

Amendments to the Rules 2016

Dear Sirs,

This circular outlines the amendments to the Rules for Ships and the Rules for Mobile Offshore Units of both Assuranceforeningen Gard - gjensidig - and Gard P. & I. (Bermuda) Ltd (collectively the "Associations" and individually the "Association"), which will enter into force at noon GMT on 20 February 2016.

Rules for Ships 2016

Rule 73 Nuclear perils

The Nairobi International Convention on the Removal of Wrecks 2007 (the "Wreck Removal Convention") entered into force on 15 April 2015. The Wreck Removal Convention includes compulsory insurance provisions equivalent to those contained in the CLC and the Bunkers Convention and all International Group clubs, including Gard, have agreed to provide the security (Blue Card) required.

A new paragraph has been inserted in Rule 73.2 to clarify that the nuclear exclusion will not apply to the extent the Association should incur any liability under a Blue Card caused by a nuclear peril in whole or in part.

The new Rule 73.2 (v) will read as follows (amendment underlined):

"Rule 73 Nuclear perils

1 [...]

2 The exclusion in Rule 73.1 above 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

(i) [...]

(v) a certificate issued by the Association in compliance with Article 12 of the Nairobi International Convention on the Removal of Wrecks, 2007

[...]"

Rules for Mobile Offshore Units 2016

To date there are no changes to the standard terms of cover in the Rules for Mobile Offshore Units.

If you have any questions or comments, please contact Gard's Group Legal Department.

Yours faithfully,
GARD AS



Rolf Thore Roppestad
Chief Executive Officer