

All correspondence should be addressed to the Managers

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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 12.10 p.m. on WEDNESDAY, 28th JANUARY 2004, 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 2004.

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

DEFINITIONS

- vii Communication has the meaning given in the Electronic Communications Act 2000.
- xii Electronic Communication has the meaning given in the Electronic Communications Act 2000.

[Explanation: The new definitions relate to the changes proposed below to Rule 47. The numbering of existing definitions is amended accordingly.]

RULE 4WARRANTIES, CONDITIONS, EXCEPTIONS AND LIMITATIONS4.DTERMS APPLICABLE TO RULE 2 PARTS B, C, D, E AND F, RULE 3 AND RULE 4.A.2

- 4.D.3 Exclusion of Nuclear Risks
 The Association shall not be liable for any losses, liabilities, costs or expenses directly or indirectly caused by or contributed to by or arising from:
- 4.D.3.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- 4.D.3.2the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- 4.D.3.3any weapon of war or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- 4.D.3.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter, with the exception of radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

4.D.3.45 PROVIDED ALWAYS that:

this exclusion shall not apply to any claim <u>under Rule 2 Part D</u> in respect of losses, liabilities, costs or expenses arising out of or in consequence of the emission of ionising radiations from, or the **radioactive**, toxic, explosive or other hazardous **or contaminating** properties of, "excepted matter" as defined under the Nuclear Installations Act 1965 or any **amendments thereto or** regulations made thereunder, being carried as cargo in the Entered Ship.

4.D.7 Exclusion of chemical, bio-chemical and electromagnetic weapons and computer viruses

The Association shall not be liable for any losses, liabilities, costs or expenses directly or indirectly caused by or contributed to by or arising from:-

4.D.7.1 any chemical, bio-chemical or electromagnetic weapon;

4.D.7.2 the use or operation, as a means for inflicting harm, of any computer virus.

[Explanation: The proposed changes bring the Rules of the Class into line with the exclusions incorporated into the Combined Group of War Risks Associations reinsurance contract at the 2003/04 renewal, which were hitherto given effect by endorsements to Members' Certificates of Entry. (The existing Rule 4.D.7 is renumbered 4.D.8.)]

RULE 16

VARIATION OF CONTRACT

16.2 If the Managers shall have given notice not later than noon G.M.T. on the 20th January 5 **February** in any Policy Year that for the next ensuing Policy Year they require some change to be made in the terms or conditions of entry, including, but not limited to, the application of a deductible to claims arising under the cover afforded by Rule 2 Parts B, C, D or E, or Rule 3 or Rule 4.A.2, or any one or more or any part of them, unless the claim results from an actual total loss or a constructive total loss, then the insurance of the Entered Ship for the next ensuing Policy Year shall continue upon the existing terms varied in accordance with the terms of the said notice, unless the insured Owner shall notify the Managers in writing before noon G.M.T. on the 20th February next following the date of the said notice that he is not willing to accept such terms, whereupon the insurance of the Entered Ship shall cease at the end of the Policy Year during which the said notice was given by the Managers.

[Explanation: The proposed Rule change is designed to enable the Class 7 Committee to set the Advance Contributions for the next policy year at its routine meeting which takes place in late January each year.]

| RULE | 47 NOTICES |
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| 47.1 | A notice or other document required under these Rules to be served on the Association mayshall be served by sending it through the post in a prepaid letter at first class rates of postage or by sending it by telegram, cable, radio telegraph, telex or any other means by which written messages may be transmitted addressed to the Association's or by sending it by courier, telex, facsimile or Electronic Communication in each case to the Association at the address of its registered office for the time being. |
| | In these Rules 'address' in relation to Electronic Communication includes any number or address used for the purposes of such Communications. |
| 47.2 | A notice or other document required under these Rules to be served on an Insured Owner (including any Joint Insured Owner) may be served by sending it through the post in a prepaid letter at first class rates of postage or by sending it by telegram, cable, radio telegraph, telex or any other means by which written messages may be transmitted courier, telex, facsimile or |

Electronic Communication in each case addressed to such Insured Owner (including any Joint Insured Owner) at his address as appearing in the Register of Members of this Class of the Association or at any address identified by him to the Association expressly or impliedly as his place of business, provided that if the entry of a Ship in the Association on

behalf of an Insured Owner (including a Joint Insured Owner) is through a broker or other agent on behalf of an Insured Owner (including a Joint Insured Owner) or if the Association has been notified that a broker or other agent is to be involved in any manner whatsoever with the entry of the Ship, any such notice or other document may be addressed to that broker or agent and served at the address of any place of business of that broker or agent and such service shall be deemed to be service on the Insured Owner (including a Joint Insured Owner). In the case of Joint Insured Owners all such notices or other documents shallmay be served on the seniorone of the Joint Insured Owners only in any manner referred to above and at any address referred to above and such service on that Joint Insured Owner shall be sufficientdeemed to be service on all the Joint Insured Owners, and for this purpose seniority as between Joint Insured Owners shall be determined by the order in which the names stand as Joint Insured Owners in the Register of Members of this Class of the Association.

- **47.3** Any Insured Owner described in the Register of Members of this Class of the Association by an address not within the United Kingdom who shall from time to time give to the Association an address within the United Kingdom at which notices or other documents may be served upon him shall be entitled to have notices served upon him at such address which shall be deemed to be his address as appearing for the purpose of Rule 47.2.
- 47.43 Any-such notice or other document, if served by post, shall be deemed to have been served on the day following the day on which24 hours after the letter containing the same was put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post as a prepaid letter at first class rates of postage. Any such notice or other document, if served by telegram, cable, radio telegraph, telex or any other means by which written messages may be transmitted sent by courier shall be deemed to have been served on the day on which it was handed in to the telegraph, cable or radio telegraph office, or, in the case of telex or other means by which a direct link can be established, despatched, at the time of delivery and any such notice or other document sent by telex or facsimile or contained in an Electronic Communication shall be deemed to have been served at the time it was sent and in proving such service it shall be sufficient to prove that such telegram, cable or radio telegraph was duly handed in or, in the case of telex or other means by which a direct link can be established, that the notice or other document was duly despatched.
- 47.54 The successors of anyone who is or was at any timeEvery successor, legal personal representative, receiver, curator bonis or other legal curator, trustee in bankruptcy or liquidator of an Insured Owner shall be bound by a notice or other document served given as aforesaid if sent to the last address of such Insured Owner as aforesaid, notwithstanding that the Association may have notice of the Insured Owner's death, disability, lunacymental disorder, bankruptcy, liquidation, incapacity or administration.

[Explanation: The proposed changes reflect today's methods of communication and address the need to be able to make effective service of Notices on Members through their brokers.]

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

5 January 2004