



To the Members

Notice is hereby given that a General Meeting of the Members of the Association will be held at Aquatical House, 39 Bell Lane, London, E1 7LU, at 11.00 hours on 14 February 2020 for the purpose of considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

THAT with effect from noon G.M.T. on 20 February 2020 the amendments to the Rules of Class 1 (Protection and Indemnity) of the Association annexed hereto and marked 'A' for identification be adopted.

Explanation Regarding Resolution

Explanatory notes for the proposed changes are set out in the annex hereto marked 'A'.

A

AMENDMENTS FOR 2020/21 TO THE RULES OF CLASS 1 PROTECTION AND INDEMNITY OF STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED

In the table below, the proposed new wording is shown in **bold** and underlined and wording to be deleted is shown as ~~[xxx]~~. Explanatory notes in italics have been provided for the proposed changes.

| Rule | Text | Comments |
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| 19 | Hull Risks and Specialist Operations | |
| | Unless the Managers otherwise agree in writing as a term of entry, the Club shall not insure any Member to any extent whatsoever, against the following risks: | |
| | Specialist Operations | |
| ii | liabilities, costs or expenses incurred by a Member who contracts to perform dredging, blasting, pile driving, well stimulation <u>intervention</u> , cable or pipe laying, construction, installation or maintenance work, core sampling, depositing of spoil, professional oil spill response or professional oil spill response training and tank cleaning (otherwise than on the entered ship) (but excluding fire-fighting); <u>power generation and decommissioning to the extent that such liabilities, costs and expenses arise as a consequence of:</u> | <i>Changes to reflect amendments to the 2019 Pooling Agreement. Professional oil spill response has been removed from the list and well stimulation replaced by well intervention. Power generation and decommissioning are added to the list. The application of the exclusion is narrowed to the circumstances/causes set out in the new rule, and in any event will also not apply to the liabilities referred to in the proviso.</i> |
| a | <u>claims brought by any party for whose benefit the work has been performed, or by any third party (whether connected with any party for whose benefit the work has been performed or not), in respect of the specialist nature of the operations; or</u> | |
| b | <u>the failure to perform such specialist operations by the Member or the fitness for purpose or quality of the Member's work, products or services; or</u> | |
| c | <u>any loss of or damage to the contract work.</u> | |
| | <u>Provided that this exclusion shall not apply to liabilities, costs and expenses incurred by the Member in respect of:</u> <u>(i) loss of life, injury or illness of crew and other personnel on board the Ship;</u> <u>(ii) the wreck removal of the Ship; or</u> <u>(iii) oil pollution from the Ship or the threat thereof.</u> <u>but only to the extent that the Member is insured in respect of such liabilities, costs and expenses under any other Rule or the terms of entry agreed.</u> | |
| | Drilling Operations | |
| iii | liabilities, costs or expenses incurred in respect of an entered ship carrying out drilling exploration, or production operations (including any accommodation unit moored or positioned on site as an integral part of such operations) and arising out of or during drilling or production operations; | |
| | The vessel shall be deemed to be carrying out production operations if (inter alia) it is a storage tanker or other vessel engaged in the storage of oil, and either: | |
| a | the oil is transferred directly from a producing well to the storage vessel; or | |
| b | the storage vessel has oil and gas separation equipment on board and gas is being separated from oil whilst on board the storage vessel other than by natural venting. | |
| iv | Diving Operations and Sub-Sea Activities | |

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| v | Salvage Operations | |
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| vi | Waste Disposal Operations | |
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| vii | <u>Non-Marine Personnel</u> | <i>A change to reflect amendments to the 2019 Pooling Agreement. The exclusion of cover for non-marine personnel on accommodation vessels applies only where the entered ship is moored or anchored within 500 metres of any oil or gas production or exploration facility.</i> |
| | <u>Liabilities, costs or expenses incurred by the Member in respect of any of the following:</u> | |
| a | <u>personnel (other than Seamen) on board the Ship (being an accommodation vessel) employed otherwise than by the Member where either:</u> | |
| | <u>(i) such Ship is moored or anchored within 500 metres of any oil or gas production or exploration facility; or</u> | |
| | <u>(ii) there has not been a contractual allocation of risks as between the Member and the employer of the personnel which has been approved by the Club;</u> | |
| b | <u>hotel and restaurant guests and other visitors and catering crew of the Ship when the Ship is moored (otherwise than on a temporary basis) and is open to the public as a hotel, restaurant, bar or other place of entertainment.</u> | |
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| 25 | | |
| ii | Covered Risks | |
| a | Damages or Compensation for Loss of Life or Personal Injury or Illness | |
| | Liability for damages or compensation in respect of personal injury, illness or death; | |
| b | Medical and Funeral Expenses | |
| | Hospital, medical and/or funeral expenses, including repatriation of remains, in relation to injury, illness or death of any person, or any Seaman whilst engaged as crew of, or arising out of employment on board, an entered ship, provided reasonably incurred; | |
| c | Repatriation Expenses | |
| (i) | Repatriation expenses in respect of persons on board an entered ship in consequence of a casualty thereto or consequent on illness or injury to such persons; | <i>An amendment to expand cover for repatriation in all reasonable circumstances, not just where the need arises in consequence of a casualty.</i> |
| (ii) | Repatriation expenses or in any other case <u>or expenses incurred in order to avoid repatriation which would otherwise have been necessary</u> where the Managers in their discretion determine that such expenses have been necessarily and reasonably incurred; | |
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| | Provided always that: | |
| | In respect of paragraphs c (i) and (ii), d and e of Rule 25 ii no such expenses shall be recoverable by or reimbursable to the Member in consequence of the termination of any agreement whether in accordance with its terms, by mutual consent or by the Member's breach, or by dismissal, or the sale of the entered ship or by reason of industrial action, or any other voluntary act of the Member giving rise to such expenses, or where such expenses could reasonably have been avoided. | |
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| 21 | War and Bio-Chem Risks | |
| | War Risks | |

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| | Unless otherwise agreed in writing by the Managers, the costs and expenses of any such surveys shall be paid by the Member or prospective Member as and when incurred. | |
| b | Where a surveyor or other person surveying or inspecting <u>or providing technical advice relating to</u> an entered ship <u>or its equipment</u> (whether or not such surveyor or person has been appointed under subparagraph a of this Rule 26 ii .) makes adverse findings as to the condition of the ship, or any recommendations as to repair or maintenance or otherwise, <u>whether in respect of the ship and/or any other ship owned by the Member to which such findings or recommendations may apply</u> , the Managers shall be entitled in their absolute discretion to: | <i>The amendments enable the Managers where:</i> <i>a) a report or information may come to their attention indicating a deficiency in the ship or its equipment that requires rectification; and</i> <i>b) that deficiency may affect other entered ships in the same ownership, i.e. sisterships or ships fitted with the same equipment;</i> <i>to exercise their rights under Rule 26 iii b in respect of all ships entered by that owner to which the recommendations or findings apply.</i> |
| (i) | exercise any of their rights under Rule 26 iii b in respect of any ship to which such findings or recommendations may apply ; and/or | |
| (ii) | require such recommendations, or any part of them, to be carried out forthwith, or within such time as may be specified by the Managers and the Managers shall be notified immediately on completion of such works as are required to fulfil any such recommendations; and | |
| c | The Managers may require the Member to provide such evidence of compliance with such recommendations as they deem fit and/or require the ship to be made available for re-survey within such period as may be specified by them. Where re-survey is required Rule 26 ii a shall apply to that survey and Rule 26 ii b and c to any recommendations made thereon; | |
| d | The Managers may at any time and in their absolute discretion: | |
| (i) | appoint representatives to visit the offices of the entity or entities having operational control of the ship and/or attend on board within the time specified by the Managers to audit the Member's management systems, including interviewing all relevant personnel and reviewing all relevant documentation. The Member shall ensure full co-operation with such representatives, making all requested personnel, information and documentation available, and, unless otherwise agreed in writing by the Managers, shall pay for the reasonable costs of such audit; and | |
| (ii) | make recommendations as to the remedying of any deficiencies identified which must be carried out forthwith, or within such time as may be specified by the Managers; and | |
| e | The Managers must be notified immediately on completion of the implementation of such recommendations and provided with such evidence as they deem fit as to the remedying of such deficiencies and shall have the right to carry out re-audits to verify the same. | |
| f | The Member shall comply with any requirements of the Managers made pursuant to Rule 26 ii a-e . | |

By Order of the Board

Arjun Thawani, Secretary

27 January 2020

N.B. A Member who is entitled to attend and vote at the above Meeting is entitled to appoint a proxy to attend, speak and vote in his or her place. The instrument appointing a proxy may be in the form enclosed and must be deposited with the Secretary at Aquatical House, 39 Bell Lane, London, E1 7LU not less than 48 hours before the time specified for the holding of the Meeting.

Form of Proxy

Before completing this form, please read the explanatory notes below

The undersigned, a Member of **STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED** ('Company') hereby appoints Stephen Martin* or Chris Adams* or (please insert name) (*delete as appropriate) or failing him/her the Chairman of the meeting as my proxy to attend, speak and vote for me on my behalf at a General Meeting of Steamship Mutual Underwriting Association Limited to be held at at Aquatical House, 39 Bell Lane, London, E1 7LU, at 11.00 hours on 14 February 2020 and at any adjournment thereof.

Signed

Date

Name (please print)

Company Name

Address

Notes to the proxy form

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You may appoint a proxy using the procedures set out in these notes.
2. To appoint a proxy using this form, the form must be: (i) completed and signed; (ii) sent or delivered to the Registered Office of the Company at Aquatical House, 39 Bell Lane, London E1 7LU, United Kingdom; and (iii) received by the Company no later than 48 hours before the commencement of the meeting.
3. As an alternative to completing a hard-copy proxy form, you can appoint a proxy electronically by sending it by e-mail to kathleen.kelly@sims.com. For an electronic proxy appointment to be valid, your appointment must be received by the Company no later than 48 hours before the commencement of the meeting.
4. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
5. A proxy does not need to be a member of the Company but must attend the meeting to represent you.
6. You may direct your proxy how to vote on the resolutions proposed. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
7. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
8. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.