



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.lsoo.com

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TO ALL TANKER MEMBERS

Dear Sirs

Blue Cards - Issuance to Registered Owners only

The Clubs in the International Group are the principal providers of the Blue Cards which provide the basis for States to issue the State certificates in accordance with the International Convention on Civil Liability for Oil Pollution Damage, 1992 (CLC).

The Convention requires the owner of a ship registered in a CLC Contracting State and carrying more than 2,000 tons of oil in bulk as cargo to maintain insurance cover in accordance with the Convention, which is evidenced by the Blue Card issued by the Club. CLC tankers must carry a State certificate on board attesting the insurance coverage.

It has been reported that some CLC Contracting States¹ are requiring Blue Cards naming both the registered owner and the bareboat charterer, and it is understood that some Clubs may have complied with these requests to name the bareboat charterer in respect of the 2006 policy year.

It has now been agreed that the practice of naming bareboat charterers in Blue Cards must be discontinued with immediate effect since this does not reflect the clear provisions of the Convention, which make the registered owner solely liable and explicitly exclude the charterer from liability. For the purposes of the Convention the Clubs will now only provide a Blue Card to the "person or persons registered as the owner of the ship."

Those authorities that have previously requested the naming of bareboat charterers have been informed that this practice will be discontinued with effect from 20th February 2007.

Yours faithfully
A BILBROUGH & CO LTD
(MANAGERS)

¹ Liberia, Venezuela, Singapore, Saudi Arabia, Marshall Islands, Luxembourg, Italy and France as reported so far.

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