

CLASS 7, THE WAR RISKS CLASS

NOTICE IS HEREBY GIVEN that a SEPARATE MEETING of the MEMBERS OF CLASS 7, THE WAR RISKS CLASS, of the Association will be held at the REGISTERED OFFICE of the Association, 50 LEMAN STREET, LONDON, E1 8HQ at 12.30 p.m. on WEDNESDAY, 26th JANUARY 2000, or as soon thereafter as the meeting of Class 8 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 2000.

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

4.D TERMS APPLICABLE TO RULE 2 PARTS B, C, D, E AND F, RULE 3 AND RULE 4.A.2

4.D.7 Notice of Cancellation and Automatic Termination of Cover

4.D.7.2 Whether or not notice of cancellation has been given under Rule 4.D.7.1, cover provided by Rule 2 Parts B, C, D, E and F, by Rule 3 and by reason of an Entered Ship being accepted under Rule 4.A.2 shall terminate ~~automatically at the expiry of the periods set out in Rules 5.A.4.1 to 5.A.4.4~~

~~**4.D.7.2.1** upon the outbreak of war (whether there be a declaration of war or not) between any of the following countries:
the United Kingdom, the United States of America, France, the Russian Federation, the People's Republic of China.~~

~~**4.D.7.2.2** in respect of an Entered Ship, in the event of such ship being requisitioned whether for title or use.~~

4.D.7.3 Cover provided by Rule 2 Parts B, C, D, E and F, by Rule 3 and by reason of an Entered Ship being accepted under Rule 4.A.2 shall not become effective if, subsequent to acceptance by the Association and prior to the intended time of attachment of risk, there has occurred any event which would have ~~automatically~~ terminated cover under the provisions of Rule 4.D.7.2.

[The words "automatically" are deleted from 4.D.7.2 and 4.D.7.3 to remove a conflict with Rule 5.A.4. Rule 4.D.7.2.1 terminates cover for non-Queen's Enemy risks upon the outbreak of war between any of the five great powers. Rule 5.A.4 is the "get you home" provision which applies to non-Queen's Enemy risks after a General Premium Notice has

been given. If there was a five power conflict which involved the UK sufficiently for a General Premium Notice to be issued, non-Queen's Enemy risks would terminate automatically under Rule 4.D.7.2.1 while Rule 5.A.4 would allow it to continue until a safe port had been reached.

This conflict has been resolved by deleting the word "automatically" at the end of Rule 4.D.7.2 and replacing it with the words "at the expiry of the periods set out in Rules 5.A.4.1 to 5.A.4.4" and also by deleting the word "automatically" in 4.D.7.3.

In addition, Rule 4.D.7.2.2 has been deleted to resolve a conflict with Rule 4.E.6. At present Rule 4.D.7.2.2 terminates cover for non-Queen's Enemy risks on requisition of a ship for title or use, whereas Rule 4.E.6 excludes cover for losses arising from requisition, whether for title or use, by the Government of the country where the ship is owned or registered or by the Government of the UK, **but** if the Owner continues to have an insurable interest (i.e. if requisition is only for use) losses sustained **after** the requisition and which are not caused by it, continue to be covered.]

4.E GENERAL TERMS APPLICABLE TO EACH AND EVERY RISK INSURED BY THIS CLASS OF THE ASSOCIATION

4.E.6 Requisition

The Association shall not be liable for any losses, liabilities, costs or expenses arising from the requisition, whether for title or use, of the Entered Ship ~~by or on behalf of the country or the Government of the country where the Entered Ship is owned or registered or by the Government of the United Kingdom; .~~

PROVIDED ALWAYS that:

if the Insured Owner shall continue to have an insurable interest in the Entered Ship after the date of such requisition and if the Insured Owner shall thereafter sustain some further losses, liabilities, costs or expenses (such loss or damage not being the direct consequence of the requisition and not being proximately caused thereby) then nothing herein contained shall prevent recovery by the Insured Owner of such further losses, liabilities, costs or expenses.

[The words "by or on behalf of ... United Kingdom" have been deleted to resolve the conflict with Rule 4.D.7.2.2 and to maintain the present cover.]

- - - - -

The Combined Group's Reinsurers have agreed to amend the Automatic Termination of Cover Clause so that cover for non-Queen's Enemy risks, and indeed for Queen's Enemy risks for flagged-out ships, will in each case continue to be provided in accordance with the proviso to Rule 4.E.6 and Rule 5.A.4. Thus the amendments to the Rules will match the reinsurance.

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

10 January 2000

7:062