



**THE LONDON**  
P & I CLUB

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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, 26th JANUARY 2011, 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 2011.

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

### **4.D.8 Notice of Cancellation and Automatic Termination of Cover**

**4.D.8.1** 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 may be cancelled by the Association giving seven days' notice (such cancellation becoming effective on the expiry of seven days from midnight of the day on which notice of cancellation is issued by the Association). Cover will, however, be reinstated subject to agreement between the Association and the Insured Owner prior to the expiry of such notice of cancellation as to new rates of premium/contribution and/or conditions and/or warranties.

**4.D.8.2** Whether or not notice of cancellation has been given under Rule 4.D.78.1, 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 at the expiry of the periods set out in Rules 5.A.4.1 to 5.A.4.4 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.8.3** 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 terminated cover under the provisions of Rule 4.D.78.2.

*[Explanation: Correction of a typographical error.]*

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

(...)

**4.E.15 Sanctions Limitation and Exclusion**

**4.E.15.1** There shall be no recovery by an Assured in respect of any Ship entered by him for any liability, loss, damage, cost or expense where the provision of cover or any payment in respect thereof exposes or may expose the Association or the Managers to the risk of being or becoming subject to any sanction, prohibition or adverse action in any form whatsoever by any state, international organisation or other competent authority which the Committee in its sole discretion determines may materially affect the Association in any way whatsoever.

**4.E.15.2** Unless the Committee in its sole discretion determines otherwise, the Assured shall not be entitled to recovery in respect of that part of any liabilities, losses, costs and expenses which is not recovered by the Association either under any reinsurance(s) arranged by the Association or under any pooling agreement in respect of this Class entered into by the Association because of a shortfall in recovery from reinsurers or other pool members by reason of a sanction, prohibition or adverse action against such reinsurers, pool members or the insurers of such pool members by a state, international organisation or other competent authority or the risk thereof if payment were to be made by such reinsurers, pool members or the insurers of such pool members, For the purposes of this Rule 4.E.15.2 “shortfall” includes any failure or delay in recovery by the Association by reason of the reinsurers, pool members or insurers of pool members making payment into a designated account in compliance with the requirements of any state, international organisation or other competent authority.

*[Explanation: The new Rule 4.E.15 incorporates the wording of the Sanctions Limitation and Exclusion conditions which were introduced in August 2010 for Class 7 by way of the Association’s Circular of 16 August 2010 with the provision designed to protect the Association against its inability to recover from re-insurers expanded to make specific reference to Pooling.]*

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

14 January 2011