

CIRCULAR

Setting the standard for
service and security

TO ALL OWNERS AND MEMBERS

13 November 2013

Dear Sirs

RULE AMENDMENTS

Rule amendments

The attachments to this letter set out proposed amendments to the club's P&I, Offshore and Defence rules, explanations for the proposed changes, and details of the necessary meetings of owners/members to effect these proposed amendments. The relevant meeting notices are referred to below.

Meeting notices

In Appendix A to this letter you will find a notice of an Extraordinary General Meeting of the owners/members of the P&I Class (Class 1) of the Association. This has been called to consider resolutions for amendments to the P&I Rules and the Offshore P&I Rules. You will find in Appendices B and C details of the proposed rule amendments together with explanatory notes.

In Appendix D you will find a notice of an Extraordinary General Meeting of the owners/members of the Defence Class (Class 2) of the Association. This has been called to consider resolutions for amendments to the Defence Rules. You will find in Appendix E details of the proposed rule amendments.

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The Standard Club Asia Ltd

www.standard-club.com

Incorporated in Singapore No. 199703224R. Authorised and regulated by the Monetary Authority of Singapore

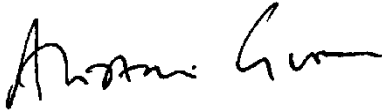
Managers: Charles Taylor Mutual Management (Asia) Pte. Limited

Registered Office: 140 Cecil Street, #15-00 PIL Building, Singapore 069540. Registered in Singapore No. 199703244C

Telephone: +65 6506 2896 E-mail: pandi.singapore@ctplc.com

Proxy forms for the meetings are enclosed for those who are unable to attend. It is important that the proxy forms should be completed correctly and your attention is drawn to the notes at the bottom of the proxy forms. A proxy need not be an owner/member but you are reminded that, to be valid, the forms, duly completed, must reach the club's secretary at the club's registered office at 140 Cecil Street, #15-00, PIL Building, Singapore 069540, not less than 12 hours before the time of the meetings. Completion and return of the proxy forms will not prevent you from attending and voting in person if you so wish.

Yours faithfully



Alistair Groom
Chairman
Charles Taylor Mutual Management (Asia) Pte Limited

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APPENDIX A

THE STANDARD CLUB ASIA LTD ('the company')

Company Registration No : 199703224-R

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of the owners/members of the company and the owners of the P&I Class will be held on 21 January 2014 at 12.20 pm ('the meeting') at Le Meurice Hotel, 228 Rue de Rivoli, 75001 Paris, France to transact the following business:

RESOLUTIONS

1. THAT with effect from noon GMT on 20 February 2014, the Rules of the Protection and Indemnity Class of the company be amended as set out in Appendix B to the letter to the owners/members of the company dated 13 November 2013.
2. THAT with effect from noon GMT on 20 February 2014, the Offshore P&I Rules of the Protection and Indemnity Class of the company be amended as set out in Appendix C to the letter to the owners/members of the company dated 13 November 2013.

Dated 13 November 2013

By order of the Board

D J Roberts
Secretary

Registered Office:
140 Cecil Street
#15-00, PIL Building
Singapore 069540

Notes:

1. A member of the company or an owner 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 an owner/member.
2. An instrument appointing a proxy must be left at the registered office, or scanned and e-mailed to pandi.singapore@ctplc.com, not less than 12 hours before the time appointed for holding the Meeting.
3. Copies of the Rules of the P&I Class of the company are available at the company's registered office during normal office hours and at the meeting.

**APPENDIX B
P&I CLASS RULES
AMENDMENTS TO THE RULES**

1. Repatriation

This amendment clarifies that cover for repatriation liabilities incurred under Guideline B2.5 of Regulation 2.5 of MLC 2006 responds in respect of both crew and other persons that fall within the definition of 'seafarer' under MLC 2006.

Rule 3.1.2.2 – Amend the rule to read as follows:

“Liabilities in respect of repatriation under Guideline B2.5 of Regulation 2.5 of the 2006 Maritime Labour Convention (MLC 2006) or domestic legislation by a state party implementing MLC 2006.”

Place Exclusion to rule 3.1.2.1 directly beneath rule 3.1.2.1

Rule 6.16.5 – Amend the rule to read as follows:

“The member agrees that, save to the extent that any such sum would have been recoverable by the member under rule 3.1.2.1 or any other paragraph of rule 3, any payment by the club under rule 3.1.2.2 shall be by way of loan and he shall both indemnify the club in respect of such payment and assign 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 insured or third party.”

2. Damage to other ships (other than by collision)

This amendment brings the wording of the rule into line with the wording contained in other rules relating to property damage and clarifies that cover extends to liability for salvage of the other ship and cargo or other property therein.

Rule 3.7 – Amend the rule to read as follows:

“Liabilities for loss of or damage to, delay to, interference with rights in relation to, or liability for salvage or wreck removal costs incurred in respect of, any other ship or any cargo or other property therein caused other than by collision with the ship.”

3. Wreck liabilities

This change clarifies that cover for wreck liabilities will only respond if the ship has become a wreck as a result of a casualty.

Rule 3.11 - Insert new exclusion (5) as follows:

“(5) There shall be no recovery in respect of liabilities for or incidental to the raising, removal, destruction, lighting or marking of the wreck of the ship unless the ship became a wreck as a result of a casualty. For the purpose of this rule ‘casualty’ means collision, stranding, explosion, fire or similar fortuitous event, but excludes any wreck caused by dereliction or neglect.”

Rule 3.11.3 – delete “or event”.

4. Sue and labour

This amendment clarifies that legal, survey, expert and correspondent fees that are incurred as a sue and labour expense are subject to the deductible which would have been applicable had the liability or expenditure against which the member is insured been incurred.

Rule 3.20 – Replace the existing wording with:

“Extraordinary costs and expenses, including legal, survey, expert and correspondent fees, reasonably incurred on or after the occurrence of any event liable to give rise to a claim upon the club and incurred solely for the purpose of avoiding or minimising any liability against which the member is insured by the club, but only to the extent that those costs and expenses have been incurred with the prior agreement of the managers, or to the extent that the board determines.”

Exclusion to rule 3.20

Unless the managers or the board otherwise decide, there shall be deducted from such costs and expenses the deductible which would have been applicable had the liability or expenditure against which the member is insured by the club been incurred.”

5. Detention

This amendment clarifies that P&I liabilities generally (not just cargo liabilities) that arise out of the arrest or detention of or delay to the ship pursuant to a claim that is not covered under the rules are excluded.

Rule 5.5 – renumber rule 5.5 as rule 5.5.1 and insert new rule 5.5.2 as follows:

“Liabilities arising out of arrest or detention of or delay to the ship pursuant to a claim against the member liability for which is not covered under the rules.”

Delete Exclusion 11 to Rule 3.13

6. Payment

This amendment clarifies when payments made via a member’s broker of sums due to the club or the member are considered to be paid.

Rule 20.1 – renumber rule 20.1 as rule 20.1.1

Insert new rule 20.1.2 as follows:

“Where a member has appointed a broker, the broker is the agent of the member. Payments of premium and other sums due to the club shall not be considered received by the club until actually received by it, and payment by the member to his broker or other intermediary shall not constitute payment to the club.”

Insert new rule 20.1.3 as follows:

“Where the member has appointed a broker, payment by the club to the broker of sums due to the member shall constitute payment to the member. Any such payment shall fully discharge the club’s liability to the member in respect of such sums.”

7. Bio-chemical risks inclusion clause

This change clarifies that the Bio-chemical risks inclusion clause is not available for chartered entries.

Paragraph 1.1 – Replace the first sentence with the following:

“The liability of the member, not being a charterer:”

APPENDIX C

STANDARD OFFSHORE RULES AMENDMENTS TO THE RULES

1. Repatriation

This amendment clarifies that cover for repatriation liabilities incurred under Guideline B2.5 of Regulation 2.5 of MLC 2006 responds in respect of both crew and other persons that fall within the definition of ‘seafarer’ under MLC 2006.

Rule 3.1.2.2 – Amend the rule to read as follows:

“Liabilities in respect of repatriation under Guideline B2.5 of Regulation 2.5 of the 2006 Maritime Labour Convention (MLC 2006) or domestic legislation by a state party implementing MLC 2006.”

Place Exclusion to rule 3.1.2.1 directly beneath rule 3.1.2.1

Rule 6.11.5 – Amend the rule to read as follows:

“The member agrees that, save to the extent that any such sum would have been recoverable by the member under rule 3.1.2.1 or any other paragraph of rule 3, any payment by the club under rule 3.1.2.2 shall be by way of loan and he shall both indemnify the club in respect of such payment and assign 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 insured or third party.”

2. Damage to other ships (other than by collision)

This amendment brings the wording of the rule into line with the wording contained in other rules relating to property damage and clarifies that cover extends to liability for salvage of the other ship and cargo or other property therein.

Rule 3.5 – Amend the rule to read as follows:

“Liabilities for loss of or damage to, delay to, interference with rights in relation to, or liability for salvage or wreck removal costs incurred in respect of, a ship or any cargo or other property therein caused other than by collision with the unit.”

3. Wreck liabilities

This change clarifies that cover for wreck liabilities will only respond if the unit has become a wreck as a result of a casualty.

Rule 3.8 - Insert new exclusion (8) as follows:

“(8) There shall be no recovery in respect of liabilities for or incidental to the raising,

removal, destruction, lighting or marking of the wreck of the unit unless the unit became a wreck as a result of a casualty. For the purpose of this rule 'casualty' means collision, stranding, explosion, fire or similar fortuitous event, but excludes any wreck caused by dereliction or neglect."

Rule 3.8.4 – delete "or event".

4. Sue and labour

This amendment clarifies that legal, survey, expert and correspondent fees that are incurred as a sue and labour expense are subject to the deductible which would have been applicable had the liability or expenditure against which the member is insured been incurred.

Rule 3.11 – Replace the existing wording with:

"Extraordinary costs and expenses, including legal, survey, expert and correspondent fees, reasonably incurred on or after the occurrence of any event liable to give rise to a claim upon the club and incurred solely for the purpose of avoiding or minimising any liability against which the member is insured by the club, but only to the extent that those costs and expenses have been incurred with the prior agreement of the managers, or to the extent that the board determines.

Exclusion to rule 3.11

Unless the managers or the board otherwise decide, there shall be deducted from such costs and expenses the deductible which would have been applicable had the liability or expenditure against which the member is insured by the club been incurred."

5. Detention

This amendment clarifies that P&I liabilities that arise out of the arrest or detention of or delay to the unit pursuant to a claim that is not covered under the rules are excluded.

Rule 5.5 – renumber rule 5.5 as rule 5.5.1 and insert new rule 5.5.2 as follows:

"Liabilities arising out of arrest or detention of or delay to the unit pursuant to a claim against the member liability for which is not covered under the rules."

6. Fines and pollution

This amendment clarifies that all fines, including pollution fines, are now discretionary and are subject to a combined single limit of US\$50 million any one event.

Rule 3.6.5 – Replace the rule as follows:

"Fines imposed on the member or upon any other person whom he reasonably reimburses or is legally liable to indemnify in respect of the accidental discharge or escape of any substance arising from risks covered under rules 3.6.1, 3.6.3 and 3.6.4, but:

(1) only to the extent that the member has satisfied the board that he took all such steps as appear to the board to be reasonable to avoid the event giving rise to the fine; and

(2) any amounts claimed in respect of such fine are recoverable only to the extent that the board may determine.”

Rule 6.3 – renumber paragraphs (2) and (3) and insert new paragraph (2) as follows:

“(2) US\$50 million combined single limit any one event for all claims under rules 3.6.5 and 3.9;”

7. Payment

This amendment clarifies when payments made via a member’s broker of sums due to the club or the member are considered to be paid.

Rule 19.1 - renumber rule 19.1 as rule 19.1.1

Insert new rule 19.1.2 as follows:

“Where a member has appointed a broker, the broker is the agent of the member. Payments of premium and other sums due to the club shall not be considered received by the club until actually received by it, and payment by the member to his broker or other intermediary shall not constitute payment to the club.”

Insert new rule 19.1.3 as follows:

“Where the member has appointed a broker, payment by the club to the broker of sums due to the member shall constitute payment to the member. Any such payment shall fully discharge the club’s liability to the member in respect of such sums.”

8. Offshore Bio-chemical risks inclusion clause

This change clarifies that the Offshore Bio-chemical risks inclusion clause is not available for chartered entries.

Paragraph 1.1 – Replace the first sentence with the following:

“The liability of the member, not being a charterer:”

APPENDIX D**THE STANDARD CLUB ASIA LTD ('the company')**Company Registration No: 199703224-R

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of the owners/members of the company and the owners of the Defence Class will be held on 21 January 2014 at 12.25 pm ('the meeting') at Le Meurice Hotel, 228 Rue de Rivoli, 75001 Paris, France for the purpose of considering and, if thought fit, passing the following Resolution:

RESOLUTION

THAT, with effect from noon GMT on 20 February 2014, the Rules of the Defence Class of the company be amended as set out in Appendix E to the letter to the owners/members of the company dated 13 November 2013.

Dated 13 November 2013

By order of the Board

D J Roberts
Secretary

Registered Office:
140 Cecil Street
#15-00, PIL Building
Singapore 069540

Notes:

1. A member of the company or an owner 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 an owner/member.
2. An instrument appointing a proxy must be left at the registered office, or scanned and e-mailed to pandi.singapore@ctplc.com, not less than 12 hours before the time appointed for holding the Meeting.
3. Copies of the Rules of the Defence Class of the company are available at the company's registered office during normal office hours and at the meeting.

APPENDIX E**DEFENCE CLASS RULES
AMENDMENTS TO THE RULES****1. Limits**

This new clause makes Defence cover subject to a limit of US\$5 million any one claim, dispute or proceeding.

Section B - Amend the heading to read as follows:

“Section B: Scope of Cover, Recovery and Limits”

Insert new Rule 2.7 as follows:

“Unless and to the extent that the board otherwise determines, the costs for which the member is insured shall be limited to US\$5 million any one claim, dispute or proceeding.”

THE STANDARD CLUB ASIA LTD

EXTRAORDINARY GENERAL MEETING OF THE P&I CLASS
21 January 2014 at 12.20 pm ('the meeting')

Form of Proxy

The undersigned, a member of The Standard Club Asia Ltd or owners of the P&I Class of the said company, 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 extraordinary general meeting of the owners/members of the said company to be held at Le Meurice Hotel, 228 Rue de Rivoli, 75001 Paris, France on 21 January 2014, and every adjournment thereof.

FOR	AGAINST	RESOLUTIONS
		THAT with effect from noon GMT on 20 February 2014, the Rules of the Protection and Indemnity Class of the company be amended as set out in Appendix B to the letter to the owners/members of the company dated 13 November 2013.
		THAT with effect from noon GMT on 20 February 2014, the Offshore P&I Rules of the Protection and Indemnity Class of the company be amended as set out in Appendix C to the letter to the owners/members of the company dated 13 November 2013.

AS WITNESS the hand of the undersigned this _____ day of _____ 201_

FOR (NAME OF OWNER/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 an owner/member.
2. Please indicate with an X in the appropriate space how you wish your vote to be cast in respect of the Resolutions. 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 Resolutions.
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 (e.g., company secretary, director).
4. To be valid at the extraordinary general meeting referred to, this form must be completed, signed and deposited with the secretary of the company, 140 Cecil Street, #15-00, PIL Building, Singapore 069540, or scanned and e-mailed to pandi.singapore@ctplc.com, 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 CLUB ASIA LTD

EXTRAORDINARY GENERAL MEETING OF THE DEFENCE CLASS
21 January 2014 at 12.25 pm ('the meeting')

Form of Proxy

The undersigned, a member of The Standard Club Asia Ltd, or owners of the Defence Class of the said company, 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 extraordinary general meeting of the owners/members of the said company to be held at Le Meurice Hotel, 228 Rue de Rivoli, 75001 Paris, France on 21 January 2014, and every adjournment thereof.

FOR	AGAINST	RESOLUTION
		THAT with effect from noon GMT on 20 February 2014, the Rules of the Defence Class of the company be amended as set out in Appendix E to the letter to the owners/members of the company dated 13 November 2013.

AS WITNESS the hand of the undersigned this _____ day of _____ 201_

FOR (NAME OF OWNER/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 an owner/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 extraordinary general meeting referred to, this form must be completed, signed and deposited with the secretary of the company, 140 Cecil Street, #15-00, PIL Building, Singapore 069540, or scanned and e-mailed to pandi.singapore@ctplc.com, 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.