



STEAMSHIP MUTUAL

To the Members

August 2008

Dear Sirs,

Entry into force of the Bunker Convention – State Certification

Members have previously been advised that the International Convention on Civil Liability for Bunker Oil Pollution Damage 2001 (the “Bunker Convention”) will enter into force in State Parties (updated list below) on 21 November 2008 and that Clubs in the International Group have agreed to issue the required Bunker Convention “Blue Cards” to enable State parties to issue Bunker Convention certificates.

Ships registered in non-State Parties

Ships registered in a State Party need only obtain a State certificate from that State. However, ships registered in a State which is not party to the Convention and which require a certificate because they are calling at a port or arriving at or leaving an offshore facility in the territorial waters of a State Party to the Convention after the entry into force date must obtain a State issued certificate from a State Party to the Convention. Discussions with State Parties would suggest that the majority are prepared to issue certificates to such ships if calling at a port in their territory, or arriving at or leaving an offshore facility in their territorial waters, after the entry into force date of the Convention and with sufficient evidence that this is the case.

A small number of State Parties have now agreed to issue certificates to ships registered in non-State Parties irrespective of whether they are calling at a port in their territory or arriving at or leaving an offshore facility in their territorial waters after the entry into force date. Since the Blue Card is required to be addressed to a State Party that is willing to issue the certificates to such ships, it is now possible for the Clubs in the International Group to issue Blue Cards to ships registered in non-State parties.

Ideally, if calling at a port or offshore facility in a State party, the certificate should still be obtained from the issuing authority of that particular State. Alternatively, in the event that this is not possible certificates for ships registered in non-State parties can now be obtained from either:

UK

CLC Bunkers
Maritime and Coastguard Agency
Bay 2/13
Spring Place
105 Commercial Road
Southampton
SO15 1EG
UK

L.82

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Authorised and Regulated by the United Kingdom Financial Services Authority
(Registered No. 105461 : FSA registration number 202548)

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tel: +44 20 7247 5490 website: www.simsl.com

Telephone: +44 (0)23 80329110 (public enquiries)
 Fax : +44 (0) 23 8032 9447
 Internet: <http://www.ukshipregister.co.uk/ukr-home/forms.htm>
 Email address (s): bunkers@mcga.gov.uk
 General Enquiries: infoline@mcga.gov.uk
 Contact person: Richard Tong, + 44 (0)23 80 329202

Liberia

Liberian International Ship & Corporate Registry
 ATTN: Bunker CLC Applications
 8619 Westwood Center Drive, Suite 300
 Vienna, Virginia 22182, USA
 Email contact: clc@liscr.com

Tel: 1+ 703 790 3434
 Fax: 1+ 703 790 5655

or,

Cyprus

Director
 Department of Merchant Shipping
 Registrar of Cyprus Ships
 Kyllinis Street, Mesa Geitonia
 CY-4007 LIMASSOL
 Cyprus

Telephone: +357 25 848 100
 Fax: +357 25 848 200
 E-mail: maritimeadmin@dms.mcw.gov.cy
 Internet: www.shipping.gov.cy
 Contact person(s): telephone direct: + 357 25 848 237

It should be noted that the UK will issue certificates to Red Ensign flagged vessels (Bermuda, Cayman Islands, Gibraltar, the Isle of Man and the British Virgin Islands) since the UK has not at present extended UK ratification of the Convention to their Overseas Territories/Crown Dependencies, and that Cyprus has only agreed to issue a limited number of certificates to ships registered in non-State Parties.

A small number of State Parties have also agreed to issue certificates to non-State party ships if the owners of such ships have a physical presence in, or an economic link with, their State e.g. Germany. Members in such a position are recommended to contact the authorities in the relevant State party to determine if this is the case. Relevant contact details can be provided on request.

In order to ease the administrative burden on the above mentioned State Parties, members with ships registered in non-State parties are recommended to contact the Club as soon as possible to assist in determining the most appropriate issuing State and to allow the Club to issue the Blue Cards.

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Pollution Charterparty Clauses

In 1996 the Club circulated an amended clause for inclusion in charterparties of tankers to reflect the 1992 Protocol to the Civil Liability Convention, and the OPA requirements concerning certification which apply in the United States. These clauses have been updated and combined in a new single charterparty clause to reflect the forthcoming entry into force of the Bunker Convention. The combined clause is contained in the Annex to this circular. Before entering these clauses in charterparties, Members should ensure that they do have the necessary certification in place.

States Party to the Convention (as at August 2008)

Bahamas, Bulgaria, Croatia, Cyprus, Denmark, Estonia, Germany, Greece, Hungary, Jamaica, Latvia, Lithuania, Liberia, Luxembourg, Marshall Islands, Norway, Poland, Samoa, Sierra Leone, Singapore, Slovenia, Spain, Tonga, the United Kingdom.

All Clubs in the International Group of P&I Clubs have issued similar circulars.

Yours faithfully,

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FINANCIAL RESPONSIBILITY IN RESPECT OF POLLUTION

1. Owners warrant that throughout the currency of this charter they will provide the vessel with the following certificates:

(a) If the vessel is over 1,000 gross tons and is registered in, or is required to enter a port or offshore facility in the territorial sea of, a State Party to the International Convention on Civil Liability for Bunker Oil Pollution Damage 2001, a Certificate issued pursuant to Article 7 of that Convention.

(b) If the vessel is constructed or adapted for the carriage of persistent oil in bulk as cargo and is carrying more than 2,000 tons of such cargo, a Certificate issued pursuant to Article 7 of the International Convention on Civil Liability for Oil Pollution Damage, 1992, as applicable.

(c) If the vessel is over 300 gross tons and is required to enter US navigable waters or any port or place in the US, a Certificate issued pursuant to Section 1016 (a) of the Oil Pollution Act 1990, and Section 108 (a) of the Comprehensive Environmental Response, Compensation and Liability Act 1980, as amended, in accordance with US Coast Guard Regulations, 33 CFR Part 138.

2. Notwithstanding anything whether printed or typed herein to the contrary,

(a) save as required for compliance with paragraph (1) hereof, owners shall not be required to establish or maintain financial security or responsibility in respect of oil or other pollution damage to enable the vessel lawfully to enter, remain in or leave any port, place, territorial or contiguous waters of any country, state or territory in performance of this charter.

(b) Charterers shall indemnify owners and hold them harmless in respect of any loss, damage, liability or expense (including but not limited to the costs of any delay incurred by the vessel as a result of any failure by the charterers promptly to give alternative voyage orders) whatsoever and howsoever arising which owners may sustain by reason of any requirement to establish or maintain financial security or responsibility in order to enter, remain in or leave any port, place or waters, other than to the extent provided in paragraph (1) hereof.

(c) Owners shall not be liable for any loss, damage, liability or expense whatsoever and howsoever arising which charterers and/or the holders of any bill of lading issued pursuant to this charter may sustain by reason of any requirement to establish or maintain financial security or responsibility in order to enter, remain in or leave any port, place or waters, other than to the extent provided in paragraph (1) hereof.

3. Charterers warrant that the terms of this clause will be incorporated effectively into any bill of lading issued pursuant to this charter.