



TO ALL MEMBERS

23 December 2008

Dear Sirs

## **ALTERATIONS TO THE RULES OF THE ASSOCIATION**

We refer to our circular dated 11 November 2008 advising you that the new rules for 2009/10 had been adopted at the Special General Meeting held on 10 October 2008, and indicating that there were likely to be some additional technical rule changes to reflect amendments to the International Group's Pooling Agreement.

In Appendix A to this letter you will find a Notice of a Special General Meeting of the Members of the P&I Class (Class 1) of the Association. This has been called to submit to Members alterations to the P&I Rules of the Association. You will find in Appendix B details of the proposed alterations together with explanatory notes.

In Appendix C you will find a Notice of a Special General Meeting of the Members of the Defence Class (Class 2) of the Association. This has been called to adopt alterations to the Defence Rules of the Association. You will find in Appendix D details of the proposed alterations.

A proxy form for each of the meetings is enclosed for those who are unable to attend. It is important that the proxy form should be completed correctly and your attention is drawn to the notes at the bottom of the proxy form. A proxy need not be a Member but you are reminded that, to be valid, the form, duly completed, must reach the Secretary of the Association at the Association's registered office at Burnaby Building, 16 Burnaby Street, Hamilton, Bermuda, not less than 12 hours before the time of the meeting. Completion and return of the proxy form will not prevent you from attending and voting in person if you so wish.

Yours faithfully

Alistair Groom  
Chief Executive  
Charles Taylor & Co Limited

Direct Line: +44 (0)20 7522 7422  
E-mail: [alistair.groom@ctcplc.com](mailto:alistair.groom@ctcplc.com)

**The Standard Steamship Owners' Protection and Indemnity Association (Bermuda) Limited**  
Incorporated in Bermuda No. 01837  
Authorised and regulated by the Financial Services Authority  
Website [www.standard-club.com](http://www.standard-club.com)

The Managers' London Agents: **Charles Taylor & Co. Limited**  
International House, 1 St. Katharine's Way, London E1W 1UT  
Telephone: +44 (0)20 7488 3494 Fax: +44 (0)20 7481 9545 E-mail: [p&i.london@ctcplc.com](mailto:p&i.london@ctcplc.com)  
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## APPENDIX A

### THE STANDARD STEAMSHIP OWNERS' PROTECTION AND INDEMNITY ASSOCIATION (BERMUDA) LIMITED

**NOTICE IS HEREBY GIVEN THAT** a Special General Meeting of the Members of the P & I Class (Class 1) of the above-named Association will be held at the Four Seasons Hotel, George V, 31 Avenue George V, 27008 Paris, France on Tuesday, 27 January 2009 at 9.00 am for the purpose of considering and, if thought fit, passing the following Resolution:

#### RESOLUTION

*THAT, with effect from noon GMT on 20 February 2009, the Rules of the Protection and Indemnity Class of the Association be further amended as set out in Appendix B to the letter to the Members of the Association dated 23 December 2008.*

Dated 23 December 2008

By Order of the Board

Charles Taylor & Co (Bermuda)  
Secretary

Registered Office:  
Burnaby Building  
16 Burnaby Street  
Hamilton  
Bermuda

#### Notes:

1. A Member of the Association or a Member of the P & I Class entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a Member.
2. Copies of the Rules of the P&I Class of the Association are available at the Registered Office of the Company during normal office hours and at the meeting.



## APPENDIX B

### P&I AND DEFENCE CLASS RULES AMENDMENTS TO THE NEW RULES ADOPTED ON 10 OCTOBER 2008

#### 1 Insurance (Extract 1)

This amendment reflects the change to the pay to be paid rule (see 4 below)

#### 2 Guarantees, undertakings and certificates (Extract 2)

This amendment brings the wording into line with the Pooling Agreement

#### 3 Paperless Trading (Extract 3)

This amendment brings the wording into line with the Pooling Agreement and confirms the availability of poolable cargo cover for liabilities arising from the use of approved electronic trading systems.

#### 4 Pay to be paid (Extract 4)

This amendment brings the wording into line with the Pooling Agreement and confirms that, for crew claims, both the pay to be paid condition and retrospective termination of cover for non-payment of calls should no longer apply.

#### 5 Definitions (Extract 5)

This amendment adds a new definition for a certificate of entry.

## EXTRACTS

### Extract 1: Insurance

Rule 1.6 – Add the following words to the end of the existing rule:

*“except to the extent provided in rule 6.16”*

### Extract 2: Guarantees, undertakings and certificates

Rule 4.5 – Replace current rules 4.4 and 4.5 with new rules 4.5, 4.6 and 4.7 as follows:

**4.5** *Notwithstanding the exclusions in rules 4.3 and 4.4, the club will discharge on behalf of the member liabilities arising under a demand made pursuant to the issue by the club on behalf of the member of:*

- (1) a guarantee or other undertaking to the Federal Maritime Commission under Section 2 of US Public Law 89-777; or*



- (2) *a certificate issued in compliance with Article VII of the International Conventions on Civil Liability for Oil*

*Pollution Damage 1969 and 1992 or any amendments thereof; or*

- (3) *an undertaking given to the International Oil Pollution Compensation Fund 1992 in connection with STOPIA;*

*or*

- (4) *a certificate issued in compliance with Article 7 of the International Convention on Civil Liability for Bunker Oil Pollution Damage 2001*

**4.6** *The member shall indemnify the club to the extent that any payment under any such guarantee, undertaking or certificate is or would have been recoverable in whole or in part under a standard P&I war risks policy had the member complied with the terms and conditions thereof.*

**4.7** *The member agrees that any payment by the club under any such guarantee, undertaking or certificate shall, to the extent of any amount recovered under any policy of insurance or additional cover provided by the club, be by way of loan and there shall be assigned to the club to the extent and on the terms the managers determine to be practicable, all the rights of the member under any other insurance and against any third party.*

### **Extract 3: Paperless Trading**

Rule 5.17 – Substitute the existing wording of rules 5.17 and 5.18 as follows:

**5.17** *Liabilities and losses arising from the use of any electronic trading system, other than an electronic trading system approved by the managers, to the extent that such liabilities and losses would not (save insofar as the managers otherwise determine) have arisen under a paper trading system.*

*For the purpose of this rule:*

- (1) *an electronic trading system is any system which replaces or is intended to replace paper documents used for the sale of goods*



*and/or their carriage by sea or partly by sea and other means of transport and which:*

- (a) are documents of title; or*
  - (b) entitle the holder to delivery or possession of the goods referred to in such documents; or*
  - (c) evidence a contract of carriage under which the rights and obligations of either of the contracting parties may be transferred to a third party.*
- (2) a 'document' shall mean anything in which information of any description is recorded including, but not limited to, computer or other electronically-generated information.*

#### **Extract 4: Pay to be Paid**

Rule 6.16 – Insert new rule 6.16 as follows:

- 6.16.1** *Notwithstanding rule 6.15, where a member has failed to discharge a legal liability to pay damages or compensation for crew injury, illness or death, the club shall discharge or pay such claim on the member's behalf directly to such crewmember or dependent thereof.*
- 6.16.2** *There shall be no recovery unless the crewmember or dependent has no enforceable right of recovery against any other party and would otherwise be uncompensated.*
- 6.16.3** *Subject to rule 6.16.4 below, the amount payable by the club shall under no circumstances exceed the amount which the member would have been able to recover from the club under the rules and his terms of entry.*
- 6.16.4** *Where the club is under no liability to the member by virtue of rule 17.3, the club shall nevertheless discharge or pay that claim to the extent only that it arises from an event occurring prior to the date of cancellation, but as agent only of the member, and the member shall be liable to reimburse the club for the full amount of such claim.*

#### **Extract 5: Definitions**

Rule 26 – Add new definition as follows:

*Certificate of entry: a document issued pursuant to rule 12.1, including any endorsement thereto.*



## APPENDIX C

### THE STANDARD STEAMSHIP OWNERS' PROTECTION AND INDEMNITY ASSOCIATION (BERMUDA) LIMITED

**NOTICE IS HEREBY GIVEN THAT** a Special General Meeting of the Members of the Defence Class (Class 2) of the above-named Association will be held at the Four Seasons Hotel, George V, 31 Avenue George V, 27008 Paris, France on Tuesday, 27 January 2009 at 9.05 am for the purpose of considering and, if thought fit, passing the following Resolution:

#### RESOLUTION

*THAT, with effect from noon GMT on 20 February 2009, the Rules of the Defence Class of the Association be further amended as set out in Appendix D to the letter to the Members of the Association dated 23 December 2008.*

Dated 23 December 2008

By Order of the Board

Charles Taylor & Co (Bermuda)  
Secretary

Registered Office:  
Burnaby Building  
16 Burnaby Street  
Hamilton  
Bermuda

#### Notes:

1. A Member of the Association or a Member of the Defence Class entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a Member.
2. Copies of the Rules of the Defence Class of the Association are available at the Registered Office of the Company during normal office hours and at the meeting.



**APPENDIX D**  
**DEFENCE CLASS RULES**  
**AMENDMENTS TO THE NEW RULES ADOPTED ON 10 OCTOBER 2008**

With the exception of item 3 in relation to Paperless Trading, the amendments to the P&I Class rules set out in Appendix B also apply to the Defence Class rules.



**THE STANDARD STEAMSHIP OWNERS' PROTECTION AND INDEMNITY  
ASSOCIATION (BERMUDA) LIMITED**

**Form of Proxy**

The undersigned, a Member of The Standard Steamship Owners' Protection and Indemnity Association (Bermuda) Limited, hereby appoints the Chairman of the meeting or \_\_\_\_\_ to be the undersigned's proxy in the order named to vote on behalf of the undersigned at the Special General Meeting of the Members of the said Company to be held on 27 January 2009, and every adjournment thereof.

FOR	AGAINST	
		The Resolution to amend the Protection and Indemnity Class Rules of the Association.

AS WITNESS the hand of the undersigned this \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_

FOR (NAME OF MEMBER IN CAPITALS) \_\_\_\_\_

By \_\_\_\_\_

(Office) \_\_\_\_\_

**Notes:-**

- (1) If you wish any person other than the Chairman to act as your proxy, please insert the name of your proxy in the space provided. If no name is inserted you will be deemed to have appointed the Chairman of the Meeting. A proxy need not be a Member.
- (2) Please indicate with an X in the appropriate space how you wish your vote to be cast in respect of the Resolution. On receipt of this form duly signed but without any specific direction how you wish your vote to be cast, the proxy will vote in favour of the Resolution.
- (3) In the case of a Corporation this form should either be under its seal or be signed by an authorised officer of the Corporation, who should state in the line below his office (eg, Company Secretary, Director).
- (4) To be valid at the Special General Meeting referred to, this form must be completed, signed and deposited with the Secretary of the Association, Burnaby Building, 16 Burnaby Street, Hamilton, Bermuda not less than 12 hours before the time of the meeting. Completion and return of this form will not prevent you from attending and voting in person if you so wish.



**THE STANDARD STEAMSHIP OWNERS' PROTECTION AND INDEMNITY  
ASSOCIATION (BERMUDA) LIMITED**

**Form of Proxy**

The undersigned, a Member of The Standard Steamship Owners' Protection and Indemnity Association (Bermuda) Limited, hereby appoints the Chairman of the meeting or \_\_\_\_\_ to be the undersigned's proxy in the order named to vote on behalf of the undersigned at the Special General Meeting of the Members of the said Company to be held on 27 January 2009, and every adjournment thereof.

FOR	AGAINST	
		The Resolution to amend the Defence Class Rules of the Association.

AS WITNESS the hand of the undersigned this \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_

FOR (NAME OF MEMBER IN CAPITALS) \_\_\_\_\_

By \_\_\_\_\_

(Office) \_\_\_\_\_

Notes:-

- (1) If you wish any person other than the Chairman to act as your proxy, please insert the name of your proxy in the space provided. If no name is inserted you will be deemed to have appointed the Chairman of the Meeting. A proxy need not be a Member.
- (2) Please indicate with an X in the appropriate space how you wish your vote to be cast in respect of the Resolution. On receipt of this form duly signed but without any specific direction how you wish your vote to be cast, the proxy will vote in favour of the Resolution.
- (3) In the case of a Corporation this form should either be under its seal or be signed by an authorised officer of the Corporation, who should state in the line below his office (eg, Company Secretary, Director).
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