

## **NORTH P&I CLUB UPDATES GUIDANCE ON LETTERS OF INDEMNITY**

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North P&I Club has published a new edition of its popular guide book on letters of indemnity which continue to be widely used in the shipping industry for a range of purposes.

Written by leading maritime mediator Stephen Mills and North FD&D director Ben Roberts, the 2017 edition of *Letters of Indemnity: A Guide to Good Practice* has been fully reviewed and updated to reflect recent case law and current industry practice.

The guide, which is designed to be used in conjunction with North's guide *Bills of Lading: A Guide to Good Practice*, explains how to avoid disputes and problems arising from the use of letters of indemnity. Starting with a health warning, it provides commentary on the common types of letter of indemnity, the reasons they are used, the pitfalls and risks, and some of the legal and insurance issues which arise out of their use.

According to North's head of loss prevention Tony Baker, 'Letters of indemnity remain in widespread use in international trade and shipping in conjunction with, and sometimes in substitution for, bills of lading. Using letters of indemnity can be risky; potentially leaving shipowners exposed to high value claims and without P&I insurance cover. Our unique guide will help shipowners to understand and reduce the risks associated with using such letters.'

The second edition works on various levels, with practical guidance supplemented by detailed analysis and footnotes to show the latest legal foundation of the advice given.

**ENDS**

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### **Notes to Editors**

1. *Letters of Indemnity: A Guide to Good Practice Second Edition* is written by Stephen Mills, Ben Roberts and The North of England P&I Association. It was published in 2017 by The North of England P&I Association, ISBN 978-0-9574936-1-2, and retails at £30 (£8 for Amazon Kindle version). The printed version is A5 paperback with 56 pages.

2. **North P&I Club** is a leading global marine insurer providing P&I, FD&D, war risks and ancillary insurance to 140 million GT of owned tonnage. Through its guaranteed subsidiary Sunderland Marine, North is also a leading insurer of fishing vessels, small craft and aquaculture risks. The Standard and Poor's 'A' rated Club is based in Newcastle upon Tyne, UK with regional offices in Greece, Hong Kong, Japan and Singapore and Sunderland Marine offices worldwide. North is a leading member of the International Group of P&I Clubs (IG), with 11.5% of the IG's owned tonnage. The 13 IG clubs provide liability cover for approximately 90% of the world's ocean-going tonnage and, as a member of the IG, North protects and promotes the interests of the international shipping industry. For further information visit: [www.nepia.com](http://www.nepia.com).