



THE STEAMSHIP MUTUAL
UNDERWRITING ASSOCIATION (BERMUDA) LIMITED

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To the Members

Dear Sirs,

U.S. MARITIME SECURITY INITIATIVE

A U.S. Coast Guard interim rule published in the U.S. Federal Register on 1 July 2003 provides for security measures for certain U.S. flag vessels and foreign flag vessels calling at U.S. ports. For the most part, the rules align the domestic security requirements with those of the International Ship and Port Facility (ISPS) Code and the recent amendments to the International Convention for the Safety of Life at Sea (SOLAS) referred to in Club Circular B390 of June 2003. The interim rules require the owners or operators of vessels to designate security officers for vessels, develop security plans based on security assessments, implement security measures specific to the vessel's operation, and comply with Maritime Security Levels.

The interim rule is one of six that comprise a new subchapter on the requirements for maritime security mandated by the Maritime Transportation Security Act of 2002. The six interim rules implement national maritime security initiatives concerning:

- Area Maritime Security
- Vessel Security
- Facility Security
- Outer Continental Shelf Security
- Automatic Identification Systems (AIS)
- Implementation of National Maritime Security Initiatives

U.S. Flag Vessels

The rules primarily concern U.S. flag vessels: Qualifying ships that are required to conduct security assessments and develop security plans must submit their Vessel Security Plan (VSP) for approval by the U.S. Coast Guard (USCG) by 29 December 2003. Each vessel must be operating in compliance with the VSP by 30 June 2004. Vessels must carry onboard an approved VSP and a letter of approval from the USCG's Maritime Safety Centre. The USCG will issue International Ship Security Certificates (ISSC) for U.S. flag

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