



16, Rue Notre-Dame
L-2240 Luxembourg

T +352 22 97 10 1
F +352 22 97 10 222
W www.shipownersclub.com

▶ THE SHIPOWNERS' MUTUAL PROTECTION AND INDEMNITY ASSOCIATION (LUXEMBOURG)

NOTICE OF EXTRAORDINARY GENERAL MEETING – 26th JANUARY 2021 AT 11.45 HOURS.

TO ALL MEMBERS

18th December 2020

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of The Shipowners' Mutual Protection and Indemnity Association (Luxembourg) will be held on Tuesday 26th January 2021 at 11.45 hours at The Shipowners' Mutual Protection and Indemnity Association (Luxembourg), 16, Rue Notre-Dame, L-2240 Luxembourg, for the purpose of considering and if thought fit, passing the following as a SPECIAL RESOLUTION.

SPECIAL RESOLUTION

THAT the Rules be amended as set out hereafter, the amendments to be effective as from 20th February, 2021. The proposed amendments to the Rules, with explanations, follow overleaf on pages 1 to 2.

By order of the Board

Pascal Herrmann

General Manager

18th December 2020

Note: A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of him/her. A proxy need not be a Member of the Association. The proxy must be in the form published on our website and signed by the appointing member or its legal representative(s). Given the current difficulties as a result of the COVID-19 pandemic with respect to holding general meetings, Luxembourg has adopted regulations and laws including exceptional measures which have been extended to June 30th 2021. (Grand Ducal Regulation of 20th March 2020, replaced by the laws of 20th June 2020, 23rd September 2020 and updated 25th November 2020). Members are encouraged to utilise their proxy voting form.



RULE 25 LIABILITY EXCLUDED FOR WAR RISKS AND MARINE CYBER RISKS

War Risks Exclusion

There shall be no right of recovery from the Association in respect of any liabilities or expenses, whether or not a contributory cause of their being incurred was any neglect on the part of the Member or the Member's servant or agents, when the incident giving rise to the liability or expenses was caused by the following:

- 1 War, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power or by any act of terrorism.
- 2 Capture, seizure, arrest, restraint or detainment (barratry or piracy excepted) and the consequences thereof or any attempt thereat.
- 3 Mines, torpedoes, bombs, rockets, shells, explosives or similar weapons of war (save for those liabilities or expenses which arise solely by reason of the transport of such weapons whether on board the insured vessel or not), provided that this exclusion shall not apply to the use of such weapons, either as a result of government order or through compliance with a written direction given by the Managers or the Board, where the reason for such use is the avoidance or mitigation of liabilities, costs or expenses which would otherwise fall within the cover given by the Association.

Marine Cyber Risks Exclusion

- 4 Subject only to paragraph 6 below, there shall be no right of recovery from the Association in respect of 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.
- 5 Subject to the conditions, limitations and exclusions of these Rules, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.
- 6 Paragraph 4 shall not operate to exclude:
 - i losses otherwise recoverable under the War Risk Extension Clause arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile; or
 - ii losses otherwise recoverable under the Bio-Chemical Extension Clause.

Provided that

- i A Member shall be covered in respect of the risks set out in Rule 2 which would otherwise not be covered by reason of this Rule 25 but only in accordance with the terms of the War Risk Extension Clause, as appended to these Rules.

- ii The exclusion^s in Rule 25 and Rule 26 shall not apply to liabilities, costs and expenses of a Member insofar only as they are discharged by the Association on behalf of the Member pursuant to a demand made under a guarantee, undertaking or certificate issued by the Club in accordance with, or pursuant to, any other law, regulation or international convention coming into force during the current Policy Year. Where any such guarantee, undertaking or certificate is provided by the Club on behalf of the owner as guarantor or otherwise, the owner agrees that:
 - a any payment by the Club under any guarantee, undertaking or certificate above, in discharge of the said liabilities, costs and expenses shall, to the extent of any amount recovered under any other policy of insurance or extension to the cover provided by the Association, be by way of loan; and
 - b there shall be assigned to the Club, to the extent and on the terms that the Managers determine in their discretion to be practicable, all the rights of the owner under any such other insurance and against any third party; and
 - c unless the Managers shall otherwise determine, the owner shall indemnify the Club to the extent that any payment under any guarantee, undertaking or certificate referred to above, in discharge of the said liabilities, costs and expenses is or would have been recoverable under a standard P&I War Risk policy of insurance, had the owner complied with all the terms and conditions thereof, under which the vessel shall be deemed to be insured without deductible for its full value.

EXPLANATION

This added exclusion for Marine Cyber Risks is a consequence of market reinsurers seeking to limit cover provided for cyber risks through incorporation of the Lloyds standard clause: LMA 5403 Marine Cyber Endorsement.