

TO ALL OWNERS AND MEMBERS

30 January 2014

Dear Sirs

US Non Tank Final Rule – Vessel Response Plans Alaska Alternative Planning Criteria (non-tank vessels)

Alaska Maritime Prevention and Response Network

With effect from 30 January the vessel response planning requirements for Western Alaska allow enrolment with Alaska Chadux in addition to Alaska Maritime Prevention and Response Network (AMPRN). We have been informed that a further change will be made to the enrolment agreement to make specific reference to Alaska Chadux in tick box 3. The enrolment agreement can be viewed by following the link www.ak-mprn.org and clicking on enrolment.

However, concerns remain about tick box 3 which, even if amended to refer to Alaska Chadux, still continues to refer to unidentified resources. The box currently reads as follows:

“I/we affirm that our Qualified Individual is duly authorized to execute and enter into a response action contract for oil spill response resources, as set forth in the APC NTV, on behalf of Planholder in the event requested to do so by Planholder or designated Federal On Scene Coordinator.”

The Alternative Planning Criteria for non-tank vessels (APC NTV), currently only refers to one resource - “Alaska Chadux”. However, AMPRN has stated its intention to add other resources which are as yet unidentified and for which the owner’s QI is required to enter into a contract as described in the tick box above **without any prior opportunity for the owner to review the contracts of those other resources**. It is therefore impossible to ascertain the risk of the contractual terms falling outside the scope of club cover.

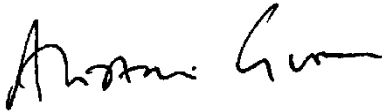
There seems little likelihood that the AMPRN will clarify the position prior to 30 January, the deadline for submission of non-tank vessel response plans. Owners/members therefore have no option but to enrol with the Network.

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Position with regard to P&I cover

Please note that the terms of the enrolment agreement do not conform with International Group guidelines and there is the potential that owners may be exposed to risks falling outside the scope of club cover, for which additional insurance will be needed. Those owners/members wishing to obtain further details of the insurance are advised to contact the club. Moreover, the possibility of AMPRN adding additional response resources to their APC which also do not conform with IG guidelines provide an additional risk to liabilities falling outside club cover which at present cannot be ascertained.

Yours faithfully ..



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