



January 2017

## To the Members

Dear Sirs,

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, on, 16 February 2017 at 10.00 hours for the purpose of considering and, if thought fit, passing the following resolutions:

### ORDINARY RESOLUTION

**THAT** with effect from Noon G.M.T. on 20<sup>th</sup> February, 2017 the amendments to the Rules of Class 1 (Protection and Indemnity) and Class 2 (Freight, Demurrage and Defence) of the Association annexed hereto and marked 'A' for identification be adopted.

### EXPLANATION REGARDING RESOLUTION

#### Rules

The attached tables incorporate proposed changes to the Rules of the Protection and Indemnity Class (Class 1) and Freight, Demurrage and Defence (Class 2) for the forthcoming policy year. Explanatory notes in italics have been provided in the table, but in summary, the proposed changes are as follows:

#### Class 1

##### Rules 21 i and 25 ii – Maritime Labour Convention

An amendment to give effect to the agreement of the Boards of all Clubs in the International Group that Clubs should provide the necessary certification, including in respect of the wages element, pursuant to the updated MLC provisions which came into effect from 18 January 2017. Cover in respect of MLC liabilities is available when the Club has issued an MLC certificate, to the extent and subject to the terms of the MLC Extension Clause 2016, the text of which is also set out in the Rule. Amendments to Rule 21 reflect that War and Bio-Chem risks are ordinarily excluded under Club rules, whereas the Club will be liable for these where it has issued MLC Certificates, subject to the limitations set out in the MLC Extension Clause 2016.

L.293

#### **STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED**

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority

(Registered in England and Wales – Registration number 105461. PRA and FCA registration number 202548)

#### **MANAGERS: STEAMSHIP P&I MANAGEMENT LLP**

SPIM is an appointed representative of Steamship Insurance Management Services Limited which is authorised and regulated by the Financial Conduct Authority

(Registered in England and Wales – Registration Number OC376859. FCA registration number 597046)

AQUATICAL HOUSE 39 BELL LANE LONDON E1 7LU

Tel: +44 20 7247 5490 Website: [www.steamshipmutual.com](http://www.steamshipmutual.com)

Rule 25 vi Pollution

The periodic review of STOPIA / TOPIA, as prescribed in Clause VIII of the two agreements, has taken place during 2016, with certain amendments agreed, coming into effect from 20 February 2017. The amendment to Rule 25 vi f (v) in respect of TOPIA recognises the entry of a membership in accordance with the provisions of the revised TOPIA agreement, and any further revised agreements that may be agreed.

Rule 25 xxii Deductibles and Policy Limits

An amendment to the existing provision to clarify that policy deductibles form part of, and reduce the amount of recovery up to, policy limits.

Rule 36 Cessation of Insurance of Individual Vessels

An amendment to impose, in the event of a change of management of an entered vessel, an obligation upon the member to forthwith provide notice of such change, and which provides that insurance will cease only if the Club does not consent to the change of management within seven days of receipt of such notice.

Class 2

Rule 8 iii Deductibles and Policy Limits

An amendment consistent with the amendment proposed for Rule 25 xxii of the Class 1 Rules.

By Order of the Board

**S. A. Ward**  
Secretary

25 January 2017

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, United Kingdom, not less than 48 hours before the time specified for the holding of the Meeting.

Yours faithfully,

**STEAMSHIP MUTUAL UNDERWRITING  
ASSOCIATION LIMITED**

**STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED**

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority  
(Registered in England and Wales – Registration number 105461. PRA and FCA registration number 202548)

**MANAGERS: STEAMSHIP P&I MANAGEMENT LLP**

SPIM is an appointed representative of Steamship Insurance Management Services Limited which is authorised and regulated by the Financial Conduct Authority  
(Registered in England and Wales – Registration Number OC376859. FCA registration number 597046)  
AQUATICAL HOUSE 39 BELL LANE LONDON E1 7LU  
Tel: +44 20 7247 5490 Website: www.steamshipmutual.com

**FORM OF PROXY**

**Before completing this form, please read the explanatory notes below**

The undersigned, a Member of **STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED** (the "Company") hereby appoints Gary Rynsard\* or Stephen Ward\* 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 Aquatical House, 39 Bell Lane, London, E1 7LU, at 10.00 hours on 16 February 2017 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@simsi.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.

**STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED**

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority  
(Registered in England and Wales – Registration number 105461. PRA and FCA registration number 202548)

**MANAGERS: STEAMSHIP P&I MANAGEMENT LLP**

SPIM is an appointed representative of Steamship Insurance Management Services Limited which is authorised and regulated by the Financial Conduct Authority  
(Registered in England and Wales – Registration Number OC376859. FCA registration number 597046)  
AQUATICAL HOUSE 39 BELL LANE LONDON E1 7LU  
Tel: +44 20 7247 5490 Website: www.steamshipmutual.com

# A

## AMENDMENTS FOR 2017/18 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
21	War and Bio-Chem Risks	
i	Unless sub-paragraph ii of this Rule applies to the Member's entry, there shall be no recovery from the Club in respect of a Member's liabilities, costs or expenses (irrespective of whether a contributory cause of the same being incurred was any neglect on the part of the Member or on the part of the Member's servants or agents) when the incident in respect of which such liability arises, or such costs or expenses are incurred, was caused by:	
a	war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power or any act of terrorism;	
b	capture, seizure, arrest, restraint or detainment (barratry or piracy excepted) and the consequences thereof or any attempt thereat;	
c	mines, torpedoes, bombs, rockets, shells, explosives or other similar weapons of war, save for those liabilities, costs or expenses which arise solely by reason of:	
	(i) the transport of any such weapons whether on board the entered ship or not, or	
	(ii) the use of any such weapons either as a result of Government order or through compliance with a written direction given by the Managers or Directors where the reason for such use was the avoidance or mitigation of liabilities, costs or expenses which would otherwise fall within the cover of the Club.	
	<i>Provided always that:</i>	
(i)	Notwithstanding the exclusions of cover in Rules 20 and 21, the Club shall discharge and pay on behalf of the Owner liabilities, costs and expenses pursuant to a demand made under	
(a)	...	
(b)	...	
(c)	...	
(d)	...	

(e)	...	
(f)	<u>a Certificate issued by the Club in respect of liabilities for outstanding wages and repatriation expenses in accordance with Regulation 2.5.2, Standard A.2.5.2 and guideline B.2.5 and compensating a seafarer for death or long term disability in accordance with Regulation 4.2., standard A.4.2.1 and guideline B.4.2 of the Maritime Labour Convention 2006, as amended, ("MLC 2006"), or equivalent statutory provisions implementing MLC 2006, when cover has not been specifically extended under Rule 21 ii.</u>	<i>An amendment to reflect the fact that War and Bio-Chem risks are ordinarily excluded under Club rules, whereas the Club will be liable for these where it has issued MLC Certificates, subject to the limitations set out in the MLC Extension Clause 2016, which mirror those in Rule 21 iii.</i>
(ii)	Where any such guarantee, undertaking or certificate is provided by the Club on behalf of the Owner as guarantor or otherwise, the Owner agrees that:	
(a)	any payment by the Club under any guarantee, undertaking or certificate referred to in proviso (i) (a), (b), (c), (d), <del>and</del> (e) <b>and (f)</b> above in discharge of the said liabilities, costs and expenses shall, to the extent of any amount recovered under any other policy of insurance or extension to the cover provided by the Association, be by way of loan; and	
(b)	there shall be assigned to the Club, to the extent and on the terms that the Managers determine in their discretion to be practicable, all the rights of the Owner under any such other insurance and against any third party; and	
(c)	unless the Managers shall otherwise determine, the Owner shall indemnify the Club to the extent that any payment under any guarantee, undertaking or certificate referred to in proviso (i) (a), (b), (c), (d), <del>or</del> (e) <b>or (f)</b> above in discharge of the said liabilities, costs and expenses is or would have been recoverable under a standard P&I war risk policy of insurance, had the Owner complied with all the terms and conditions thereof, under which the vessel shall be deemed to be insured without deductible for its full value.	
25		
ii	Liabilities to Persons - Covered Risks	
	Repatriation Expenses	
c	(i) <b>Repatriation expenses</b> in respect of persons on board an entered ship in consequence of a casualty thereto or consequent on illness or injury to such	

	persons; or	
	(ii) if agreed by the Managers, on such terms as to payment of premium or otherwise as they may require, in respect of a Seaman, arising under Guideline B.2.5 of Regulation 2.5 of the Maritime Labour Convention 2006 or equivalent statutory provisions;	
	<i>Provided that:</i>	
	(a) notwithstanding the provisions of Rule 17 i, where a Member has failed to discharge a legal liability to pay repatriation expenses payable under any statutory enactment giving effect to the Maritime Labour Convention 2006 or equivalent statutory provisions, the Club shall discharge or pay such claim on the Member's behalf directly to such Seaman or dependant thereof; and	
	(b) where the Club is under no liability to the Member to pay claims, by reason of cesser of membership due to insolvency pursuant to Rule 35 i subparagraphs b, d or e, or the termination of cover pursuant to Rule 37 for non-payment of amounts due to the Club, the Club will nevertheless discharge or pay claims in accordance with this Rule 25 ii c (ii), but to the extent only that such liability has arisen from an event occurring prior to the date of such cesser or prior to notice of such termination, or upon the earlier of either (i) three months from the date of cesser of membership or termination in accordance with such notice, or (ii) the expiry of the Policy Period, and otherwise subject to and in accordance with the Rules and applicable terms of entry; and	
	(c) any payment made by the Club pursuant to this Rule 25 ii c (ii) is made as agent only of the Member and the Member shall be liable to reimburse the Club for the full amount of such payment;	
	(iii) or in any other case where the Managers in their discretion determine that such expenses have been necessarily and reasonably incurred;	
d	Crew Substitutes...	
e	Shipwreck Unemployment Indemnity...	
f	Compensation following a Casualty...	
g	Deviation Expenses...	
h	Loss of Baggage and Effects...	
i	Expenses in respect of Deserters and Stowaways...	
j	<b><u>Maritime Labour Convention liabilities</u></b>	
	<b><u>Where a certificate of financial responsibility has been issued by the Club in accordance with the</u></b>	<i>Cover in respect of MLC liabilities is available where</i>

<p><u>Maritime Labour Convention 2006 as amended ("MLC 2006"), or equivalent statutory provisions implementing MLC 2006 , in respect of:</u></p> <p><u>(i) Outstanding wages and repatriation expenses under Regulation 2.5, Standard A.2.5 and Guideline B.2.5 thereof, and/or</u></p> <p><u>(ii) Compensation of a seafarer for death or long-term disability under Regulation 4.2, Standard A.4.2 and Guideline B.4.2 thereof, _</u></p> <p><u>the terms of the MLC Extension Clause 2016, as set out below, shall apply.</u></p>	<p><i>the Club has issued an MLC certificate, and subject to the terms of the MLC Extension Clause 2016, the text of which will also be set out in the Rule Book as a note to Rule 25 ii j. The issuance of an MLC certificate will be evidenced by a clause endorsed on the relevant certificate of entry.</i></p>
<p><u>Note: Maritime Labour Convention Extension Clause 2016</u></p> <p><u>1. Subject only to the other provisions of this MLC Extension ("the Extension"), the Association shall discharge and pay on the Member's behalf under the 2006 Maritime Labour Convention as amended (MLC 2006) or domestic legislation by a State Party implementing MLC 2006:</u></p> <p><u>(a) Liabilities in respect of outstanding wages and repatriation of a Seafarer together with costs and expenses incidental thereto in accordance with Regulation 2.5.2, Standard A2.5.2 and Guideline B2.5; and</u></p> <p><u>(b) Liabilities in respect of compensating a Seafarer for death or long-term disability in accordance with Regulation 4.2, Standard A4.2.1 and Guideline B4.2.</u></p> <p><u>2. The Member shall reimburse the Association in full:</u></p> <p><u>(a) any claim paid under paragraph 1(a) save to the extent that such claim is in respect of liabilities, costs or expenses recoverable under Rule 25 ii (c); and</u></p> <p><u>(b) any claim paid under paragraph 1(b) save to the extent that such claim is in respect of liabilities, costs or expenses recoverable under Rule 25 ii (a).</u></p> <p><u>3. There shall be no payment under paragraph 1(a) or paragraph 1(b) if and to the extent that the liability, cost or expense is recoverable under any social security scheme or fund, separate insurance or any other similar arrangement.</u></p> <p><u>4. The Association shall not discharge or pay any liabilities, costs or expenses under paragraph</u></p>	

1(a) or paragraph 1(b), irrespective of whether a contributory cause of the same being incurred was any neglect on the part of the Member or the Member's servants or agents, where such liabilities, costs or expenses were directly or indirectly caused by or contributed to by or arise from:

(a) Any chemical, biological, bio-chemical or electromagnetic weapon

(b) The use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, computer virus or process or any other electronic system.

5.

(a) The Extension may be cancelled in respect of War Risks by the Association on 30 days' notice to the Member (such cancellation becoming effective on the expiry of 30 days from midnight of the day on which notice of cancellation is issued).

(b) Whether or not such notice of cancellation has been given the Extension hereunder shall terminate automatically in respect of the War Risks:

(i) Upon the outbreak of war (whether there be a declaration of war or not) between any of the following:

United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China;

(ii) In respect of any ship, in connection with which cover is granted hereunder, in the event of such ship being requisitioned either for title or use.

(c) The Extension excludes loss, damage, liability or expense arising from:

(i) The outbreak of war (whether there be a declaration of war or not) between any of the following: the UK, the USA, France, The Russian Federation, the People's Republic of China;

(ii) Requisition for title or use.

6. The Extension shall be subject to Rules 47 and 20.

7. Without prejudice to paragraph 5, cover under the Extension shall cease 30 days after notice of termination in accordance with either Regulation 2.5, Standard A2.5.2.11 or Regulation 4.2, Standard A4.2.1.12.

8. Any dispute arising out of or in connection with the Extension shall be resolved in accordance with Rule 48.

9. For the purpose of the Extension:

"Member" means any insured party who is liable



	<p><u>for the payment of calls, contributions, premium or other sums due under the terms of entry</u>  <u>"Seafarer" shall have the same meaning as in MLC 2006.</u>  <u>"War Risks" means the risks set out in Rule 21.</u></p>	
j k	Exclusion of Pollution Liabilities...	
iii	Categories of Persons	
	Those persons in the categories <b>a-e</b> below...	
	Crew	
a	Seamen, including any replacement or substitute:	
	Covered Risks – The following risks as set out in Rule <b>25 ii</b> are covered in respect of these persons:	
	a damages or compensation for loss of life or personal injury or illness	
	b medical or funeral expenses	
	c repatriation	
	d crew substitutes	
	e shipwreck unemployment indemnity	
	g deviation expenses	
	h loss of baggage and effects	
	<b><u>j Maritime Labour Convention liabilities</u></b>	
25		
vi	Pollution	
a		
b		
c		
d		
e		
f	Salvors' Expenses	
	Liability for special compensation and any increment awarded thereon payable to salvors and incurred by a Member under the terms of the Special Compensation P&I Club (SCOPIC) Clause or under the provisions of Article 14 of the International Convention on Salvage 1989 or assumed under the terms of a standard form of salvage contract approved by the Managers.	
	Provided always that:	
(i)	Unless otherwise agreed by the Managers in writing prior to the event giving rise to a claim, or unless the Directors shall in their discretion otherwise determine, there shall be no recovery under paragraphs a-f of this Rule 25 vi in respect of liabilities, costs or expenses that are recoverable under the Hull Policies of the Entered Ship, or would be recoverable under such Hull Policies but for the conduct of the Member.	

(ii)	Unless otherwise agreed by the Managers in writing prior to the event giving rise to a claim, or unless the Directors shall in their discretion otherwise determine, there shall be no recovery under paragraphs a–f of this Rule 25 vi in respect of liabilities, costs and expenses which would have been recoverable by the Member in general average if the relevant charterparty or other contract of carriage had incorporated the unamended York Antwerp Rules 1994.	
(iii)	Without prejudice to any other provision, exclusion, limitation or condition set out in these Rules, cover under this or any other Rule is subject to Rule 22 iii.	
(iv)	A Member insured in respect of a ship which is a “relevant ship” as defined in the Small Tanker Oil Pollution Indemnification Agreement, including any addendum to, or variation or replacement of such agreement (STOPIA) shall, unless the Managers otherwise agree in writing, be a party to STOPIA for the period of entry of the ship in the Club.	
	Unless the Managers have agreed in writing or unless the Directors in their discretion otherwise determine, there shall be no cover under this Rule 25 vi in respect of such a ship so long as the Member is not a party to STOPIA.	
(v)	A Member insured in respect of a ship which is eligible for entry in the Tanker Oil Pollution Indemnification Agreement, <b><u>including any addendum to, or variation or replacement of such agreement</u></b> (TOPIA) shall, unless the Managers otherwise agree in writing, be a party to TOPIA for the period of entry of that ship in the Club. Unless the Managers have agreed in writing or unless the Directors in their discretion otherwise determine, there shall be no cover under this Rule 25 vi in respect of such a ship so long as the Member is not a party to TOPIA.	<i>To reflect amendments to the TOPIA agreement.</i>
	<i>Note: See Rule 18 ii under which, inter alia, the extent of the Club’s liability for claims involving oil pollution is determined by the Directors.</i>	
	The limit with effect from 20 February 2017 <del>6</del> is US\$1,000,000,000 each vessel any one accident or occurrence.	
25		
xxii	Deductibles and Policy Limits	

	Unless otherwise agreed <b><u>by the Managers in writing:</u></b>	
a	any liabilities, costs and expenses recoverable under Rule 25 shall be <b><u>subject to such deductible(s) as may have been agreed between the Managers and the Member</u></b> <del>limited to the excess of stipulated deductibles; and</del>	<i>Notwithstanding that part b of Rule 25 xxii clarifies that policy limits apply from the ground-up and not on top of stipulated deductibles, it is advisable for the reference to "excess" in Rule 25 xxii a to be removed as it could imply that the policy limit is to be calculated "excess" (i.e. "on top of") the applicable deductible.</i>
b	<b><u>any amount recoverable by the Member hereunder up to the policy limit shall be reduced by the amount of such deductible(s).</u></b> <del>Any policy limits shall apply to the total amount of any claim, inclusive of deductibles.</del>	<i>An amendment to clarify that the policy limit is calculated inclusive of any applicable deductible.</i>
	Deductibles to be applied to particular claims will be on the basis agreed between the Managers and Members as part of the terms and conditions upon which the entry of the ship is either accepted or continued. In the absence of contrary notification from the Club, the deductibles applicable to any particular entry at the end of any policy year shall be deemed to continue to apply to that entry in the next policy year.	
36	Cessation of Insurance of Individual Vessels	
	A Member shall cease to be insured by the Club in respect of any ship entered by him upon the happening of any of the following events:	
i	If the ownership of such ship be legally transferred save where the beneficial ownership of the transferor and transferee is the same and 14 days prior notification of the transfer has been given to the Managers;	
ii	If the ship be mortgaged or otherwise hypothecated without any undertaking or guarantee approved by the Managers being given to pay all contributions due or that may become due in respect of the entered ship, unless the Managers exercise their discretion in any particular case to dispense with such an undertaking or guarantee;	
iii	If, without the Club's prior written consent: <b><u>the</u></b>	

	<u>Member parts with or transfers the entire control or possession of the ship by demise charter or otherwise;</u>	
a	<del>the Member parts with or transfers the entire control or possession of the ship by demise charter or otherwise; or</del>	
b	<del>the management of the ship is changed;</del>	<i>As currently drafted, cessation of insurance of an entered ship occurs automatically where there is a change of management. The primary reason for this is to ensure that Club cover does not continue where the change of management presents an enhanced risk to the Club. The effect of this provision, read in conjunction with proviso (iii) to Rule 35 to which it is subject, is that the Member's insurance ceases from the date of the relevant event, as does its liability to pay premium, and the member would be entitled to insure that ship elsewhere.</i>
iv	If a party holding a security interest in respect of the ship takes uncontested possession pursuant to the exercise of the same;	
v	If the ship becomes an actual or constructive total loss or is accepted or acknowledged by Hull Underwriters as being a constructive or compromised total loss or is considered or deemed by the Managers to be an actual or constructive or compromised total loss, whichever shall have been the earlier;	
vi	Ten days from the date of the ship being last heard of or from her being posted at Lloyd's as missing, whichever shall be the earlier.	
vii	<u>If the management of the ship is changed and unless within seven days of being given notice of such change of management which shall be given forthwith, the Managers consent in writing to such change.</u>	<i>An amendment to impose an obligation upon a Member to forthwith provide notice of a change of management, and to provide that insurance will cease only if the Club does</i>

		<i>not consent to the change of management within seven days of receipt of such notice.</i>
	<i>Provided that:</i>	
a	In the events specified in paragraphs i to iv <b><u>and vii</u></b> above of this Rule the Member's liability for contributions in respect of such ship and the Club's liability for claims in respect thereof under these Rules shall be as stipulated in the Proviso to Rule 35 and	
b	In relation to Rules 36 v and 36 vi, subject to the Managers' written agreement, and in their absolute discretion, the Member may continue to be covered by the Club in respect of liabilities arising out of any accidents or occurrences occurring after an event referred to in Rule 36 v or 36 vi above, for such period, and upon such terms and conditions, and upon payment of such premium as the Managers think fit.	

**AMENDMENTS FOR 2017/18 TO THE RULES OF CLASS 2 (FREIGHT, DEMURRAGE AND DEFENCE) 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
8		
iii	<p>Unless otherwise agreed by the Managers in writing:</p> <p>a. any costs and expenses recoverable under this Class 2 shall <b><u>be subject to such deductible as may have been agreed between the Managers and the Member; and</u></b></p> <p><b><u>b. any amount recoverable by the Member hereunder up to the policy limit shall be reduced by the amount of the applicable deductible.</u></b></p> <p><del>limited to the excess of stipulated deductibles, and any policy limits shall apply to the total amount of any claim, inclusive of deductibles.</del></p>	<i>Amendments to reflect those recommended in relation to Class 1 Rule 25 xxii.</i>