



TO ALL MEMBERS

9 October 2018

Dear Sirs

New charterparty clause promoting the use of the Inter-Club New York Produce Exchange Agreement 1996 (“the ICA”), as amended September 2011

Reference is made to the club’s [circular](#) dated 24 August 2011 referring members to the ICA, as amended in September 2011, that provides a mechanism whereby liability for cargo claims arising under the NYPE or Asbatime charterparties and/or contracts of carriage authorised under such charterparties can be swiftly and fairly apportioned between owners and charterers.

In order to promote the application and incorporation of the 2011 Agreement into all NYPE/Asbatime charterparties, the club’s [circular](#) dated 4 May 2016 referred members to a recommended charterparty clause drafted by the International Group of P&I Clubs.

However, a recent London arbitration finding has given the International Group cause for concern, with the tribunal finding that the charterparty clause only incorporated the liability provisions of the ICA and not the requirement to provide security as contained in clause 9 of the 2011 Agreement.

As a result, the International Group has amended the recommended charterparty clause wording issued in 2016 in order to take account of this recent finding and to encompass the 2011 Agreement requirement for security to be provided. The recommended clause is as follows:

“Cargo claims as between Owners and the Charterers shall be governed by, secured, apportioned and settled fully in accordance with the provisions of the Inter-Club New York Produce Exchange Agreement 1996 (as amended 2011), or any subsequent modification or replacement thereof. This clause shall take precedence over any other clause or clauses in this charterparty purporting to incorporate any other version of the Inter-Club New York Produce Exchange Agreement into this charterparty”.

All member clubs of the International Group will be issuing a similar circular.

Yours faithfully

Jeremy Grose
Chief Executive
Charles Taylor & Co Limited

Direct Line: +44 20 3320 8835
E-mail: jeremy.grose@ctplc.com

The Standard Club UK Ltd

www.standard-club.com

Registered in England No.17864. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority FRN 202805

Managers' London agents: Charles Taylor & Co. Limited. Registered in England No.02561548
Authorised and regulated by the Financial Conduct Authority FRN 785106

Registered address: The Minster Building, 21 Mincing Lane, London, EC3R 7AG
Telephone: +44 20 3320 8888 Email: pandi.london@ctplc.com