



STEAMSHIP MUTUAL

To the Members

July 2010

Dear Sirs,

US Sanctions against Iran - HR2194 - entry into force

Members were advised by a Club circular issued in February 2010 of the potential impact of proposed legislation in the United States to amend the Iran Sanctions Act of 1996 by way of the Iran Refined Petroleum Sanctions Act ("IRPSA") (House Bill HR2194). That legislation has now been signed into law as the "Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010". The Act came into force with effect from 1st July 2010.

Under the Act sanctions can be imposed against both domestic and foreign entities (persons) who with actual knowledge provide Iran with refined petroleum resources or engage in any activity that could contribute to the enhancement of Iran's ability to import refined petroleum resources, including;

- (a) Providing ships or shipping services to deliver refined petroleum sources to Iran; or
- (b) Providing goods, services, technology, information or support relating to the shipping or other transportation of refined petroleum products to Iran; or
- (c) Underwriting or otherwise providing insurance or reinsurance for such activities described in clauses (a) and (b) above.

Club Cover

Members are reminded of the provisions of Club Rule 35 which provides as follows:-

"a Member shall cease to be a Member and shall cease to be insured by the Club in respect of any and all ships entered by him upon the happening of any of the following events.

- vi. Notwithstanding and without prejudice to Rule 35 vii below, if the Directors, on such notice in writing as they may decide, terminate the entry of a Member where the Member's continuing entry will expose or may, in the opinion of the Directors expose the Club or any of its Members to the risk of being or becoming subject to any sanction, prohibition or adverse action in any form whatsoever by any State or International Organisation.

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THE STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED
Authorised and Regulated by the United Kingdom Financial Services Authority
(Registered No. 105461 : FSA registration number 202548)

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- vii. Notwithstanding and without prejudice to Rule 35 vi above, unless the Directors shall in their discretion otherwise determine, if any ship, whether or not entered in the Club, is employed by the Member in a carriage, trade or on a voyage which will thereby in any way howsoever expose the Club to the risk of being or becoming subject to any sanction, prohibition or adverse action in any form whatsoever by any State or International Organisation.

If Members are in any doubt as to what course of action they should take they should contact the Club immediately.

Yours faithfully,

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