

**CIRCULATED TO ALL MEMBERS, BROKERS AND DIRECTORS  
ATTENTION INSURANCE DEPARTMENT**

**20 JANUARY 2006  
WJMD/MA**

**WAR RISKS RENEWALS 2006/2007**

The Directors have agreed that the rates for the 2006 policy year shall remain unaltered and accordingly the advance Contribution rates for the coming year will be as follows.

**Cruise ships All other ships**

British ships	0.0528%	0.0132%
Flagged out ships	0.0568%	0.0140%

Entered Ships which are limited to a Restricted Trading area are entitled to pay 50% of the above rates. The Restricted Trading rate applies if it trades exclusively in one of the following areas:

(a) Europe (not south of Gibraltar and excluding the Mediterranean and Black Sea).(b) U.S.A. and Canada (excluding Panama Canal Transits).(c) Australasia.

The advance Contributions will be payable in one instalment which will be due on 3 April 2006.

**Additional Premium Areas**

The Additional Premium Areas with effect from noon 20 February 2006 unless otherwise advised, will be as follows.

**Africa**

- Algiers (Algeria).
- Djibouti.
- Ivory Coast.
- Nigeria and Bakassi Peninsula.
- Somalia.

**CIRCULAR**

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## **Middle East**

- Bahrain.
- Iraq.
- Israel.
- Lebanon.
- Qatar.
- Saudi Arabia.

## **Thailand**

- Thailand, Southern Gulf Coast of, between and including Songkhla and Narathiwat.

## **Indonesia / Malaysia**

- Ambon (Seram).
- Balikpapan (SE Borneo)
- Borneo, North East Coast of, between and including Kudat and Tarakan
- Jakarta.
- Malacca Strait and adjacent Ports

*(from Laem Phra Chao (7°45'.5N, 98°18'.5E) south-eastwards along the western coast of the Malaysian Peninsula to Tanjung Piai (1°15'.9N, 103°31'.0E); thence south-westwards to Pulau Iyu Kecil (1°11'.4N, 103°21'.2E); thence south-eastwards to the northern extremity of Pulau Karimun Kecil (1°09'.9N, 103°23'.4E); thence westwards to Tanjung Kedabu (1°05'.7N, 102°59'.0E) in Sumatra; thence north-westwards along the coast of Sumatra to Ujung Baka (5°39'.5N, 95°26'.0E); thence north-eastwards to Laem Phra Chao). Poso (Sulawesi).*

## **Philippines**

- Mindanao, Southern Coast of, between and including Polloc Harbour and Mati.
- Sulu Archipelago including Jolo,

*(from Tanjung Bidadari (5°49'.6N, 118°21'.0E) along the east coast of Sabah to Tanjung Bagahak Light (4°56'.5N, 118°38'.3E); thence south-eastwards to Pulau Matakang Light (4°34'.6N, 118°57'.0E); thence southwards to position 3°32'.0N, 118°57'.0E; thence north-eastwards to position 5°50'.0N, 122°31'.0E; thence northwards to position 7°06'.6N, 122°31'.0E; thence westwards to Batorampon Point Light (7°06'.6N, 121°53'.8E); thence west-south-westwards to Tanjung Bidadari).*

Specific ports, places and coasts should be understood to include harbours, offshore installations, and adjacent waters up to 12 miles offshore unless otherwise agreed.

With the exception of voyages involving only the transit of the Malacca Strait area for which no additional premium will be charged, notice must be given to the Association before an Entered Ship proceeds into an Additional Premium Area.

The Association will endeavour to provide indications of additional premium levels at any time, but firm quotations will not normally be available until the Entered Ship is within 48 hours of arrival into the Additional Premium Area.

### **Insured Values and Sums Insured**

Members are reminded of the need to review the Insured Values and Sums Insured which should be the same as those for which the Entered Ship is insured for total loss under marine policies, normally the insured value on Hull and Machinery, plus where applicable any amount insured on Disbursements and/or Increased Value or Freight. Any interest which is insured against total loss risks only under marine policies should be declared under Rule 3 so that the War risk insurances exactly reflect the non-War risk insurances for the same interests. The same rate would apply to both Rule 2 and Rule 3 interests.

The maximum value or amount insured under Rule 2 and Rule 3 in the aggregate will continue to be £325,000,000 or equivalent any one Entered Ship.

Members are also reminded of the provisions of Rule 11 whereby the Secretary of State for Transport may restrict the Insured Value of the Entered Ship for Queen's Enemy Risks in certain circumstances.

### **Protection and Indemnity risks**

The Association's limit of liability for all claims under Rule 2 Part D (Protection and Indemnity risks) is to remain £325,000,000 or equivalent each Entered Ship any one accident or series of accidents arising out of any one event, except as stated below. If any member considers that these limits provide insufficient cover, additional cover, excess of the sums covered by this Association, may be available from his P&I Club. The limit of liability for claims under Rule 2 Part D is:

£ 325,000,000 US\$ 500,000,000 Euros 425,000,000 Can \$ 650,000,000

According to the currency of the insured values and amounts declared by the Member for the purposes of Rule 2 Parts A and B and Rule 3.

### **Alteration of risk**

Members must advise the Association prior to any change in the port of registry of an Entered Ship as this may affect rating and terms of cover.

### **Insurance Mediation Directive**

As applies at present, where the insurance is to be placed on behalf of the owners by a third party intermediary as defined under the EU Insurance Mediation Directive (2002/92/EC), the Association will require the intermediary's confirmation that they are authorised by the relevant authority in their place of business under the terms of this Directive. Intermediaries are reminded that this applies whether or not they are also coinsured under such insurances.

WJM DOUGLAS  
MANAGER - North Insurance Management Limited  
As Managers on behalf of the North of England P&I Association Limited