

AMENDED WORDINGS FOR RULE 19(1), LIABILITIES IN RESPECT OF SEAMEN, AND RULE 20, PAYMENT FIRST BY MEMBER, AGREED AT BOARD MEETING OF 15 MAY 2013.

RULE 19(1) LIABILITIES IN RESPECT OF SEAMEN

(d) Repatriation and substitution expenses necessarily incurred as a consequence of the death, personal injury, illness or desertion of any Seaman of an Entered Ship. If such expenses are incurred for any other reason the Managers may in their absolute discretion allow the whole or any part thereof as they deem equitable save that cover under this Rule 19(1)(d) shall not extend to expenses arising as a result of:

(i) the expiry of a Seaman's period of service on the Entered Ship either in accordance with the terms of a crew agreement or other contract of service or employment or by mutual consent of the parties to it;

(ii) the sale of an Entered Ship.

(e) Liabilities for repatriation arising under Guideline B2.5 of Regulation 2.5 of the Maritime Labour Convention 2006 ("MLC 2006") or any legislation giving effect to or equivalent to the MLC 2006 (an "MLC 2006 Liability").

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20 (1) GENERAL

Unless the Directors in their discretion otherwise decide, it is a condition precedent of a Member's right to recover from the funds of the Association in respect of any liabilities, costs or expenses that he shall first have discharged or paid the same.

20 (2) SEAMEN

Notwithstanding the provisions of Rule 20(1), where a Member has failed to discharge a liability to pay damages or compensation for death, personal injury or illness of a Seaman under Rule 19(1)(a) (a "Crew Claim"), or MLC 2006 Liability under Rule 19(1)(e), the Association shall pay such Crew Claim or discharge such MLC 2006 Liability on the Member's behalf directly to such Seaman or dependant thereof.

PROVIDED ALWAYS THAT:

(A) the Seaman or dependant has no enforceable right of recovery against any other party and would otherwise be uncompensated,

(B) subject to (D) below, the amount payable by the Association shall under no circumstances exceed the amount which the Member would have been able to recover from the Association under the Rules and the Member's terms of entry,

(C) the Member shall be liable to reimburse the Association in full any MLC 2006 Liability save to the extent that any part thereof is recoverable under Rule 19(1)(d),

(D) where the Association is under no liability to the Member in respect of a Crew Claim or MLC 2006 Liability in accordance with Rule 17(1) or Rule 37, the Association shall nevertheless discharge

or pay that MLC 2006 Liability or Crew Claim to the extent only that either arises from an obligation created or an event occurring prior to the date of Cesser, but as agent only of the Member, and the Member shall be liable to reimburse the Association for the full amount of such payment.