

No. 9 - Class I: Rule Changes For 2000

November 1999

Notice to All Class I Members

NOTICE is hereby given that an Extraordinary General Meeting of the Members of Class I of the Association will be held on Wednesday, 8 December 1999 at 1000 hours in the Hotel Le Bristol, 112 Rue du Faubourg, St. Honoré, 75008 Paris, France, for the purpose of considering and, if thought fit, passing the following SPECIAL Resolution:

SPECIAL RESOLUTION

THAT alterations to certain of the Rules of Class I (as hereafter set out with commentary) be made to take effect from noon GMT on 20 February 2000:-

CLASS I RULE CHANGES FOR 2000 COMMENTARY

INTRODUCTION

There are both major and minor changes proposed to the Rules for 2000. Major changes or re-drafting of a whole Rule are covered by a full commentary. Where there is a minor change comment is brief.

Legal advice on major changes has, where appropriate, been taken.

FORMAT

Those parts of the 1999 Rules where it is proposed that changes are made are attached with the changes marked. A proposed deletion from the 1999 Rules is identified by striking through the text to be deleted. Proposed additions are marked in bold type, except where changes are proposed to Rule headings, where the change is identified with ordinary text. All proposed changes are accompanied by a vertical mark in the margin for ease of identification. Page headers and numbering of the Rules and pages will be adjusted once changes are adopted and prior to printing for the 2000 policy year.

CHANGES TO SPECIFIC RULES:-

1. Rule 2 Preamble (c) - Risks covered The proposed amendment removed an inconsistency between the preamble to Rule 2 and Rule 3 A(6) which provides cover for oil pollution to Members and Co-Assureds in their capacity as

cargo owners.

2. Rule 2 section 2 – Injury, Illness and Death – persons other than seamen and passengers The purpose of the amendment is twofold.

First Rule 2 Section 2 (C) covering liability for injury, illness or death of stevedores is redundant, because Rule 2 Section 2 (A) covers liability for injury, illness or death of any person other than seamen and passengers.

Second, a new proviso is added relating to liability for injury, illness or death of visitors (being persons who are not seamen, passengers or persons connected with the operation of the vessel or the handling of its cargo). Such liability would only be covered if the visit is subject to terms approved by the Managers. These terms would normally be contained in a notice to visitors or a visitors pass providing certain exemptions from liability to the Member and placing certain obligations on the visitor.

3. Rule 2 Section 3 – Repatriation and Substitutes' Expenses The proposed amendment to Rule 2 Section 3 (A)(b) uses the term spouse instead of wife so that the same scope of cover is afforded in respect of male and female seafarers.
4. Rule 2 Section 16 (B) – Disposing of damaged cargo The proposed amendment requires the Member to account to the Club for the proceeds of sale of damaged cargo.
5. Rule 2 Section 17 – Unrecoverable General Average Contributions To provide Members with more certainty as to the scope of cover under this section, where General Average has not been adjusted according to the York/Antwerp Rules 1974 or 1994, this proposed amendment deems such adjustment to have been made in accordance with the York/Antwerp Rules 1974 in accordance with English Law rather than according to the law and practice of the place where the adventure ended.
6. Rule 2 Section 20 – Salvors Expenses under Standard Forms of Salvage Agreement The proposed amendment provides cover in respect of the Member's liabilities to pay special compensation to a salvor of the insured vessel under the Special Compensation P&I Clause (SCOPIC) incorporated by reference into Lloyds Standard Form of Salvage Agreement when made between Members of the International Salvage Union and Members of International Group P&I Clubs. Information about the SCOPIC Clause is contained in Notice to Members No.4 1999/00 of July 1999.
7. Rule 6 – Deductibles The proposed amendments provide that where several claims on the Association arise out of one incident, the highest single deductible contained in Rule 6 or agreed in the terms of entry shall apply to all claims arising from such incident.
8. Rule 7 (2) and Rule 8 (3) – Other Limitations of the Association's Liability The proposed amendments deal with the limit of cover provided to Charterers under Rule 3A and make the provisions of Rule 8 (3) and Rule 7 (2) consistent with those of Rule 3 A, proviso (g).
9. Rule 40 – Cesser of Insurance on Certain Specified Events The proposed amendment permits the Managers to continue cover to an insured vessel on existing terms and conditions until the end of the policy year in which the management of the insured vessel has changed.
10. Rule 57 – Notices

The amendment deems courier or electronic mail as being sent on the day of dispatch.