

# Circular

**TO: THE MEMBERS**

**Ref: 2011/1**

**January, 2011**

## **COMPLIANCE WITH INTERNATIONAL SANCTIONS AND OTHER MANDATORY LEGISLATION**

Members will be aware that at various times governmental or other supranational bodies introduce sanctions or other types of legislation which impact on the ability of Members and others to conduct business or trade to particular areas or countries. This has particularly been the case recently in respect of the UN, US and the EU which have introduced various sanctions regimes affecting business and trading relations with Iran.

Members are reminded under Rule 3 (4) (b) of the Association's Rules, the reasonableness of a Member's conduct is one of the factors which the Directors may take into account when considering the extent to which the Association can support the costs of a case.

In addition Members are reminded that under Rule 4 (2) any costs arising out of or consequent upon an Entered Ship carrying contraband, blockade running or being employed in any unlawful trade are expressly excluded from the Association's cover unless and to the extent that the Directors in their discretion otherwise decide.

It is important that Members undertake due and proper enquiries before entering into transactions, voyages or other arrangements that may potentially be affected by any governmental or supranational legislation including sanctions, as claims that arise subsequently may not be recoverable from the Association.

Yours faithfully,  
**THOMAS MILLER DEFENCE LTD**  
Managers