

16 October 2001

## **TO ALL MEMBERS**

Dear Sirs

### **EXCESS WAR RISKS P&I COVER**

We write further to our circular number 5:304 of 27 September 2001.

As stated therein, although a number of market war risk underwriters gave seven days' notice of cancellation to run from 19 September 2001 in respect of their war risks Hull and P&I policies, the International Group of Clubs decided not to do so at the same time, but to keep the decision under review as events developed.

In particular, Group Clubs were concerned that Club cover should, if possible, continue to protect the Membership as a whole and should not be unduly exposed either at the primary level or in any particular geographical area.

Members are reminded that this cover is not intended as a substitute for market war risks cover; it is intended to pay claims only in excess of amounts recoverable under a Member's underlying war risk policy including P&I risks.

In the current circumstances, Group Clubs have decided that general notice of cancellation should now be issued; and this circular constitutes seven days' notice, running from 2400 hours GMT on 17 October 2001, to Members of cancellation of the Clubs' excess war risks P&I cover.

Upon expiry of the notice, at 2400 hours GMT on 24 October 2001, cover will be automatically reinstated, without for the time being, payment of any conditional premium, but subject to an excess of the US dollar equivalent of the full market value of the entered ship, in accordance with Rule 12 of the Club's P&I rules, or the amount recoverable from the Member's underlying war risks underwriters, whichever is the greater, up to a maximum of US\$100 million.

Yours faithfully  
A BILBROUGH & CO LTD  
(MANAGERS)