



THE STEAMSHIP MUTUAL
UNDERWRITING ASSOCIATION (BERMUDA) LIMITED

MANAGERS: STEAMSHIP MUTUAL MANAGEMENT (BERMUDA) LIMITED
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To the Members

June 2004

Dear Sirs,

Re: International Ship and Port Facility Security (ISPS) Code

Members will recall that the Association has previously provided information on the above subject in the circulars issued last year and that complementary copies of the ICS Guide to the ISPS Code, and Model Security Plans have been distributed.

With effect from 1st July 2004 qualifying vessels will need to carry an International Ship Security Certificate (ISSC) to indicate that they comply with the requirements of SOLAS Chapter XI-2 and the (mandatory) part A of the ISPS Code.

It is anticipated that Port State Control Officers will expect to find a valid ISSC onboard such vessels arriving on or after 1st July, 2004. Vessels that do not have the required certification may well be delayed, refused entry to, or required to leave port. The Managers therefore hope that all Members will be in a position to comply with the ISPS Code by 1st July, 2004.

Rule 26 (i) g and h provide as follows:-

- (i) *The Member shall ensure that from the time when a ship is entered in the Club and throughout the period of the ship's entry that:
 - g) *It and the ship shall comply with all statutory requirements of the state of the ship's flag relating to the construction, adaptation, condition, fitment, equipment, manning and safety management of the entered ship;*
 - h) *It shall at all times maintain the validity of such statutory certificates as are issued by or on behalf of the state of the ship's flag in relation to such requirements and in relation to the International Safety Management (ISM) Code."**

Compliance with the ISPS Code, which was adopted as an amendment to the Safety of Life at Sea Convention (SOLAS) is a safety management issue.

The consequences of any non compliance with the provisions of Rules 26 (i) g and h are set out in Rule 26 (iii). Consequently in the event of non compliance with the ISPS Code, or in the event of a failure to maintain the validity of an International Ship Security Certificate, any claim arising during the period of such non compliance will only be recoverable at the discretion of the Directors.

Yours faithfully,

THE STEAMSHIP MUTUAL UNDERWRITING
ASSOCIATION (BERMUDA) LIMITED

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