the company be amended as set out in Appendix B to the letter to the owners/members of the company dated 3 December 2014.
2. THAT with effect from noon GMT on 20 February 2015, the Offshore P&I Rules of the Protection and Indemnity Class of the company be amended as set out in Appendix C to the letter to the owners/members of the company dated 3 December 2014.

Dated 3 December 2014

By order of the Board

D J Roberts
Secretary

Registered Office:
140 Cecil Street
#15-00, PIL Building
Singapore 069540

Notes:

1. A member of the company or an owner of the P&I 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 an owner/member.
2. An instrument appointing a proxy must be left at the registered office, or scanned and e-mailed to pandi.singapore@ctplc.com, not less than 12 hours before the time appointed for holding the Meeting.
3. Copies of the Rules of the P&I Class of the company are available at the company's registered office during normal office hours and at the meeting.

**APPENDIX B
P&I CLASS RULES
AMENDMENTS TO THE RULES**

1. Interference by lawful authorities

This change removes from the rules direct coverage for costs and expenses incurred in protecting a member's interests in cases of interference by lawful authorities. Historically, the rule was only included as a separate covered risk to protect members against an overbearing UK Board of Trade in the late 1800's and the early 1900's. It has been widened over time to include any lawful authority. However, this is not a risk that is now covered in its own right by other members of the International Group of P&I Clubs. 'Interference' is not a defined term and the dividing line between 'interference' by a lawful authority for the purposes of the rule and a lawful authority discharging its official duties is inherently imprecise. The rule does not respond to a legal liability, only to costs and expenses incurred in cases of interference. To the extent that such costs and expenses are incurred in respect of a covered risk, these can be recovered from the club in any event. Defence cover may respond in certain circumstances and there is, of course, a general discretion to cover such matters under the Omnibus Rule.

Delete rule 3.18

Renumber rule 3.19 as 3.18, rule 3.20 as 3.19 and rule 3.21 as 3.20.

2. Drilling and production operations

This amendment clarifies that P&I liabilities incurred in respect of ships constructed or adapted for the purpose of carrying out drilling operations in connection with oil or gas exploration or production are excluded.

Renumber rule 5.12.1 as 5.12.2 and rule 5.12.2 as 5.12.3

Insert new rule 5.12.1 as follows:

“Liabilities incurred in respect of the ship, being a ship or any other description of vessel or unit constructed or adapted for the purpose of carrying out drilling operations in connection with oil or gas exploration or production.”

Rule 5.12.2 – delete “a drilling ship or” and “other”

3. Recovery by owner for oil pollution claims

This change clarifies that the US\$1 billion limit of cover in respect of oil pollution encompasses not only claims but also any costs and expenses incurred in connection therewith. This change does not apply to the Standard Fixed P&I rules.

Renumber rule 6.5 as 6.5.1

Amend paragraph (2) to read as follows:

“(2) in the event that there is more than one owner’s entry in respect of the same ship with the club and/or with any other insurer participating in the Pooling Agreement the aggregate recovery for all claims in respect of oil pollution arising under such owners’ entries shall not exceed US\$1 billion any one event, and the liability of the club under each such owner’s entry shall be limited to such proportion of US\$1 billion as the claims arising under that owner’s entry bear to the aggregate of all such claims recoverable from the club and any such other insurer;”

Amend paragraph (3) to read as follows:

“(3) when the ship entered under an owner’s entry provides salvage or other assistance to another ship following a casualty, all claims in respect of oil pollution howsoever arising incurred by the ship shall be aggregated with all claims in respect of oil pollution incurred by any other ships whilst engaged in providing salvage or other assistance in connection with the same casualty, when and to the extent that those ships either:”

Insert new rule 6.5.2 as follows:

“For the purpose of this rule ‘claims in respect of oil pollution’ means liabilities, costs and expenses, howsoever incurred, in respect of or relating to a discharge or escape of oil or any threat or consequence of such discharge or escape, but excluding liability for loss of or damage to such oil.”

4. Deductibles

This amendment makes deductibles applicable to all liabilities, costs and expenses incurred by a member, including fees.

Rule 6.17 – after ‘recoverable’ insert ‘including fees, costs and expenses,’. In respect of the Standard Fixed P&I rules, this change will be made to rule 6.12.

Rule 8.4 – replace ‘any applicable deductible’ with ‘the applicable deductible’

5. Joint entrants

This amendment clarifies that a financing bank that leases a ship as owner to a member can be named as a joint entrant.

Rule 13.3(3) – after “mortgagee” insert “of the ship or a financial institution (or its subsidiary or affiliate) leasing the ship as owner to the member;”

6. Surveys and operational reviews

This amendment removes the distinction between entry surveys and routine condition surveys and replaces the existing nomenclature with the term 'ship risk review'. It also makes claims discretionary if an applicant or member does not make a ship available for a ship risk review within a specified period and clarifies that the managers may terminate a member's entry in light of any ship risk review or review of the member's operations with immediate effect or from a time specified by a notice in writing to the member.

Section I: Ship Standards and Surveys – delete “*Surveys*” and replace with “*Risk Reviews*”

Rule 15.3 – Replace sub-heading with “*Ship risk reviews*” and renumber as 15.3.1

Delete “*inspect*” and “*survey*”

After “*the club*” insert “*or at any time thereafter*”

After “*surveyor to*” insert “*undertake a ship risk review in respect of*”

After “*member's ship*” insert “*within a specified period*”

After “*light of such*” insert “*ship risk review*”

Insert new rule 15.3.2 as follows:

“If the applicant's or member's ship is not made available for a ship risk review within such period, no claim for recovery as a result of any incident arising after the expiry of such period will be allowed until such time as the ship risk review has been carried out, unless the board otherwise determines.”

Rule 15.4 – Replace sub-heading with “*Operational reviews*”

Delete “*inspect a member's ship or*” and “*ship is not made available for survey, or the*”

After “*allowed*” insert “*until such time as the review has been carried out,*”

Rule 15.5 – Delete “*inspected*” and replace with “*undergo a ship risk review*”

Rule 15.6 – Delete “*survey*” and replace with “*ship risk review*”.

After “*or review*” insert “*of the member's operations*”

Rule 15.6(1) – after “*entry*” insert “*with immediate effect or from a time and date specified by a notice in writing to the member;*”

Rule 15.7 – Delete “*survey*”.

After “*following any*” insert “*ship risk review*”.

After “*or review*” insert “*of the member's operations*”

Section N: Definitions – insert the following new definition:

“Ship risk review - a survey or inspection of an applicant’s or member’s ship relating to that ship’s structure, machinery, equipment, crewing, navigation, condition, operation, management or any other matter which, in the opinion of the managers, requires investigation.”

7. P&I war risks clause

This amendment clarifies that the P&I war risks clause does not provide insurance for liabilities incurred under TOPIA 2006 to contribute to the IOPC Supplementary Fund in respect of pollution damage caused by terrorism and replaces what was a blanket exclusion.

Delete paragraph 7 and replace with the following:

“7 In no case shall this cover provide insurance for any losses, liabilities, costs or expenses if the provision of such insurance would create a liability for the member under TOPIA 2006 to contribute to the IOPC Supplementary Fund in respect of pollution damage caused by terrorism.”

APPENDIX C

STANDARD OFFSHORE RULES
AMENDMENTS TO THE RULES**1. Deductibles**

This amendment makes deductibles applicable to all liabilities, costs and expenses incurred by a member, including fees.

Rule 6.12 – after *'recoverable'* insert *'including fees, costs and expenses,'*

Rule 8.4 – replace *'any applicable deductible'* with *'the applicable deductible'*

2. Joint Entrants

This change clarifies that a financing bank that leases a unit as owner to a member can be named as a joint entrant.

Rule 13.3(3) – after *"mortgagee"* insert *"of the unit or a financial institution (or its subsidiary or affiliate) leasing the unit as owner to the member;"*

3. Surveys and operational reviews

This amendment removes the distinction between entry surveys and routine condition surveys and replaces the existing nomenclature with the term 'unit risk review'. It also makes claims discretionary if an applicant or member does not make a unit available for a unit risk review within a specified period and clarifies that the managers may terminate a member's entry in light of any unit risk review or review of the member's operations with immediate effect or from a time specified by a notice in writing to the member.

Section I: Unit Standards and Surveys – delete *"Surveys"* and replace with *"Risk Reviews"*

Rule 15.3 – Replace sub-heading with *"Unit risk reviews"* and renumber as 15.3.1

Delete *"inspect"* and *"survey"*

After *"the club"* insert *"or at any time thereafter"*

After *"surveyor to"* insert *"undertake a unit risk review in respect of"*

After *"member's unit"* insert *"within a specified period"*

After *"light of such"* insert *"unit risk review"*

Insert new rule 15.3.2 as follows:

“If the applicant’s or member’s unit is not made available for a unit risk review within such period, no claim for recovery as a result of any incident arising after the expiry of such period will be allowed until such time as the unit risk review has been carried out, unless the board otherwise determines.”

Rule 15.4 – Replace sub-heading with *“Operational reviews”*

Delete *“inspect the unit or”* and *“unit is not made available for survey, or the”*

After *“allowed”* insert *“until such time as the review has been carried out,”*

Rule 15.5 – Delete *“inspected”* and replace with *“undergo a unit risk review”*

Rule 15.6 – Delete *“survey”* and replace with *“unit risk review”*.

After *“or review”* insert *“of the member’s operations”*

Rule 15.6(1) – after *“entry”* insert *“with immediate effect or from a time and date specified by a notice in writing to the member;”*

Rule 15.7 – Delete *“survey”*.

After *“following any”* insert *“unit risk review”*.

After *“or review”* insert *“of the member’s operations”*

Section M: Definitions – insert the following new definition:

“Unit risk review - a survey or inspection of an applicant’s or member’s unit relating to that unit’s structure, machinery, equipment, crewing, navigation, condition, operation, management or any other matter which, in the opinion of the managers, requires investigation.”

APPENDIX D**THE STANDARD CLUB ASIA LTD ('the company')**Company Registration No: 199703224-R

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of the owners/members of the company and the owners of the Defence Class will be held at Jumeirah Beach Hotel, Jumeirah Beach Road, Dubai, UAE on 27 January 2015 at 9.05am the purpose of considering and, if thought fit, passing the following Resolution:

RESOLUTION

THAT, with effect from noon GMT on 20 February 2015, the Rules of the Defence Class of the company be amended as set out in Appendix E to the letter to the owners/members of the company dated 3 December 2014.

Dated 3 December 2014

By order of the Board

D J Roberts
Secretary

Registered Office:
140 Cecil Street
#15-00, PIL Building
Singapore 069540

Notes:

1. A member of the company or an owner of the Defence 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 an owner/member.
2. An instrument appointing a proxy must be left at the registered office, or scanned and e-mailed to pandi.singapore@ctplc.com, not less than 12 hours before the time appointed for holding the Meeting.
3. Copies of the Rules of the Defence Class of the company are available at the company's registered office during normal office hours and at the meeting.

APPENDIX E**DEFENCE CLASS RULES
AMENDMENTS TO THE RULES****1. Risks covered by insurances**

This change clarifies that costs for which the member could be covered under the omnibus rule of the P&I class rules are not excluded.

Rule 4 – amend the rule to read as follows:

“The club will not cover a member in respect of any of the costs for which he would be covered, or could be covered subject to a discretion contained within the risk, if the ship were:

- (1) fully entered in The Standard Club Europe Ltd or other insurer affording equally wide cover;*
- (2) fully entered in the War Risks Class of The Standard Club Europe Ltd or other insurer affording equally wide cover.”*

THE STANDARD CLUB ASIA LTD

EXTRAORDINARY GENERAL MEETING OF THE P&I CLASS
27 January 2014 at 9.00am ('the meeting')

Form of Proxy

The undersigned, a member of The Standard Club Asia Ltd or owners of the P&I Class of the said company, hereby appoints the chairman of the meeting or _____ to be the undersigned's proxy in the order named to vote on behalf of the undersigned at the extraordinary general meeting of the owners/members of the said company to be held at Jumeirah Beach Hotel, Jumeirah Beach Road, Dubai, UAE on 27 January 2015 at 9.00am, and every adjournment thereof.

FOR	AGAINST	RESOLUTIONS
		THAT with effect from noon GMT on 20 February 2015, the Rules of the Protection and Indemnity Class of the company be amended as set out in Appendix B to the letter to the owners/members of the company dated 3 December 2014.
		THAT with effect from noon GMT on 20 February 2015, the Offshore P&I Rules of the Protection and Indemnity Class of the company be amended as set out in Appendix C to the letter to the owners/members of the company dated 3 December 2014.

AS WITNESS the hand of the undersigned this _____ day of _____ 201_

FOR (NAME OF OWNER/MEMBER IN CAPITALS) _____

By _____

(Office) _____

Notes:-

1. If you wish any person other than the chairman to act as your proxy, please insert the name of your proxy in the space provided. If no name is inserted you will be deemed to have appointed the chairman of the meeting. A proxy need not be an owner/member.
2. Please indicate with an X in the appropriate space how you wish your vote to be cast in respect of the Resolutions. On receipt of this form duly signed but without any specific direction how you wish your vote to be cast, the proxy will vote in favour of the Resolutions.
3. In the case of a corporation this form should either be under its seal or be signed by an authorised officer of the corporation, who should state in the line below his office (e.g., company secretary, director).
4. To be valid at the extraordinary general meeting referred to, this form must be completed, signed and deposited with the secretary of the company, 140 Cecil Street, #15-00, PIL Building, Singapore 069540, or scanned and e-mailed to pandi.singapore@ctplc.com, not less than 12 hours before the time of the meeting. Completion and return of this form will not prevent you from attending and voting in person if you so wish.

THE STANDARD CLUB ASIA LTD

EXTRAORDINARY GENERAL MEETING OF THE DEFENCE CLASS
27 January 2015 at 9.05 am ('the meeting')

Form of Proxy

The undersigned, a member of The Standard Club Asia Ltd, or owners of the Defence Class of the said company, hereby appoints the chairman of the meeting or _____ to be the undersigned's proxy in the order named to vote on behalf of the undersigned at the extraordinary general meeting of the owners/members of the said company to be held at, a Jumeirah Beach Hotel, Jumeirah Beach Road, Dubai, UAE on 27 January 2015 at 9.05 am and every adjournment thereof.

FOR	AGAINST	RESOLUTION
		THAT with effect from noon GMT on 20 February 2015, the Rules of the Defence Class of the company be amended as set out in Appendix E to the letter to the owners/members of the company dated 3 December 2014.

AS WITNESS the hand of the undersigned this _____ day of _____ 201_

FOR (NAME OF OWNER/MEMBER IN CAPITALS) _____

By _____

(Office) _____

Notes:-

1. If you wish any person other than the chairman to act as your proxy, please insert the name of your proxy in the space provided. If no name is inserted you will be deemed to have appointed the chairman of the meeting. A proxy need not be an owner/member.
2. Please indicate with an X in the appropriate space how you wish your vote to be cast in respect of the Resolution. On receipt of this form duly signed but without any specific direction how you wish your vote to be cast, the proxy will vote in favour of the Resolution.
3. In the case of a corporation this form should either be under its seal or be signed by an authorised officer of the corporation, who should state in the line below his office (eg, company secretary, director).
4. To be valid at the extraordinary general meeting referred to, this form must be completed, signed and deposited with the secretary of the company, 140 Cecil Street, #15-00, PIL Building, Singapore 069540, or scanned and e-mailed to pandi.singapore@ctplc.com, not less than 12 hours before the time of the meeting. Completion and return of this form will not prevent you from attending and voting in person if you so wish.