

Notices to Members

## No. 6 - War Risk P&I Cover

September 2001

Dear Sirs

### War Risk P&I Cover

As a consequence of the World Trade Center tragedy on 11 September, we would like to remind participating Members of the terms of the International Group's cover for war risks P&I which has been made available from year to year in accordance with our Notice to Members No. 1 of 1996/97 dated February 1996. The terms of the cover for 2001 remain unchanged except that the maximum limit of cover is now \$100 Million.

Although a number of market war risk underwriters has given seven days' notice of cancellation in respect of their war risks hull and P&I policies, International Group Clubs have not as yet issued seven days' notice of cancellation for the Group's war risks P&I cover, nor given notice of the exclusion of any specific trading areas, although the issue is under review from day to day as events develop.

Participating Members are however reminded that the Group's war risks P&I cover is provided on the basis that the protection is intended to pay claims only in excess of amounts recoverable under a Member's existing war risks policy including but not limited to Hull and Machinery and Crew, Marine or war risks and any Protection and Indemnity Clauses attached thereto. It is not intended as a substitute for traditional market war risks cover.

Participating Members are therefore expected to maintain their existing war risks cover, including for P&I risks, to the maximum extent available from their war risk underwriters. Under the terms of the war risks P&I cover, the Club has the power to exclude trading areas or cancel the cover entirely upon seven days' notice. The Club will continue to keep the position closely under review, with a view to ensuring that the cover protects participating Members as a whole and is not unduly exposed either at the primary level or in any particular area.

The terms and conditions of the Group's war risks P&I cover will in any event be subject to review for 2002.

Yours faithfully

**The West of England Ship Owners  
Insurance Services Limited**  
(As Managers)

**P E Spendlove**  
Managing Director