



TO ALL OWNERS AND MEMBERS

21 December 2018

Dear Sirs

RULE AMENDMENTS

Rule amendments

The attachments to this letter set out proposed amendments to the club's P&I and Offshore 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 company. 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.

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

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

Direct Line: +44 20 3320 8835
E-mail: jeremy.grose@ctplc.com



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 at Waldorf Astoria, The Palm Jumeriah, Crescent East, Dubai on 29 January 2019 at 8.40am to transact the following business:

RESOLUTIONS

1. THAT with effect from noon GMT on 20 February 2019, 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 21 December 2018.
2. THAT with effect from noon GMT on 20 February 2019, 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 21 December 2018.

Dated 21 December 2018

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 and the Offshore P&I 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) P&I class rules

1. Passenger excursions

This amendment clarifies that passenger liabilities that arise under a separate contract for an excursion are excluded but that liabilities in respect of such an excursion that arise under the passenger ticket continue to be covered.

Rule 3.2, Exclusion (2) - delete "*Contractual*"

after "*arising*" insert "*under a contract*"

Subparagraph 2(a) - delete "*a separate contract*" and replace with "*that contract*"

after "*has been*" insert "*separately*"

2. Specialist operations

This change replaces the non-exhaustive list of excluded specialist operations with a defined list and introduces a mechanism to determine whether or not other non-listed operations are specialist operations, providing greater clarity and certainty.

Rule 5.11 – delete "*specialist operations including but not limited to*"

delete "*stimulation*" and replace with "*intervention*"

after "*depositing of spoil*" insert "*,power generation, and such other operations as the parties to the Pooling Agreement may agree,*"

delete "*professional oil spill response or professional oil spill response training and tank cleaning (other than on the ship), but excluding firefighting,*"

3. Non-marine personnel

This change moves the exclusion in respect of accommodation ships that are integral to oil and gas drilling and production operations from the drilling and production exclusion to the non-marine personnel exclusion, providing greater clarity on the scope of cover for such ships.



Rule 5.12.2 - delete *“including any accommodation ship moored or positioned on site as an integral part of any such operations,”*

Rule 5.15 (1) - amend the rule to read as follows:

“personnel (other than marine crew) on board the ship (being an accommodation ship) employed other than by the member unless:

- a such ship is moored or anchored more than 500 metres from any oil or gas production or exploration facility; and*
- b there has been a contractual allocation of risks between the member and the employer of the personnel approved by the managers;”*

4. Managers’ recommendations

This amendment clarifies that, if recommendations made by the managers or a surveyor following a ship risk review or a review of the member’s operations are not carried out to the satisfaction of the managers within a specified period, cover is discretionary until such time as the recommendations are so carried out.

Rule 15.7 – Amend the rule to read as follows:

“Any recommendations made by the managers or a surveyor following any ship risk review or review of the member’s operations must be carried out within a period specified by, and to the satisfaction of, the managers. If such recommendations are not carried out to the satisfaction of the managers within such period, no claim for recovery as a result of any incident arising after the expiry of such period will be allowed until such time as the recommendations have been carried out to the satisfaction of the managers, unless the board otherwise determines.”

5. Affiliated or associated charterers

This change clarifies that if a common parent company does not own 100% of a member or joint entrant and a charterer but exercises effective control over them the charterer can be treated as an affiliated or associated charterer.

Rule 26, definition of ‘affiliated or associated charterer’ -

After *“where”* insert *“(1)”*

Delete *“are under common ownership or the member or a joint entrant or the charterer”* and replace with *“have the same parent or (2) one of the member, joint entrant or the charterer respectively is the parent of the others. For the purposes of this definition, a ‘parent’ is a company which”*

Delete *“respectively either”*



6. Overspill

This change replaces the flat rate of SDR 167,000 for ships not exceeding 500 tons with a rate of SDR 334 for each ton up to 500 tons when calculating the ‘convention limit’ for the purposes of overspill calls so that ships that are less than 500 tons do not contribute disproportionately to overspill claims.

Rule 26, definition of ‘convention limit’ –

After “Article 6 paragraph 1(b)” insert “(but applying 334 SDRs to each ton up to 500 tons)”

7. Wing-in-ground craft

This amendment expressly excludes wing-in-ground craft from the types of ships in respect of which cover can be provided.

Rule 26, definition of ‘ship’ –

After “fixed platform” delete “or”

After “a fixed rig” insert “and a wing-in-ground craft”

8. Contractual and Offshore Extension Clauses

This amendment excludes liabilities that are incurred solely as a consequence of a contractual term which extends or varies a member’s liability by reference to the availability and/or extent of the member’s insurance, unless the managers otherwise determine.

Insert new paragraph 2(3) into the contractual extension clause and new paragraph 5(3) into the offshore extension clause as follows:

“or losses accepted, assumed or incurred by the member:

- (i) as a consequence of the terms of any contract or indemnity that extend the member’s liability up to any amounts that are recoverable under any insurance; or*
- (ii) under any risk allocation, exclusion, limitation, indemnity or hold harmless clause that seeks to vary the member’s liability by reference to the availability and/or extent of the member’s insurance;*

unless and to the extent that the managers, acting in their sole discretion, shall determine.”



9. Charterers' Liability for Damage to Hull Clause

This change widens cover to expressly include extraordinary costs and expenses incurred as a result of removing off-specification bunkers from the chartered ship even where there is no damage or imminent threat of damage to the ship.

Paragraph 2 – after “*in respect of*” insert colon and place the balance of the paragraph against new subparagraph 2.2.

Insert new subparagraph 2.1 as follows:

- “2.1 *extraordinary costs and expenses reasonably and necessarily incurred by the member in order to remove from the ship off-specification bunkers and/or lubricating oil, even in circumstances where there has been no physical damage to the ship, including costs and expenses reasonably and necessarily incurred in:*
- a) *replacing such off-specification bunkers so removed with new and sound bunkers (but excluding the cost of the new and sound bunkers);*
 - b) *the lawful disposal of such off-specification bunkers or lubricating oil;*
 - c) *cleaning any part of the ship as a result of such off-specification bunkers or lubricating oil.”*



APPENDIX C

STANDARD OFFSHORE RULES

AMENDMENTS TO THE RULES

1. Excluded losses

This amendment excludes liabilities that are incurred solely as a consequence of a contractual term which extends or varies a member's liability by reference to the availability and/or extent of the member's insurance, unless the managers otherwise determine.

Change rule 5.13 to new rule number 5.14.

Insert new rule 5.13 as follows:

“Any liabilities or losses accepted, assumed or incurred by the member:

- (i) as a consequence of the terms of any contract or indemnity that extend the member's liability up to any amounts that are recoverable under any insurance; or*
- (ii) under any risk allocation, exclusion, limitation, indemnity or hold harmless clause that seeks to vary the member's liability by reference to the availability and/or extent of the member's insurance;*

unless and to the extent that the managers, acting in their sole discretion, shall determine.”

2. Managers' recommendations

This amendment clarifies that, if recommendations made by the managers or a surveyor following a unit risk review or a review of the member's operations are not carried out to the satisfaction of the managers within a specified period, cover is discretionary until such time as the recommendations are so carried out.

Rule 15.7 – Amend the rule to read as follows:

“Any recommendations made by the managers or a surveyor following any unit risk review or review of the member's operations must be carried out within a period specified by, and to the satisfaction of, the managers. If such recommendations are not carried out to the satisfaction of the managers within such period, no claim for recovery as a result of any incident arising after the expiry of such period will be allowed until such time as the recommendations have been carried out to the satisfaction of the managers, unless the board otherwise determines.”



3. **Affiliated or associated charterers**

This change clarifies that if a common parent company does not own 100% of a member or joint entrant and a charterer but exercises effective control over them the charterer can be treated as an affiliated or associated charterer.

Rule 23, definition of 'affiliated or associated charterer' -

After "*where*" insert "(1)"

Delete "*are under common ownership or the member or a joint entrant or the charterer*" and replace with "*have the same parent or (2) one of the member, joint entrant or the charterer respectively is the parent of the others. For the purposes of this definition, a 'parent' is a company which*"

Delete "*respectively either*"



THE STANDARD CLUB ASIA LTD

EXTRAORDINARY GENERAL MEETING OF THE P&I CLASS 29 January 2019 at 8.40am ('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 Waldorf Astoria, The Palm Jumeriah, Crescent East, Dubai on 29 January 2019 at 8.40am, and every adjournment thereof.

FOR	AGAINST	RESOLUTIONS
		THAT with effect from noon GMT on 20 February 2019, 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 21 December 2018.
		THAT with effect from noon GMT on 20 February 2019, 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 21 December 2018.

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.