

CHAIRMAN AND PRESIDENT

A G KAIRIS

N.J. Goulandris Ltd, LONDON

DEPUTY CHAIRMEN AND VICE-PRESIDENTS

T BIGGI

V. Ships Group Ltd, Monaco

C I CAROUSSIS

Chios Navigation Co. Ltd, LONDON

K G KLEBERG

Walleniusrederierna AB, STOCKHOLM

DIRECTORS

DATO' HAJI MOHD ALI BIN HAJI YASIN Malaysia International Shipping Corporation, Berhad,
KUALA LUMPUR

A H AL-ROUMI

Kuwait Oil Tanker Co. S.A.K., KUWAIT

E ANDRE

Suisse-Atlantique S.A., RENENS/LAUSANNE

N W G BAPTIST

Seatrans Shipping Services Ltd, LONDON

G BOTTIGLIERI

Bottiglieri di Navigazione SpA, NAPLES

M L CARTHEW

ChevronTexaco Shipping Company LLC, SAN FRANCISCO

P DECAVELE

Broström Tankers SAS, PARIS

M D GARVEY

Saltchuk Resources Inc., SEATTLE

O GAST

Hamburg-Südamerikanische Dampfschiffahrts-Gesellschaft,
K.G., HAMBURG

I J GAUNT

Carnival Corporation, LONDON

G B HADJIELEFTHERIADIS

Eletson Corporation, PIRAEUS

J P IOANNIDIS

Olympic Shipping and Management S.A., ATHENS

J M KOPERNICKI

Shell International Trading & Shipping Co. Ltd, LONDON

P KRAGIC

Tankerska Plovidba d.d., ZADAR

J KWOK

American Eagle Tankers Inc. Ltd, SINGAPORE

J B LEE

Korea Line Corporation, SEOUL

A M LEMOS

Ceres Hellenic Shipping Enterprises Ltd, PIRAEUS

P LOUIS-DREYFUS

Louis Dreyfus Armateurs (SAS), PARIS

N F LYKIARDOPULO

Lykiardopulo & Co. Ltd, LONDON

MA ZEHUA

China Ocean Shipping (Group) Co, BEIJING

R A MALONE

BP Shipping Ltd, HEMEL HEMPSTEAD

A WOOLRIDGE MARION

Hamilton, BERMUDA

A K OLIVIER

Unicorn Shipping (Pty) Ltd, DURBAN

E T RICHARDS

Hamilton, BERMUDA

K SAITO

Petrobras Transporte S.A., RIO DE JANEIRO

M SATO

NYK Line (Europe) Ltd, LONDON

S H SEYEDAN

National Iranian Tanker Co, TEHRAN

G P SULSER

Massoel Gestion S.A., GENEVA

K SUZUKI

Mitsui O.S.K. Lines, Ltd, TOKYO

P A VASILCHENKO

Far-Eastern Shipping Company, VLADIVOSTOK

H VON RANTZAU

DAL Deutsche Afrika-Linien GmbH & Co, HAMBURG

INDEX TO THE RULES

Ad valorem bills of lading	2, Section 17, Proviso (d)
Agents, insolvency of	5 (G) (vii)
Assignment	
of insurance	15
of owner's interest in entered ship	29 (B) (i)
Bankruptcy of Owner	29 (A)
Bills of Lading	
ad valorem	2, Section 17, Proviso (d)
dating of	2, Section 17, Proviso (c) (iii)
delivery of cargo without production of	2, Section 17, Proviso (c) (ii)
description of cargo in	2, Section 17, Proviso (c) (iv)
through or transhipment	2, Section 17 (D)
Blockade running	5 (I)
Bullion	2, Section 17, Proviso (e)
Bye-Laws	43 (B); 44
Calls	
call entries	1; 8; 19; 20; 21; 22; 23
calls, purposes for which levied	19
cesser of insurance, effect on calls	29 (E)
failure to pay calls	31
interest on late payment	23 (E)
mutual premium	20
obligation to pay calls	1; 19; 20; 21; 22
overspill calls	22
payment of calls	23
premium rating on which calls based	8
release calls upon cancellation	33
release calls upon cesser	30
return of calls on closed years	25
return of calls when ship laid up	27
supplementary premium	21
Cancellation of insurance	31
Cargo liabilities	
ad valorem bills of lading	2, Section 17, Proviso (d)

cargo's proportion of general average	2, Section 19
collisions	2, Section 10 (B) (iii)
contracts of carriage, standard terms	2, Section 17, Proviso (a)
damaged cargo	2, Section 17 (A)
dating of bills of lading	2, Section 17, Proviso (c) (iii)
deductibles	2, Appendix B
delivery of cargo without production of bills of lading	2, Section 17, Proviso (c) (ii)
description of cargo in bill of lading	2, Section 17, Proviso (c) (iv)
deviation	2, Section 17, Proviso (b)
disposal of damaged cargo	2, Section 17 (B)
failure to load	2, Section 17, Proviso (c) (v)
finances relating to cargo	2, Section 22 (B)
loss of cargo	2, Section 17 (A)
nuclear and radioactive materials	5 (F)
rare and valuable cargo	2, Section 17, Proviso (e)
shortage	2, Section 17 (A)
through or transshipment bills of lading	2, Section 17 (D)
Certificate of entry	12
Cesser of insurance	29
Charterers, special cover for	4, Section 1
Claims	
appointment of surveyors and lawyers	36
cancellation of insurance, effect on claims	31(B)
cesser of insurance, effect on claims	29 (E)
Directors, meetings of to pass claims	38
notification of claims by Member, time limits	5 (O)
overspill claims	22
obligations of Member	5 (N)
payment first by Member	5 (A)
settlement of claims	5 (N) (iv)
sue and labour	5 (M)
Classification of entered ship	5 (K)
Closing of policy years	25

INDEX TO THE RULES

Collision

collision risks covered	2, Section 10
excess collision cover	2, Section 10 (C)
one fourth collision liabilities	2, Section 10 (A)
Running Down Clause, cover for risks excluded by	2, Section 10 (B)

Contraband

5 (J)

Contract

carriage, contracts of	2, Section 17; 34
effects, contracts relating to	2, Section 5
liability under contracts	2, Section 14
passengers and other persons, contracts relating to	2, Sections 1, 5 and 14
property, contracts relating to	2, Section 11, Proviso (a) (i)
property on a ship, contracts relating to	2, Section 18
seamen, contracts relating to	2, Sections 2, 3, 4 and 5
towage, contracts for	2, Section 13
variation of contract	17

Contract of carriage

deviation	2, Section 17, Proviso (b)
terms of contract	2, Section 17, Proviso (a)
through or transhipment bills of lading	2, Section 17 (D)
regulations & recommendations by Directors	34

Costs (see also Expenses)

cargo liabilities, costs relating to	2, Section 17
enquiry expenses, costs relating to	2, Section 23
expenses incidental to operation of ships, costs relating to	2, Section 24
incurred by direction of Association	2, Section 26
legal costs	2, Section 25
pollution, costs relating to	2, Section 12
sue and labour costs	2, Section 25
wreck liabilities, costs relating to	2, Section 15

Crew (see Seamen)

Death	
collision, death consequent upon	2, Section 10 (B) (v)
Owner, effect of death on insurance	29 (A)
persons other than seamen	2, Section 1
seamen, death by illness	2, Section 3
seamen, death other than by illness	2, Section 2
Deductibles	2, Appendix B
Definitions	44
Delegation of powers	43
Delivery	
short or over delivery, fines relating to	2, Section 22 (B)
without production of bills of lading	2, Section 17 Proviso (c) (ii)
Demurrage on entered ship not covered	5 (G) (viii)
Detention of entered ship not covered	5 (G) (viii)
Deviation from contract	2, Section 17 Proviso (b)
Disinfection of entered ship (See Quarantine expenses)	
Disputes between Member and Association	40
Diversion expenses	2, Section 7
Docks, damage to by entered ship	2, Section 11
Double insurance	5 (I)
Effects	2, Sections 1, 5 and 11 Proviso (a) (ii)
Entered ship	definition of 44
Entered tonnage	definition of 44
Entry	
application for	7
call entry	1 (6); 44
call entry, premium rating for	8
certificate of entry	12
fixed premium entry	1 (7); 44
fixed premium entry, amount of premium	9
joint entry	10
membership of Association	14
tonnage entered	5 (B) (i); 44

INDEX TO THE RULES

Excess collision cover	2, Section 10 (C)
Exclusions from the cover	5
Expenses (see also Costs)	
funeral	2, Sections 1, 2 and 3
incidental to the operation of ships	2, Section 24
incurred by direction of the Association	2, Section 26
legal expenses recoverable	2, Section 25
in general	2
Experts, appointment of by Managers	36
Fines	2, Section 22; 2, Appendix B; 44
Fixed premium	1 (7); 9; 44
Forbearance by the Association	39
Freight, loss of not covered	5 (G) (iv)
Funds of the Association	
investment of	26
reserves	24
Funeral expenses	
recovery of persons other than seamen	2, Section 1
seamen	2, Sections 2 and 3
General average	
cargo's proportion of	2, Section 19
ship's proportion of	2, Section 20
Group Affiliate Cover	11
Hague Visby Rules	2, Section 17, Proviso (a)
Hazardous operations	5 (J)
Hire, loss of not covered	5 (G) (iv)
Hull policies	
collision risks in relation to	2, Section 10
definition	44
exclusion of risks covered under hull policies	5 (D)
Illness	
persons other than seamen	2, Section 1
seamen	2, Section 3
Immigration, fines relating to	2, Section 22 (D)

Indemnities (see also Contracts)

liabilities arising under	2, Section 14
shipwreck unemployment	2, Section 6

Injury

persons other than seamen	2, Section 1
seamen	2, Section 2

Insurance

application for	7
assignment of	15
cancellation of insurance	31
cesser of insurance	29
commencement of	16
contract of insurance, incorporates Rules	6 (A)
contract of insurance, law applicable to	42
double insurance	5 (I)
Marine Insurance Act, application of	5 (L)
period of	16
termination of insurance	28
termination, notice of	18

Investment of Funds 26**ISM Code** 5 (K) (vi)**Jetty, damage to** 2, Section 11**Joint entries** 10**Laid up returns** 27**Laid up ships, surveys after lay up** 5 (R)**Lawyers, appointment of** 36**Life salvage** 2, Section 9**Limitation of cover**

generally	5 (B)
overspill claim	22
pollution, limit on cover for	2, Appendix A; 5 (B)
powers of Directors to limit cover	2(ii)

Management of entered ship

effect of change in	29 (B) (iii)
---------------------	--------------

INDEX TO THE RULES

Manning, requirements relating to	5 (K) (vi)
Marine Insurance Act	5 (L)
Membership of Association	14
Mortgage of entered ship	29 (B) (ii)
Mutual Premium	20
Notice	
of claim by owner	5 (N)
of termination of insurance	18
service of	41
Nuclear risks, exclusions relating to	5 (F)
Oil Pollution (see Pollution)	
Overloading of entered ship	2, Section 22 (Proviso)
Overspill call	22, Sections 5 and 6
Overspill claims	22
Passengers	
diversion expenses	2, Section 7
injury, illness and death	2, Section 1 (C)
liability to, under contracts or indemnities	2, Section 1 (C)
loss of effects	2, Section 1 (C)
Passenger ships, special cover for	4, Section 3
Personal effects (see Effects)	
Policy year	
closing of	25
period of insurance	16
Pollution	
deductibles applicable to fines for	2, Appendix B (iii)
fines for	2, Section 22 (E)
limitation of Association's liability	2, Appendix A; 5 (B)
risks covered	2, Section 12
salvors' expenses	2, Section 21
TOVALOP	2, Section 12
Pooling Agreement	
definition	44
in relation to reinsurance	13 (B)

Powers, delegation of	43
Premium rating	
calculation of	8
definition of	44
Property	
loss of or damage to	2, Section 11
on the entered ship	2, Section 18
Quarantine expenses	2, Section 16
Radioactive materials, exclusions relating to	5 (F)
Rating	
calls based on premium rating	20; 21
definition	44
premium rating	8
Refugees	2, Sections 7 and 8
Regulations, by Directors	34
Recommendations, by Directors	34
Reinsurance	13
Release calls	
upon cancellation	33
upon cesser	30
Removal of wreck (see Wreck liabilities)	
Remuneration of Managers	35
Repairs to entered ship, not covered	5 (G) (iii)
Repatriation of seamen	2, Sections 2, 3 and 4
Reserves	24
Returns	
of calls upon closing of policy year	25
laid up returns	27
Rights in relation to property	2, Section 11
Risks	
risks covered	2
risks excluded from cover	5
special cover	3
special cover for salvors	4, Section 2

INDEX TO THE RULES

Rules of the Association

breach of by Member	39
incorporation into contract of insurance	6
subject to Marine Insurance Act	5 (L)
Running Down Clause	2, Section 10
Sale of entered ship	29 (B) (i)
Salvage	
cargo's proportion of salvage	2, Section 19
liability for salvors' expenses	2, Section 21
life salvage	2, Section 9
ship's proportion of salvage	2, Section 20
special insurance for salvors	4, Section 2
Seamen	
death of	2, Sections 2 and 3
definition	44
effects of	2, Section 5
fines imposed on	2, Section 22
illness of	2, Section 3
injury to	2, Section 2
repatriation and substitution	2, Sections 2, 3 and 4
shipwreck unemployment indemnity	2, Section 6
Set off	5 (C); 23 (D)
Ship	
change of management of	29 (B) (iii)
change of ownership of	29 (B) (i)
classification of	5 (K)
entered ship, definition of	44
exclusions from cover, relating to use of ship	5(H) (I)
loss of or damage to ship, exclusions from cover	5 (G) (i)
loss of or damage to equipment, exclusions from cover	5 (G) (ii)
mortgage of	29 (B) (ii)
repair of, exclusions from cover	5 (G) (iii)
sale of	29 (B) (i)

ship's proportion of general average	2, Section 20
surveys of	5 (Q); 5 (R)
Shipwreck unemployment indemnity	2, Section 6
Shortage of cargo (see Cargo).	
Smuggling, fines for	2, Section 22 (C)
Standard terms of carriage contracts	2, Section 17, Proviso (a)
Statutory requirements	5 (K) (vi)
Stevedores	
indemnities and contracts	2, Section 14
injury, illness and death	2, Section 1 (B)
Stowaways	2, Sections 7 and 8
Substitute expenses	2, Sections 2, 3 and 4
Supplementary Premium	21
Surveyors, appointment of	36
Surveys	
of ships	5 (Q)
of ships after lay-up	5 (R)
Termination of insurance	
notice of	18
effects of	28
Through or transhipment bills of lading	2, Section 17 (D)
Tonnage	
entered tonnage, definition of	44
entry of less than full tonnage of ship	5 (B) (i)
Total loss, cesser of insurance upon	29 (C)
Towage	2, Section 13
Valuable cargo	2, Section 17, Proviso (e)
Valuation	
of ship in hull policies	2, Section 10; 5 (D)
of ship in general average	2, Section 20; 5 (D)
Value of cargo, under ad valorem bill of lading	2, Section 17, Proviso (d)
Variation of contract	17
War risks excluded from cover	5 (E)
Wreck liabilities	2, Section 15

FOREWORD

THE RULES

(Effective on and from 12 noon Greenwich Mean time on the 20th February, 2004).

These Rules were adopted in accordance with the powers conferred by The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited Consolidation & Amendment Act 1993 and the Bye-Laws of The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited, which said Bye-Laws provide for the alteration, abrogation of or addition to the Rules by Resolution of the Association.

The notes to the Rules are for guidance only and do not form part of the Rules.

INTRODUCTORY

- 1 The standard cover afforded by the Association to an Owner who has entered his ship in the Association is set out in Rule 2.
- 2 The risks specified in Rule 2 are always subject to the conditions, exceptions, limitations and other terms set out in Rule 5 and in the remainder of these Rules.
- 3 The cover set out in these Rules may be excluded, limited, modified or otherwise altered by any special terms which have been agreed in writing between an Owner and the Managers.
- 4 By virtue of Rules 3 and 4 an Owner may be insured against risks other than those set out in Rule 2 where such special terms have been agreed in writing between the Owner and the Managers. Unless otherwise expressly agreed such special insurance shall be subject to the conditions, exceptions, limitations and other terms set out in Rule 5 and in the remainder of these Rules.
- 5 An Owner is only insured against loss, damage, liability or expense incurred by him which arises:
 - i out of events occurring during the period of entry of a ship in the Association;
 - ii in respect of the Owner's interest in the entered ship; and
 - iii in connection with the operation of the ship by or on behalf of the Owner.
- 6 An Owner who has entered his ship in the Association for insurance against any of the aforesaid risks is bound (subject to (7) below) to pay Calls to the Association in accordance with Rules 8 and 19 to 23 ("Call Entries").
- 7 By virtue of Rule 9 an Owner may be insured on the special terms that he is liable to pay a fixed premium to the Association ("Fixed Premium Entries"), provided that this has been expressly agreed in writing between the Owner and the Managers.
- 8 The cover provided by the Association as set out in these Rules is solely for the benefit of the Owner, and any Joint Owner, Group Affiliate, other association or insurer, or permitted assign, to the extent allowed by Rules 10, 11, 13 and 15. It is not intended that rights should be acquired by any third party, through the operation of the Contracts (Rights of Third Parties) Act 1999 of the United Kingdom or similar legislation.