

CIRCULAR

By your side

TO ALL OWNERS, MEMBERS AND DIRECTORS

15 January 2021

Dear Sirs

CLASS RULES INCLUDING AMENDMENTS

Class rules

Class meetings will take place on 2 February 2021 to adopt the rules of each class. Proposed amendments to the club's Protection & Indemnity, Offshore Protection & Indemnity and Strike & Delay class rules, including explanations for these, and details of the necessary meetings of owners/members to effect these proposed amendments are set out in the attachments to this letter. The relevant meeting notices for all class meetings, excluding the Singapore War Risks Mutual class, are referred to below. A separate circular and notice has been sent with respect to the rules of the Singapore War Risks Mutual class.

Meeting notices

In Appendix A to this letter, for each class, you will find a notice of meeting of the owners in that class and the members.

In Appendix B you will find proposed amendments to the Protection & Indemnity rules, together with explanatory notes. Appendix C outlines the proposed rule amendments to the Offshore Protection & Indemnity rules, together with explanatory notes. Appendix D outlines the proposed rule amendments to the Strike & Delay class rules, together with explanatory notes.

Meeting arrangements

Due to the current pandemic the meeting will be held virtually originating from the club group's office in Bermuda. If you wish to attend the meeting please send an email to Donna.Weight@standard-club.com.



Proxy forms

Proxy forms for the meetings are enclosed. It is important that the proxy forms are completed correctly and your attention is drawn to the notes at the bottom of the proxy forms. A proxy need not be an owner/member but you are reminded that, to be valid, the forms, duly completed, must reach the club's secretary at the club's registered office at 140 Cecil Street, #15-00, PIL Building, Singapore 069540, not less than 12 hours before the time of the meetings. Completion and return of the proxy forms will not prevent you from attending and voting in person if you so wish.

Yours faithfully

David Roberts
Chief Executive Officer
The Standard Club Asia Ltd

Email: david.roberts@standard-club.com

APPENDIX A

THE STANDARD CLUB ASIA LTD.
(‘the company’)

Company Registration No. 199703224-R

NOTICE IS HEREBY GIVEN THAT a class meeting of the Protection & Indemnity class (class 1) will be held virtually, originating from the Swan Building, 2nd Floor, 26 Victoria Street, Hamilton HM22, Bermuda on 2 February 2021 from 12:30 pm (Bermudian time/AST) to transact the following business:

ORDINARY BUSINESS

1. THAT with effect from noon GMT on 20 February 2021, the rules of the Protection & Indemnity class of the company be adopted, including amendments as set out in Appendix B to the letter to the owners, members and directors of the company dated 15 January 2021.
2. THAT with effect from noon GMT on 20 February 2021, the Offshore Protection & Indemnity rules of the Protection & Indemnity class of the company be adopted, including amendments as set out in Appendix C to the letter to the owners, members and directors of the company dated 15 January 2021.

Dated this 15th day of January 2021

BY ORDER OF THE BOARD



BHUMINDR HARINSUIT
CHAIRMAN

NOTES:-

1. An owner and member (as defined in the Constitution of The Standard Club Asia Ltd.) entitled to attend and vote at the above meeting may appoint a proxy to attend and vote on his behalf and such proxy need not also be an owner.
2. An instrument appointing a proxy must be left at the registered office not less than 12 hours before the time appointed for holding the Meeting.

THE STANDARD CLUB ASIA LTD
(‘the company’)

Company Registration No. 199703224-R

NOTICE IS HEREBY GIVEN THAT a class meeting of the Defence class (class 2) will be held virtually, originating from the Swan Building, 2nd Floor, 26 Victoria Street, Hamilton HM22, Bermuda on the 2 February 2021 from 12:30 pm (Bermudian time/AST) to transact the following business:

ORDINARY BUSINESS

1. THAT with effect from noon GMT on 20 February 2021, the rules of the Defence class of the company be adopted.

Dated this 15th day of January 2021

BY ORDER OF THE BOARD



BHUMINDR HARINSUIT
CHAIRMAN

NOTES:-

1. An owner and member (as defined in the Constitution of The Standard Club Asia Ltd.) entitled to attend and vote at the above meeting may appoint a proxy to attend and vote on his behalf and such proxy need not also be an owner.
2. An instrument appointing a proxy must be left at the registered office not less than 12 hours before the time appointed for holding the Meeting.

THE STANDARD CLUB ASIA LTD
(‘the company’)

Company Registration No. 199703224-R

NOTICE IS HEREBY GIVEN THAT a class meeting of the Strike and Delay class (class 5) will be held virtually, originating from the Swan Building, 2nd Floor, 26 Victoria Street, Hamilton HM22, Bermuda on 2 February 2021 from 12:30 pm (Bermudian time) to transact the following business:

ORDINARY BUSINESS

1. THAT with effect from noon GMT on 20 February 2021, the rules of the Strike and Delay class (class 5) be adopted, including amendments as set out in Appendix D to the letter to owners, members and directors of the company dated 15 January 2021.

Dated this 15th day of January 2021

BY ORDER OF THE BOARD



BHUMINDR HARINSUIT
CHAIRMAN

NOTES:-

1. An owner and member (as defined in the Constitution of The Standard Club Asia Ltd.) entitled to attend and vote at the above meeting may appoint a proxy to attend and vote on his behalf and such proxy need not also be an owner.
2. An instrument appointing a proxy must be left at the registered office not less than 12 hours before the time appointed for holding the Meeting.

APPENDIX B
P&I CLASS RULES
AMENDMENTS TO THE RULES

1. Cargo liabilities

This change clarifies that, in addition to the Hamburg Rules, where cargo liabilities are assumed solely by reason of the incorporation by law of other terms of mandatory application, then such liabilities are not excluded.

Exclusion (1) to rule 3.13

Amend the clause to read as follows:

“the carriage of cargo on contractual terms more onerous to the carrier than those of the Hague or Hague-Visby Rules, or equally wide exemptions of the carrier from liability, save where it is on such terms solely by reason of the incorporation by law of either the Hamburg Rules or other terms of mandatory application, or parts thereof, to the extent that the liabilities exceed those which would have been incurred had the contract been on the Hague, Hague-Visby, Hamburg or other terms of mandatory application as applicable, unless the contract has been approved in advance by the managers”

2. Smuggling fines

This change makes cover for smuggling fines discretionary and replicates a corresponding amendment that is to be made to the Pooling Agreement and to the rules of all other IG clubs with effect from 20 February 2021. This amendment will not be made to the Fixed Premium Rules of the P&I Class.

Rule 3.16.1 - after “documentation of cargo” insert “(other than fines or penalties arising from the smuggling of goods or cargo or any attempt thereat)”

Rule 3.16.2 - delete “smuggling or” and “customs or”

3. **P&I war risks under Blue Cards**

This amendment clarifies that the obligation of a member to indemnify the club for any payment made by the club in respect of P&I war risks under a Blue Card applies whether or not the member has chosen to take out a P&I war risks policy.

Rule 4.6 – after “*standard P&I war risks policy had the member*” insert “*entered into such policy and*”

4. **Joint entrants**

The decision of the UK Supreme Court in the *Ocean Victory* case has created a small risk that, in the context of a bareboat charterparty, a liability incurred in the first instance by an owner cannot be claimed against the bareboat charterer on the basis that an ‘insurance solution’ has been agreed between them under the charterparty so that the bareboat charterer bears no liability towards the owner. This is a minor legal but significant commercial risk and also has the effect of preventing the club from bringing subrogated claims against third parties in respect of the liability that was incurred by the owner (and insured by the club) in the first instance.

To protect against this, an amendment has been made to the Pooling Agreement so that the provision of co-assurance by a club in the context of a bareboat charterparty does not operate to exclude liability under the charterparty and that any payment by the club to the member in respect of insured liabilities only operates as satisfaction but not the exclusion or discharge of the underlying liability of the bareboat charterer. This amendment to the rules replicates the corresponding amendment to the Pooling Agreement.

Rule 13 – renumber rule 13.3 as “13.3 a”

Insert new rule “13.3 b” as follows:

“The liability of a joint entrant and the member to each other shall not be excluded nor discharged by reason of the joint entrant being accepted by the club as a joint entrant in accordance with this rule 13. Any payment by the club to the member in respect of any liabilities insured by the club shall operate only as satisfaction but not exclusion or discharge of the liability of the joint entrant to the member.”

5. Co-assureds

This amendment ensures that a co-assured that is not entitled to limit its liability under applicable law is in no more favourable a position than a member who is entitled to limit their liability.

Rule 13.6 - after *“does not extend to any amount”* delete *“which”* and insert *“to the extent that such amount”*

6. Definitions

This change amends the definition of 'knock-for-knock' so that it is consistent with the Pooling Agreement for the purposes of towage liabilities, introduces a definition of the Hamburg Rules which, unlike other conventions, was previously undefined in the rules and corrects a typographical inconsistency in the definition of 'Group reinsurance limit'.

Rule 26 (rule 21 of the Fixed Premium Rules)

Insert new definition of *“Hamburg Rules”* as follows:

“the United Nations Convention on the Carriage of Goods by Sea 1978 concluded at Hamburg on 31 March 1978.”

Amend the definition of *“knock-for-knock”* to read as follows:

“a provision stipulating, as between the owner of the ship on the one part and the owner of the tow and the owners of any cargo or other property on board the tow on the other part, that each shall be responsible for any loss or damage to his own ship, cargo or property and for loss of life or personal injury on his own ship without any recourse whatsoever against the other.”

Amend the definition of *“Group reinsurance limit”* as follows (this change will not apply to the Fixed Premium Rules):

After *“general excess loss”* insert *“reinsurance”*

7. Contractual Extension Clause

This amendment removes a duplication of the phrase 'and not excluded in the member's terms of entry.'

Paragraph 1 – after “covered under rule 3” delete “(and not excluded in the member’s terms of entry)”

8. Offshore Extension Clauses

This amendment introduces to the clause a non-marine personnel extension for accommodation ships and clarifies that contractual P&I liabilities assumed when performing specialist, ROV or diving operations fall within the scope of cover under the clause.

Re-number paragraphs 5 and 6 as “7” and “8” respectively

In the renumbered paragraph 7 delete “1 to 4” and replace with “1 to 6”

Insert new paragraph 5 titled “Non-marine personnel” as follows:

“Liabilities in respect of personnel (other than marine crew) on board the ship (being an accommodation ship) employed other than by the member provided that there has been a contractual allocation of risks between the member and the employer of the personnel approved by the managers.”

Insert new paragraph 6 titled “Terms of indemnity or contract” as follows:

“Liabilities arising under paragraphs 1 to 3 insofar as they would not have arisen but for the terms of any contract or indemnity. The terms of any such contract or indemnity made by the member must have been approved by the managers. There shall be no recovery under this paragraph for any liabilities that are excluded under paragraphs 1 to 3.”

9. Cyber risks

These changes clarify that the scope of current exclusions for liabilities arising from the malicious use of a computer virus extends to the malicious use of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system. The amendments also mirror a new cyber exclusion introduced by the reinsurance market and which will be imposed by reinsurers at renewal of the club’s non-pool reinsurances.

War risks clause for additional covers:

Paragraph 6 – replace “computer virus” in the title with “cyber risks”

Paragraph 6.1.2 – replace “of any computer virus” with “of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.”

Cargo deviation clause – insert new paragraph 2.4 as follows:

“In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.”

Standard Fixed P&I war risks clause:

Paragraph 6 - replace “*computer virus*” in the title with “*cyber risks*”

Paragraph 6.1.2 – replace “*of any computer virus*” with “*of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.*”

APPENDIX C

STANDARD OFFSHORE RULES

AMENDMENTS TO THE RULES

1. Joint entrants

This change mirrors the amendment being made to the P&I Class rules and mitigates the risk created by the *Ocean Victory* case explained in Appendix B above.

Rule 13 – renumber rule 13.3 as “13.3 a”

Insert new rule “13.3 b” as follows:

“The liability of a joint entrant and the member to each other shall not be excluded nor discharged by reason of the joint entrant being accepted by the club as a joint entrant in accordance with this rule 13. Any payment by the club to the member in respect of any liabilities insured by the club shall operate only as satisfaction but not exclusion or discharge of the liability of the joint entrant to the member.”

2. Co-assureds

This amendment ensures that a co-assured that is not entitled to limit its liability under applicable law is in no more favourable a position than a member who is entitled to limit their liability.

Rule 13.6 - after “does not extend to any amount” delete “which” and insert “to the extent that such amount”

3 Offshore Liability Extension Clause

This amendment clarifies the type of indemnities that need to be incorporated into a contract when the member is chartering-in ships to support the operations of the unit.

Exclusion (3) to paragraph 2.3 – after “knock-for-knock provision” delete “as defined in Section N of the P&I rules of the club”

Rule 23 – insert definition of “knock-for-knock” as follows:

“a provision stipulating (1) that each party to a contract shall be similarly responsible for loss of or damage to, and/or death of or injury to, any of its own property or personnel, and/or the property or personnel of its contractors and/or of its or their subcontractors and/or of other third parties, and (2) that such responsibility shall be without recourse to the other party and arise notwithstanding any fault or neglect of any party and (3) that each party shall, in respect of those losses, damages or other liabilities for which it has

assumed responsibility, correspondingly indemnify the other party against any liability that that party shall incur in relation thereto.”

4 Cyber risks

These changes clarify that the scope of current exclusions for liabilities arising from the malicious use of a computer virus extends to the malicious use of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.

Rule 4.8 – replace “*computer virus*” in the title with “*cyber risks*”

Rule 4.8(2) - replace “*of any computer virus*” with “*of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.*”

Offshore P&I war risks clause:

Paragraph 6 - replace “*computer virus*” in the title with “*cyber risks*”

Paragraph 6.1.2 - replace “*of any computer virus*” with “*of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.*”

APPENDIX D
STRIKE & DELAY CLASS RULES
AMENDMENTS TO THE RULES

1. Coronavirus exclusion

This amendment excludes cover for any claim caused by or resulting from COVID-19, SARS-CoV-2, any mutation or variation of SARS-CoV-2 or any fear or threat of such disease and is being made due to a corresponding amendment required by reinsurers to be made to the club's strike and delay reinsurance contract.

Insert new rule 5.7 as follows:

“any claim in any way caused by or resulting from:

- a) Coronavirus disease (COVID-19);*
- b) Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2);*
- c) any mutation or variation of SARS-CoV-2;*
- d) any fear or threat of a), b) or c) above.”*

THE STANDARD CLUB ASIA LTD.
(‘the company’)
Company Registration No : 199703224R
(Incorporated in the Republic of Singapore)

PROXY FORM

I/We, _____

of _____

being a member/ an owner /owners who has entered a ship in the Protection & Indemnity class (class 1) of the abovenamed company, hereby appoint

of _____

or failing him _____

of _____

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the class meeting of the Protection & Indemnity class (class 1) of the company to be held virtually, originating from the Swan Building, 2nd Floor, 26 Victoria Street, Hamilton HM22, Bermuda on 2 February 2021 from 12:30 pm. (Bermudian time/AST) and at any adjournment thereof.

(Please indicate with an "X" in the space provided whether you wish your vote(s) to be cast for or against the Resolutions as set out in the Notice of Meeting of the Protection & Indemnity class (class 1). In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit.)

No.	Resolutions	For	Against
1.	THAT with effect from noon GMT on 20 February 2021, the rules of the Protection & Indemnity class of the company be adopted, including amendments as set out in Appendix B to the letter to the owners, members and directors of the company dated 15 January 2021.		
2.	THAT with effect from noon GMT on 20 February 2021, the Offshore Protection & Indemnity rules of the Protection & Indemnity class of the company be adopted, including amendments as set out in Appendix C to the letter to the owners, members and directors of the company dated 15 January 2021.		

Dated this _____ day of _____ 2021

Signature(s) of Member / Owner(s) or Common Seal

Notes:-

- (1) In the case of a Corporation this form should either be under its seal or be signed by an authorised officer of the Corporation, who should state in the line below his office (e.g. Company Secretary, Director).
- (2) To be valid at the meeting referred to, this form must be completed, signed and deposited with the Secretary of the company, 140 Cecil Street, #15-00 PIL Building, Singapore 069540 not less than 12 hours before the time of the meeting. Completion and return of this form will not prevent you from attending the voting in person if you so wish.

THE STANDARD CLUB ASIA LTD.

(‘the company’)

Company Registration No. 199703224-R
(Incorporated in the Republic of Singapore)

PROXY FORM

I/We, _____

of _____

being a member/ an owner/owners who has entered a ship in the Defence class (class 2) of the abovenamed company, hereby appoint _____

of _____

or failing him _____

of _____

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the class meeting of Defence class (class 2) of the company to be held virtually, originating from the Swan Building, 2nd Floor, 26 Victoria Street, Hamilton HM22, Bermuda on 2 February 2021 from 12:30 pm. (Bermudian time/AST) and at any adjournment thereof.

(Please indicate with an "X" in the space provided whether you wish your vote(s) to be cast for or against the Resolution as set out in the Notice of Meeting of the Defence class (class 2). In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit.)

No.	Resolution	For	Against
1.	THAT with effect from noon GMT on 20 February 2021, the rules of the Defence class of the company be adopted,		

Dated this _____ day of _____ 2021

Signature(s) of Member/ Owner(s) or Common Seal

Notes:-

- (1) In the case of a Corporation this form should either be under its seal or be signed by an authorised officer of the Corporation, who should state in the line below his office (e.g. Company Secretary, Director).
- (2) To be valid at the meeting referred to, this form must be completed, signed and deposited with the Secretary of the company, 140 Cecil Street, #15-00 PIL Building, Singapore 069540 not less than 12 hours before the time of the meeting. Completion and return of this form will not prevent you from attending the voting in person if you so wish.

THE STANDARD CLUB ASIA LTD.

(‘the company’)

Company Registration No. 199703224-R
(Incorporated in the Republic of Singapore)

PROXY FORM

I/We, _____

of _____

being a member/ an owner/owners who has entered a ship in the Strike and Delay class (class 5) of the abovenamed company, hereby appoint

of _____

or failing him _____

of _____

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the class meeting of Strike and Delay class (class 5) of the company to be held virtually, originating from the Swan Building, 2nd Floor, 26 Victoria Street, Hamilton HM22, Bermuda on 2 February 2021 from 12:30 pm. (Bermudian time/AST) and at any adjournment thereof.

(Please indicate with an "X" in the space provided whether you wish your vote(s) to be cast for or against the Resolution as set out in the Notice of Meeting of the Strike and Delay class (class 5). In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit.)

No.	Resolution	For	Against
1.	THAT with effect from noon GMT on 20 February 2021, the rules of the Strike and Delay class (class 5) be adopted, including amendments as set out in Appendix D to the letter to owners, members and directors of the company dated 15 January 2021.		

Dated this _____ day of _____ 2021

Signature(s) of Member / Owner(s) or Common Seal

Notes:-

- (1) In the case of a Corporation this form should either be under its seal or be signed by an authorised officer of the Corporation, who should state in the line below his office (e.g. Company Secretary, Director).
- (2) To be valid at the Meeting referred to, this form must be completed, signed and deposited with the Secretary of the company, 140 Cecil Street, #15-00 PIL Building, Singapore 069540 not less than 12 hours before the time of the meeting. Completion and return of this form will not prevent you from attending the voting in person if you so wish.