

20 October 2000

TO ALL MEMBERS

Dear Sirs

CLASS 8 FREIGHT, DEMURRAGE & DEFENCE ADVANCE, SUPPLEMENTARY & RELEASE CALLS

At its meeting in Hong Kong on 18 October 2000, the Committee reached the following decisions, which reflect the continuing satisfactory financial position of the Class:

1997/98: As the final Supplementary Call has been levied, the Committee has resolved that the year should now be closed without further Call.

1998/99: The estimated Supplementary Call has been levied and it is anticipated that no further Calls will be required. The Release Call rates will remain at 20%. It is expected that the Committee will close this Policy Year in October 2001.

1999/2000: The Supplementary Call was levied in August 2000. The Release Call was reduced to 20%. It is expected that the Committee will close the Policy Year in October 2002.

Policy Year 2001/2002

The Committee has agreed for the fourth consecutive year that no increase is required in the Standard Advance Call rate, which will therefore remain at US\$10,000 per ship.

The Committee has set the Release Call rate for the 2001/2002 Policy Year at 50%, based on an initial estimated Supplementary Call of 30%.

The Committee has also agreed that cover can continue to be offered without a mandatory deductible, with an appropriate increase in the Advance Call rate.

Yours faithfully,
A.BILBROUGH & CO. LTD.
(MANAGERS)