

CLASS 8, THE FREIGHT, DEMURRAGE AND DEFENCE CLASS

NOTICE IS HEREBY GIVEN that a SEPARATE MEETING of the MEMBERS OF CLASS 8, THE FREIGHT, DEMURRAGE AND DEFENCE CLASS, of the Association will be held at the REGISTERED OFFICE of the Association, 50 LEMAN STREET, LONDON, E1 8HQ at 12.15 p.m. on WEDNESDAY, 27th JANUARY 1999, or as soon thereafter as the meeting of Class 5 called for that day is finished, for the purpose of altering and adding to the Rules.

The following alterations and additions together with such further alterations and additions, if any, as may be proposed will be submitted for adoption with or without modification and with effect from noon G.M.T. on the 20th day of February 1999.

[New wording is in bold. The explanatory notes in italics will not appear in the actual Rules.]

RULE 4 UNREASONABLE CONDUCT

- 4.1 The Committee may reject or reduce any recovery by a Member where in its sole discretion it determines that ~~the matter in dispute has arisen from the absence of reasonable care in the chartering or management of the entered ship or the Member~~ has not **at any time (whether before, at the time of, during or after any casualty, event or matter liable to give rise to a claim upon the Association)** taken such steps ~~before, at the time of, during or after the incident giving rise to the subject Legal Costs, Charges or Disbursements,~~ to protect his interests as the Committee **in its discretion** would have expected an uninsured person acting reasonably in similar circumstances to have taken.
- 4.2 **Without prejudice to the generality of Rule 4.1, a Member must at all times (whether before, at the time of, during or after any casualty, event or matter liable to give rise to a claim upon the Association) take such steps to protect his interests in relation to Date Compliance as the Committee in its discretion would expect an uninsured person acting reasonably in similar circumstances to take. For the purpose of this Rule "Date Compliance" shall mean that, in relation to computers and other equipment or systems for processing, storing or retrieving data, hardware, software, firmware and microprocessors and any equipment which contains or relies upon microprocessors, neither**

performance nor functioning is adversely affected by dates prior to, during and after the year 2000 and in particular that:

- (a) no value for current date will cause any interruption in operation;
- (b) date-based functioning and performance shall behave consistently for dates prior to, during and after the year 2000;
- (c) in all interfaces and data storage, the century in any date shall be specified either explicitly or by unambiguous algorithms or inferencing rules;
- (d) the year 2000 shall be recognised as a leap year.

In the event that a Member commits any breach of this obligation, the Committee may in its discretion reject any claim by the Member against the Association arising directly or indirectly out of such breach, or reduce the sum payable by the Association in respect thereof by such amount as it may determine.

[Explanation: Minor improvements have been made to the wording of Rule 4.1.]

Rule 4.2 has been introduced to require Members to behave as prudent uninsureds in relation to the Millennium Bug and similar date-related problems, and to give to the Committee power to reject or reduce claims arising from failure to observe that requirement.]

By Order of the Committee,
A. BILBROUGH & CO. LTD.
(Managers)

9 December 1998