

## TO ALL OWNERS AND MEMBERS

24 November 2016

Dear Sirs

### **MARITIME LABOUR CONVENTION 2006 AS AMENDED (MLC) MLC CERTIFICATES – APPLICATION PROCEDURE**

Reference is made to the circular dated [12 October 2016](#) which provided owners/members with an update regarding steps which are being taken to enable owners/members to meet the financial security requirements entering into force on 18 January 2017.

As a reminder, 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 A4.2.1 and Guideline B4.2.

The purpose of this circular is to inform owners/members of the application procedure for obtaining MLC Certificates. MLC Certificates are provided by the club and there is no need to apply for state issued Certificates. However, some states may require shipowners on their register to supply copies of the MLC Certificates for their records.

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The Standard Club Asia Ltd

[www.standard-club.com](http://www.standard-club.com)

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To request MLC Certificates, owners/members are directed to the [club website](#) to download the application form. A copy of the application form is appended to this circular. The application form must be printed on company headed paper and signed by an authorised signatory. In order to assist owners/members, the club has prepared a schedule, in Excel format, which is to accompany the application form and in which owners/members should enter details of the ships which require MLC Certificates. The signed application form and completed schedule must be returned to owners'/members' broker or usual club contact.

Owners/members can select from three options of validity for the MLC Certificates:

Option A – valid for the period 18 January 2017 until noon GMT 20 February 2018:

This option should be used by owners/members who have renewed or intend to renew their entry for the relevant ships with the club for the 2017/2018 policy year.

Option B – valid for the period 18 January 2017 until noon GMT 20 February 2017:

This option should be used by owners/members who do not intend to renew their entry for the relevant ships with the club for the 2017/2018 policy year.

Option C – valid for the period 20 February 2017 until noon GMT 20 February 2018:

This option should be used by owners/members who intend to enter the relevant ships, as a new entry, with the club for the 2017/2018 policy year.

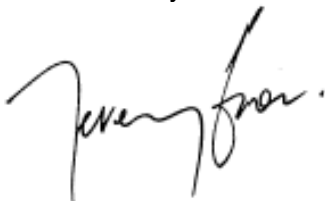
Owners/members are also requested to provide an estimate of the maximum number of seafarers serving on board each ship. Whilst this information is not compulsory, it will assist the club in assessing exposure.

Owners/members are reminded that once they have received their MLC Certificates, these must be printed by the owner/member and displayed in a conspicuous place on board the ship, where they are available to seafarers. This must be done no later than Wednesday 18 January 2017.

Additional documentation, including a copy of the MLC Extension Clause 2016, the International Group's MLC FAQs and details of states which are party to the MLC can be found on the dedicated MLC page of The Standard Club's website, [here](#).

If you have any questions, please refer to the FAQs on the club website or contact your broker or your usual club contact.

Yours faithfully



Jeremy Grose  
Chairman  
Charles Taylor Mutual Management (Asia) Pte Limited

## Annex

**Application for Certificates of Financial Security under Regulation 2.5.2 Standard A2.5.2 and Regulation 4.2, Standard A4.2.1 Paragraph 1 (b) of the Maritime Labour Convention 2006 (as amended) (“MLC Certificates”) pursuant to the Maritime Labour Convention Extension Clause 2016 (“MLC Extension Clause 2016”)**

**SHIP NAME(S) :** (See attached Schedule)

### Period of Validity of Certificates

Choose **one** of the following options:

#### OPTION A

We request you to issue Certificates for the period 18 January 2017 to noon GMT on 20 February 2018

#### OPTION B

We request you to issue Certificates for the period 18 January 2017 to noon GMT on 20 February 2017

#### OPTION C

We request you to issue Certificates for the period noon GMT on 20 February 2017 to noon GMT on 20 February 2018

*Explanation: Option A should be used by owners/members who have renewed or intend to renew their entry for the above ship(s) with the club for the 2017/2018 policy year.*

*Option B should be used by owners/members who do not intend to renew the entry with the club for the 2017/2018 policy year.*

*Option C should be used by owners/members who intend to enter the above ship(s) as a new entry with the club for the 2017/2018 policy year.*

### Undertakings

1. We hereby undertake and agree that in consideration of the club agreeing to issue the above Certificates at our request
  - (a) We and all Joint Entrants will be bound by the terms of the MLC Extension Clause 2016 which is deemed incorporated herein;<sup>1</sup>
  - (b) where any payment by the club under any such certificate is in respect of war risks, we will indemnify the club to the extent that such payment is recoverable under the member's P&I

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<sup>1</sup> A copy of the MLC Extension Clause 2016 is to be found on the club's website

war risks policy, or would have been recoverable if the owner/member had maintained and complied with the terms and conditions of a standard P&I war risks insurance policy,

- (c) to assign to the club all the rights of the owner/member under any social security scheme, or other insurance or national fund or other similar arrangement where such scheme, insurance, national fund or arrangement applies in respect of all or any liabilities arising under the MLC Certificates;
  - (d) 30 days from a notice to the flag state of the termination thereof we shall take all necessary steps to remove the Certificates and any copies thereof from the ship(s) and return them to the club.
2. If we request Certificates under Options A and/or C prior to entry in the club of the above ship(s) being concluded for the 2017/2018 policy year, we further undertake that, in consideration of the club providing upon our request the above Certificates for a period including the 2017/2018 policy year in order to ensure that such ships are able to trade without delay and without the risk of penalties or fines for failing to satisfy MLC certification requirements
- (a) it is our intention to enter the above ship(s) in the club or in another club in the International Group of P&I clubs for the 2017/2018 policy year; and
  - (b) if we do not effect such entry we will indemnify the club and hold it harmless in respect of any and all liabilities, losses, damages, risks, costs or expenses which it may suffer or incur under MLC or implementing domestic legislation as a direct or indirect consequence of issuing the Certificates.

The above undertakings shall be governed by and construed in accordance with English law and any claim, dispute, legal action or proceeding arising out of or in connection with this letter of undertaking shall be subject to the exclusive jurisdiction of the High Court of Justice in London.

Dated:

Signed by owner/member on behalf of the owner/member and all Joint Entrants

(if not signed by owner/member must be signed by authorised signatory of owner/member)

