



STEAMSHIP MUTUAL

To the Members

November 2011

Dear Sirs,

REGULATIONS OF THE PEOPLE'S REPUBLIC OF CHINA ON THE PREVENTION AND CONTROL OF MARINE POLLUTION FROM SHIPS

Members are referred to previous circulars on the Regulations of the People's Republic of China (PRC) on the Prevention and Control of Marine Pollution from Ships ("the Regulations"), and the postponement of the requirement that owners/operators of (a) any ship carrying polluting and hazardous cargoes in bulk or (b) any other vessel above 10,000 gt enter into a pollution clean-up contract with a Maritime Safety Agency (MSA) approved pollution response company before the vessel enters a PRC port.

Members were previously informed, pursuant to advice received from the MSA, that the lists of all approved contractors would be issued in October 2011.

The International Group has maintained contact with the MSA and now understands that the list of all approved contractors has been delayed further as the process of approving responders in the various coastal local provinces is still ongoing and has yet to be finalised. The International Group understands that this has delayed the issue of the list of approved responders until later this month, at the earliest.

While the International Group has drawn the MSA's attention to the difficulty which Members will face in complying with the Regulations if the effective date is not put back, the present understanding is that the requirement to contract with an approved clean-up contractor will still be enforced in all Chinese ports from 1 January 2012. There will therefore now be a very short period of time for owners/operators to contract with an approved spill responder.

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THE STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION (BERMUDA) LIMITED

Registered Office: Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda

Authorised and Regulated by the Bermuda Monetary Authority and the United Kingdom Financial Services Authority
(FSA registration number 202762)

MANAGERS: STEAMSHIP MUTUAL MANAGEMENT (BERMUDA) LIMITED

WASHINGTON MALL I, PO BOX HM 447, HAMILTON HM BX, BERMUDA

Tel: (441) 295 4502 Fax: (441) 292 8787 Website: www.sims.com

A further update to Members, including detailed guidance on the spill response contract and procedure for contracting with an approved responder, will be provided in the near future and we would suggest that Members take no further action until this update has been received.

All Clubs in the International Group of P&I Clubs have issued similar circulars.

Yours faithfully,

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