



FEBRUARY 06, 2017

CIRCULAR NO. 07/17

TO MEMBERS OF THE ASSOCIATION

Dear Member:

IRAN: ADDITIONAL US SANCTIONS

The United States expanded existing economic sanctions against Iran on February 3, 2017 as a result of Iran's recent ballistic missile test. The expansion of existing sanctions has occurred through the designation of 25 individuals and entities associated with Iran's ballistic missile program, including Iran's Islamic Revolutionary Guard Corps-Quds Force, as well as groups in Lebanon, the United Arab Emirates and China.

These newly designated entities now appear on OFAC's SDN and Blocked Persons List. Business and transactions with the newly designated 25 sanctions targets by US persons are prohibited and their assets within the US jurisdiction are blocked. The OFAC SDN and Blocked Persons List may be searched at:

<https://sanctionssearch.ofac.treas.gov/>

Non-US persons and the newly designated entities

Non-US persons may face US sanctions if they engage in a significant transaction with the newly designated entities – under the residual secondary US sanctions against Iran.

US persons and non-Iranian entities outside Iran

As they relate to newly designated entities outside Iran or to non-Iranian entities, the new sanctions prohibit dealings between US persons and such entities.

US persons and entities in Iran

With respect to compliance by US persons, the new sanctions are redundant in so far as they relate to persons in Iran or to Iranian entities. US persons are already prohibited from transactions with such persons under the primary US sanctions against Iran which continue in force.

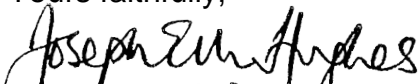
Your Managers draw Members' attention to the Club's Economic Sanctions – Compliance Guidance which provides Members with guidance on how to minimize their risks and

exposures to potential sanctions violations. The guidance can be found on the Club's website and is linked here:

<http://www.american-club.com/page/sanctions>

As always, should Members wish to discuss any questions regarding any aspect of the foregoing and other sanctions in general, or for confirmations as to the availability of cover for voyages involving Iran or other countries subject to US economic sanctions, please contact: Charles J. Cuccia, Senior Vice President - Compliance, ph +1 212 847 4539, mob +1 917 215 2883, charles.cuccia@american-club.com.

Yours faithfully,



Joseph E.M. Hughes, Chairman & CEO
Shipowners Claims Bureau, Inc., Managers for
THE AMERICAN CLUB