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## Maritime Labour Convention 2006 - Financial Security Requirements

October 2016

As part of the International Group of P&I Clubs, Steamship Mutual wishes to draw Members attention to the most recent International Group's Circular on the Maritime Labour Convention.

The International Group have released a Circular informing shipowners of the steps that Clubs have taken in respect of the MLC's financial security requirements which will enter into force on 18 January 2017.

After this date, ships that are subject to the MLC will be required to display certificates issued by an insurer or other financial security provider confirming that insurance or other financial security is in place for liabilities in respect of

- » outstanding wages and repatriation of seafarers together with incidental costs and expenses in accordance with MLC Regulation 2.5, Standard A2.5.2 and Guideline B2.5, and
- » compensation for death or long-term disability in accordance with Regulation 4.2., Standard A4.2. and Guideline B4.2.



The Boards of all Clubs in the International Group have decided that Clubs should provide the necessary certification. The purpose of the Circular is to provide an update regarding the steps which are being taken to enable Members to meet the financial security requirements. The Circular contains important information, including the wording of the MLC financial security certificates that Clubs will issue and the MLC Extension Clause.

Steamship Mutual advise all Members to consult the Circular in order to comply with the MLC convention aboard ship.

The IG Circular is **available through this link** and the MLC's financial security requirements FAQ's **are available to download here**.

Please be aware that the FAQ's are not intended to be definitive legal advice, they are a general guide and Members should consult their flag state authorities.

Steamship Mutual Members are also referred to previous **Club notices issued in Circulars L.208 and L.214** on the Maritime Labour Convention (MLC) 2006.