



The Shipowners' Protection Limited
St Clare House, 30-33 Minories
London EC3N 1BP

Managers of
**The Shipowners' Mutual Protection and
Indemnity Association (Luxembourg)**

TO CANADIAN PASSENGER VESSEL MEMBERS

April 2006

Dear Sirs,

PASSENGER TICKET CONDITIONS

Whilst we welcome Canada's adoption of the Athens Convention which clarifies passenger vessel operators' responsibilities and sets limits on their liability to passengers, the Club remains concerned about the increase in the number and cost of passenger claims. In particular we are conscious that many Members are still using inadequate passenger ticket conditions.

If we are to be successful in minimising future increases in premium it is important that together we take every possible step to reduce the cost of claims. Working in conjunction with our lawyers we have drafted a set of standard Conditions, as attached, which we recommend Members adopt or incorporate into their own Conditions of Carriage.

These Conditions can be utilised in any Province.

The aims of recommended ticket Conditions are:

Firstly to make passengers aware of the need to follow any safety advice which is given by the Master and crew;

Secondly to ensure passengers understand the limits of the carrier's liability for both death or personal injury and loss of property;

Thirdly to encourage early notification of claims; and

Finally to ensure that the Canadian courts have exclusive jurisdiction.

In order for these Conditions to be effective they need to be properly incorporated into the Contract of Carriage. Passengers need to have been made aware of the Conditions of Carriage and have had an opportunity to review them prior to the purchase of any ticket or boarding of the vessel. Each individual Member will need to consider how best to achieve this and we are happy to assist on a case by case basis where requested.

Telephone: +44 20 7488 0911
Fax: +44 20 7480 5806
info@shipowners.co.uk
www.shipownersclub.com
Registered in England No 2067444
At the above address



We recommend:

1. incorporating the Conditions in any brochures or marketing material and in any ticket actually issued;
2. prominently displaying the Conditions at any ticket point of sale, on board the vessel and in the Member's offices;
3. sales staff draw passengers' attention to the Conditions;
4. referring to the Conditions and in particular the safety aspects in any on board safety announcement.

Passenger Safety Card

In addition to the passenger ticket Conditions we have also prepared a passenger safety card with some basic guidance to passengers on how to take care when moving around the vessel.

Once again, it is important that this safety information is made available to passengers as soon as they come on board. How this can be achieved will depend on the circumstances of each Member's operation and we will be pleased to discuss this with you.

Copies of the safety card can be downloaded from the Loss Prevention section of the Club's website, www.shipownersclub.com. If Members would prefer to make up their own cards or posters we can provide the individual drawings. Requests should be e-mailed to hayley.lewis@shipowners.co.uk and the relevant drawings will be forwarded in jpeg format.

Yours faithfully

For THE SHIPOWNERS' PROTECTION LIMITED

(As Managers)

For and on behalf of

The Shipowners' Mutual Protection and Indemnity Association (Luxembourg)

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TERMS & CONDITIONS OF CARRIAGE

This ticket is issued subject to these terms, which the passenger acknowledges having read and understood, and agrees to be bound by them.

For the purposes of these terms and conditions:

- (a) the Carrier is (*name of Member*), the ship, her officers, crew managers and other employees of (*name of Member*).
- (b) 'Carriage' means all times during which the Carrier legally owes a duty of care to passengers to take reasonable steps to ensure their safety.
- (c) Unit of Account is the special drawing right as defined by the International Monetary Fund (approximately C\$1.68 in March 2006).

SAFETY

1. Passengers shall at all times follow and carry out all lawful directions of the Master and/or crewmembers of the vessel, particularly in relation to (but not limited to) personal safety of themselves, crew or other passengers.
2. Passengers are required to be seated when advised or requested to do so by the Master or any crewmember, for any reason.
3. Passengers are required at all times to take all reasonable precautions for their own safety and the safety of any person in their care (particularly children). This includes (but is not limited to) **using hand and guard rails at all times as provided around the vessel, appropriately restraining children and ensuring that children are accompanied by a responsible adult at all times and paying attention to the safety briefing given by crewmembers at the commencement of carriage.**
4. Passengers are advised and required to take particular care in conditions of inclement, rough or heavy weather or as advised by the crew.
5. Neither the carrier, the vessel nor any crewmember shall be held responsible for any loss or damage (including personal injury) suffered by any person, as a result of breach of that person's safety obligations (as detailed in paragraphs 1, 2, 3 and 4 above), or their failure to utilise all safety devices and precautions as provided and/or advised on board the vessel, or caused by any passenger acting in an unreasonable, unnecessary or unsafe manner.

LIMITATION OF LIABILITY

Liability of the Carrier

6. The carrier shall be liable for the damage suffered as a result of the death of or personal injury to a passenger and the loss of or damage to luggage if:
 - (a) the incident which caused the damage so suffered occurred in the course of the carriage; and
 - (b) was due to the fault or neglect of the carrier or of his servants or agents acting within the scope of their employment.
7. The burden of proving that the incident which caused the loss or damage occurred in the course of the carriage, and the extent of the loss or damage, shall lie with the claimant.

Valuables

8. The carrier shall not be liable for the loss of or damage to monies, negotiable securities, gold, silverware, jewellery, ornaments, works of art, or other valuables, except where such valuables have been deposited with the carrier for the agreed purpose of safe-keeping in which case the carrier shall be liable up to the limit provided for in Clause 11.

Contributory Fault

9. If the death of or personal injury to a passenger or the loss of or damage to his luggage was contributed to by the fault or neglect of the passenger, the carrier will not be liable for such proportion of the damages for death or personal injury, or the loss or damage to luggage, as may be attributable to the fault or neglect of the passenger.

Limit of Liability for Death or Personal Injury

10. The liability of the carrier for the death of or personal injury to a passenger shall in no case exceed 175,000 Units of Account.

Limit of Liability for Loss of or Damage to Luggage

11. The liability of the carrier for the loss of or damage to cabin luggage, baggage, personal effects or other articles of a personal nature shall in no case exceed 1,800 Units of Account per passenger, per carriage.
12. The liability of the carrier for the loss of or damage to vehicles including all luggage carried in or on the vehicle shall in no case exceed 10,000 Units of Account per vehicle, per carriage.
13. The liability of the carrier for the loss of or damage to any luggage other than that mentioned in Clauses 11 and 12 shall in no case exceed 2,700 Units of Account per passenger, per carriage.

Defences and Limits for Carriers' Servants

14. If an action is brought against a servant or agent of the carrier arising out of damage covered by this contract, such servant or agent, if he proves that he acted within the scope of his employment, shall be entitled to avail himself of the defences and limits of liability which the carrier or the performing carrier is entitled to invoke under this contract or which otherwise may be available under the Canadian Marine Liability Act.

Notice of Loss or Damage to Luggage

15. The passenger shall give written notice to the carrier or his agent:
 - (a) in the case of apparent damage to luggage:
 - (i) for cabin luggage, before or at the time of disembarkation of the passenger;
 - (ii) for all other luggage, before or at the time of its receipt;
 - (b) in the case of damage to luggage which is not apparent, or loss of luggage, within 15 days from the date of disembarkation or receipt or from the time when such receipt should have taken place.
16. If the passenger fails to comply with Clause 15, they shall be presumed, unless the contrary is proved, to have received the luggage undamaged.
17. The notice in writing need not be given if the condition of the luggage has at the time of its receipt been the subject of joint survey or inspection.

Time Bar for Actions

18. The passenger must notify the carrier in writing within 3 calendar months of the date of the incident from which any alleged loss arises.
19. Any action for damage arising out of the death of or personal injury to a passenger or for the loss of or damage to luggage shall be time-barred after a period of two years.
20. The limitation period shall be calculated as follows:
 - (a) In the case of personal injury, from the date the injury was suffered;
 - (b) In the case of death occurring during carriage, from the date when the passenger died, and in the case of personal injury occurring during carriage and resulting in the death of the passenger after disembarkation, from the date of the personal injury;
 - (c) In the case of loss of or damage to luggage, from the date of disembarkation or from the date when disembarkation should have taken place, whichever is later.
21. The law of Canada shall govern the grounds of suspension and interruption of limitation periods, but in no case shall an action under this contract be brought after the expiration of a period of two years from the date of disembarkation of the passenger or from the date when disembarkation should have taken place, whichever is later.
22. Notwithstanding Clauses 18, 19 and 20, the period of limitation may be extended by a declaration of the carrier or by agreement of the parties in writing, after the cause of action has arisen.

JURISDICTION

23. If any term of this contract is found to be invalid or unenforceable, it shall be entirely severable from the remainder of the contract, and all other terms of this contract shall continue in full force and effect for all other purposes.
24. These terms of carriage shall be construed and interpreted according to the laws of Canada. The Federal Court of Canada shall have exclusive jurisdiction over any claim, dispute or other matter arising out of this contract or the carriage of passengers.

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