



THE LONDON

STEAM-SHIP OWNERS'
MUTUAL INSURANCE ASSOCIATION LIMITED

All correspondence should be addressed to the Managers

A. BILBROUGH & CO. LTD
50 Leaman Street London E1 8HQ
Telephone: 020 7772 8000
Facsimile: 020 7772 8200
E-mail: london@a-bilbrough.com
www.lss.com

19 April 2006

TO ALL MEMBERS

Dear Sirs

The Hamburg Rules

In September 1992 the Association, along with other International Group Clubs, issued a Circular concerning the coming into effect, later that year, of the United Nations Convention on the Carriage of Goods by Sea 1978 (the 'Hamburg Rules') and providing guidance on, inter alia, the availability or otherwise of P&I cover for liabilities arising from the carriage of cargo on terms less favourable than those of the Hague or Hague/Visby Rules.

The Circular included two Clauses, Form A and Form B (as overleaf) which it was suggested Members may consider for use in their Bills of Lading. Form A was designed for Members wishing to contract on the terms of the Hague or Hague/Visby Rules in preference to the Hamburg Rules where possible; while Form B was drafted for use only in respect of trade solely between States which were contracting parties to the Hamburg Rules.

The Managers consider that the use of these Clauses is no longer appropriate. Accordingly, they are no longer recommended and Members using or intending to use them in their Bills of Lading, or other contracts of carriage, are advised to contact the Managers for guidance as to appropriate alternative provisions. The Clauses set out overleaf therefore should no longer be used.

Yours faithfully
A BILBROUGH & CO LTD
(MANAGERS)

Clauses no longer recommended by the Association

FORM A

- (1) This bill of lading shall have effect subject to any national law making the International Convention for the Unification of certain rules of law relating to bills of lading signed at Brussels on 25th August 1924 (the Hague Rules) or the Hague Rules as amended by the Protocol signed at Brussels on 23rd February 1968 (the Hague/Visby Rules) compulsorily applicable to this bill of lading. If any term of this bill of lading be repugnant to that legislation to any extent, such term shall be void to that extent but no further. Neither the Hague Rules nor the Hague/Visby Rules shall apply to this contract where the goods carried hereunder consist of live animals or cargo which by this contract is stated as being carried on deck and is so carried.
- (2) Save where the Hague or Hague/Visby Rules apply by reason of (1) above, this bill of lading shall take effect subject to any national law in force at the port of shipment or place of issue of the bill of lading making the United Nations Convention on the Carriage of Goods by Sea 1978 (the Hamburg Rules) compulsorily applicable to this bill of lading in which case this bill of lading shall have effect subject to the Hamburg Rules which shall nullify any stipulation derogating therefrom to the detriment of the shipper or consignee.
- (3) Where the Hague, Hague/Visby or Hamburg Rules are not compulsorily applicable to this bill of lading, the carrier shall be entitled to the benefits of all privileges, rights and immunities contained in Articles I to VIII of the Hague Rules, save that the limitation sum for the purposes of Article IV Rule 5 of the Hague Rules shall be £100 sterling.

FORM B

- (1) This bill of lading shall have effect subject to any legislation making the United Nations Convention on the Carriage of Goods by Sea 1978 (the Hamburg Rules) compulsorily applicable to this bill of lading and in such circumstances the said Rules nullify any stipulation derogating therefrom to the detriment of the shipper or consignee. If any term of this bill of lading be repugnant to the legislation to any extent, such term shall be void to that extent but no further.
- (2) Save where the Hamburg Rules apply by reason of (1) above, this bill of lading shall have effect subject to any national law making the International Convention for the Unification of certain rules of law relating to bills of lading signed at Brussels on 25th August 1924 (the Hague Rules) or the Hague Rules as amended by the Protocol signed at Brussels on 23rd February 1968 (the Hague/Visby Rules) compulsorily applicable to this bill of lading. If any term of this bill of lading be repugnant to that legislation to any extent, such term shall be void to that extent but no further. Neither the Hague Rules nor the Hague/Visby Rules shall apply to this contract where the goods carried hereunder consist of live animals or cargo which by this contract is stated as being carried on deck and is so carried.
- (3) Where the Hague, Hague/Visby or Hamburg Rules are not compulsorily applicable to this bill of lading, the carrier shall be entitled to the benefits of all privileges, rights and immunities contained in Articles I to VIII of the Hague Rules, save that the limitation sum for the purposes of Article IV Rule 5 of the Hague Rules shall be £100 sterling.