

29 January 2007



TO ALL MEMBERS OF CLASS 3

**The Britannia Steam Ship
Insurance Association Limited**

Managers
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Dear Sirs

COVER FOR PASSENGER AND SEAMEN LIABILITIES

The Association's Bulletin Issue 02/07 18 January 2007 explained the expected changes to cover for passenger and seamen risks likely to take effect from 20 February 2007.

The International Group has now agreed the limits of cover in respect of passengers and seamen liabilities as contained in the Passengers and Seamen Limit Clause attached to this Circular. This clause will be incorporated, where appropriate, by reference to this Circular, in Members' Certificates of Entry for the 2007 policy year.

Yours faithfully
For Tindall Riley (Britannia) Limited

This circular should not be placed in the Binder

p.t.o.

Passengers and Seamen Limit Clause

A For the purposes of this Clause and the provisos hereto, and without prejudice to anything else contained in the Association's Rules and this Certificate of Entry, a "Passenger" shall mean a person carried onboard a ship under a contract of carriage or who, with the consent of the carrier, is accompanying a vehicle or live animals covered by a contract for the carriage of goods and a "Seaman" shall mean any other person onboard a ship who is not a Passenger.

B Unless otherwise limited to a lesser sum, the Association's aggregate liability arising in respect of this entry shall not exceed:

- (1) USD2,000,000,000 any one ship any one event in respect of liability to Passengers; and
- (2) USD3,000,000,000 any one ship any one event in respect of liability to Passengers and Seamen.

Provided always that:

Where there is more than one owner's entry in respect of the same ship in the Association and/or any other insurer which participates in the Pooling Agreement;

- (a) the aggregate of claims in respect of liability to Passengers recoverable from the Association and/or such other insurers shall not exceed USD2,000,000,000 any one ship any one event and the liability of the Association shall be limited to such proportion of that sum as the claim recoverable by such persons from the Association bears to the aggregate of all such claims otherwise recoverable from the Association and all such insurers;
- (b) the aggregate of all claims in respect of liability to Passengers and Seamen recoverable from the Association and/or such other insurers shall not exceed USD3,000,000,000 any one ship any one event and the liability of the Association shall be limited;
 - (i) where claims in respect of liability to Passengers have been limited to USD2,000,000,000 in accordance with proviso (a) to such proportion of the balance of USD1,000,000,000 as the claims recoverable by such persons in respect of liability to Seamen bears to the aggregate of all such claims otherwise recoverable from the Association and all such insurers; and
 - (ii) in all other cases, to such proportion of USD3,000,000,000 as the claims recoverable by such persons in respect of liability to Passengers and Seamen bears to the aggregate of all such claims otherwise recoverable from the Association and all such insurers.