

12 December 2018

**To all Members of Class 3
Protection and Indemnity**

NOTICE IS HEREBY GIVEN that a Separate General Meeting of the Members of Class 3 – Protection and Indemnity, of the Association will be held at the Hilton Hotel, 46, Vasilissis Sofias Avenue, Athens, Greece on Tuesday, 15 January 2019 at 2.00 p.m. for the purpose of considering and, if thought fit, passing the following ORDINARY RESOLUTION:

"That, the Rules of Class 3, Protection and Indemnity of the Association (the "Class 3 Rules"), be amended with effect from noon GMT on 20 February 2019 as set out in the Annexure" .

The Annexure is attached to this Notice.

By order of the Board.

J A Young
Secretary

Note: A Member of Class 3 – Protection and Indemnity entitled to attend and vote may appoint a proxy to attend and vote in their stead. Such proxy must be a Member of the Association or the duly authorised representative of a body corporate which is a Member.

Annexure - Class 3 (P&I) Rule Changes for the 2019/20 Policy Year

The proposed changes are set out below with additional wording underlined. The words ~~struck through~~ are to be removed from the text of the existing Rules.

RULE 19 RISKS COVERED

Amend Rule 19(4)(iii)(b) as follows:

Liabilities in respect of illness or injury or death of third parties

(iii) there shall be no recovery under this Rule 19(4):

...

(b) in respect of personnel (other than those employed for marine purposes) on board the Entered Ship (being an accommodation Ship) employed by someone other than the Member unless:

(i) such Ship is moored or anchored more than 500 metres from any oil or gas production or exploration facility; and

(ii) there has been a contractual allocation of risks as between the Member and the employer of the said personnel which has been approved by the Association (see Rule 19(15));

EXPLANATION: This amendment is to bring the Rule into line with the revised wording of the Pooling Agreement.

Amend Rule 19(17) as follows:

Responsibilities in respect of cargo:

Hague Visby Rules (i) unless special cover has been agreed in writing by the Managers, if a Member enters a contract of carriage by sea which ~~contains exemptions from liability~~ is on terms less favourable to the carrier than those contained in the Hague or Hague Visby Rules, the Board (or, in the case of claims not exceeding USD 2 million, the Committee) may in its discretion reject any claim or reduce it to the extent by which the Board (or, in the case of claims not exceeding USD 2 million, the Committee) considers such claim would have been reduced had the contract of carriage ~~contained exemptions from liability~~ been on terms as favourable to the carrier as those contained in the Hague or Hague Visby Rules;

EXPLANATION: This amendment is to bring the Rule into line with the wording of the Pooling Agreement and its proviso to cover that a contract of carriage must be on terms no less favourable than the Hague or Hague Visby Rules.

RULE 21 EXCLUSION OF CERTAIN SPECIALIST RISKS

There shall be no recovery from the Association in respect of any claim relating to liabilities, costs and expenses of an Entered Ship which is:

Amend Rule 21(3) as follows

Drilling and

Production

Operations

Used for drilling, core sampling, or production operations in connection with oil or gas exploration or production, ~~including any accommodation unit moored or positioned on site as an integral part of such operations~~ when the claim arises out of or during such operations.

EXPLANATION: This amendment is to bring the Rule into line with the revised wording of the Pooling Agreement.

Amend Rule 21(8) as follows

Specialist

Operations

Used for ~~specialist operations including but not limited to~~ dredging, blasting, pile-driving, well-intervention, cable or pipe-laying, construction, installation or maintenance work, core sampling, depositing of spoil, and power generation and decommissioning, and such other operations as may be determined by the Managers from time to time, to the extent that such liabilities, costs and expenses arise as a consequence of:

(i) Claims brought by any party for whose benefit the work has been performed, or by any third party (whether connected with any party for whose benefit the work has been performed or not); or

(ii) The failure to perform such specialist operations by the Member or the fitness for purpose or quality of the Member's work, products or services; or

(iii) Any loss of or damage to the contract work.

~~where the claim arises out of or is incurred during those operations.~~

PROVIDED ALWAYS THAT:

(i) special cover may be agreed between the Member and the Managers under Rule 7.

(ii) to the extent that the Member has cover in accordance with these Rules, the exclusion in Rule 21(8) shall not apply to liabilities, costs and expenses incurred by a Member in respect of:

(a) loss of life, injury or illness of crew and other personnel on board the Entered Ship;

(b) the wreck removal of the Entered Ship;

(c) oil pollution emanating from the Entered Ship or the threat thereof.

EXPLANATION: This amendment is to bring the Rule into line with the revised wording of the Pooling Agreement.

RULE 28

CLASSIFICATION AND CONDITION OF SHIPS

Amend Rule 28(1) as follows:

Classification Every Member warrants that every Ship entered by him for insurance in this Class is and shall remain throughout the period of entry fully classed with a classification society approved by the Mangers and that throughout such period the Member will fully and timely comply with all the rules, recommendations and requirements of such society relating to the Entered Ship.

Provided always that the Board ~~(or, in the case of claims not exceeding USD 2 million, the Committee)~~ may in its discretion waive compliance with this warranty for such periods and upon such terms as it thinks fit.

EXPLANATION: This amendment is made as reinstatement of cover for otherwise failing to comply with a warranty is a matter for the Board regardless of the value of claim.

Amend Rule 28(4) as follows:

Statutory

Requirements

Every Member

- (i) shall comply with all the statutory requirements of the state of the ship's flag relating to the construction, adaptation, condition, fitment, equipment, manning and loading of the Entered Ship; and
- (ii) must at all times maintain the validity of any statutory certificates which are required and issued by or on behalf of the state of the ship's flag.

Provided always that the Board ~~(or, in the case of claims not exceeding USD 2 million, the Committee)~~ may in its discretion waive compliance with this Rule for such periods and upon such terms as it thinks fit.

EXPLANATION: This amendment is made as waiver of a condition of cover for otherwise failing to comply with a statutory requirement is a matter for the Board regardless of the value of claim.