



JANUARY 20, 2012

CIRCULAR NO. 05/12

TO MEMBERS OF THE ASSOCIATION

Dear Member:

US VOYAGES – CARRIAGE OF PERSISTENT OIL: APPLICATION OF 50% REBATE ON VOYAGE PREMIUM

Reference is made to Circular No. 03/12 of January 13, 2012 concerning, inter alia, voyage surcharges for US trading tankers for the forthcoming policy year. Members are asked to refer to the quarterly declaration forms attached to that Circular and the Annex to it.

In elaboration thereon, and for the avoidance of doubt, Members are reminded of the requirement to disclose to the Club on a quarterly basis any US voyages involving tank vessels together with the nature and, in the case of cargoes of persistent oil, the quantity of the cargo carried on each such US voyage, for the purposes of the additional premium system for tankers carrying persistent oil to or from the United States.

Members are requested to note that the voyage premium for voyages involving the loading or discharging of persistent oil as cargo solely at the Louisiana Offshore Oil Port (LOOP) or at one of the areas (other than ports) designated and approved for the purpose by the US Coast Guard, as outlined below, shall be calculated at one half of the normal rate for voyages involving loading or discharging at one or more port or ports or location or locations elsewhere in the US or the US exclusive economic zone.

The following four areas with their co-ordinates have been designated and approved to date for this purpose by the US Coast Guard at the federal level:

(1) Southtex—lightering zone.

Latitude N. Longitude W.

27°40'00", 93°00'00", thence to

27°40'00", 94°35'00", thence to

28°06'30", 94°35'00", thence to

27°21'00", 96°00'00", thence to

26°30'00", 96°00'00", thence to

26°30'00", 93°00'00", and thence to the point of beginning.

(2) Gulfmex No. 2—lightering zone.

Latitude N. Longitude W.

27°53'00", 89°00'00", thence to

27°53'00", 91°30'00", thence to

26°30'00", 91°30'00", thence to

26°30'00", 89°00'00", and thence to the point of beginning.

(3) Offshore Pascagoula No. 2— lightering zone:

Latitude N. Longitude W.

29°20'00", 87°00'00", thence to

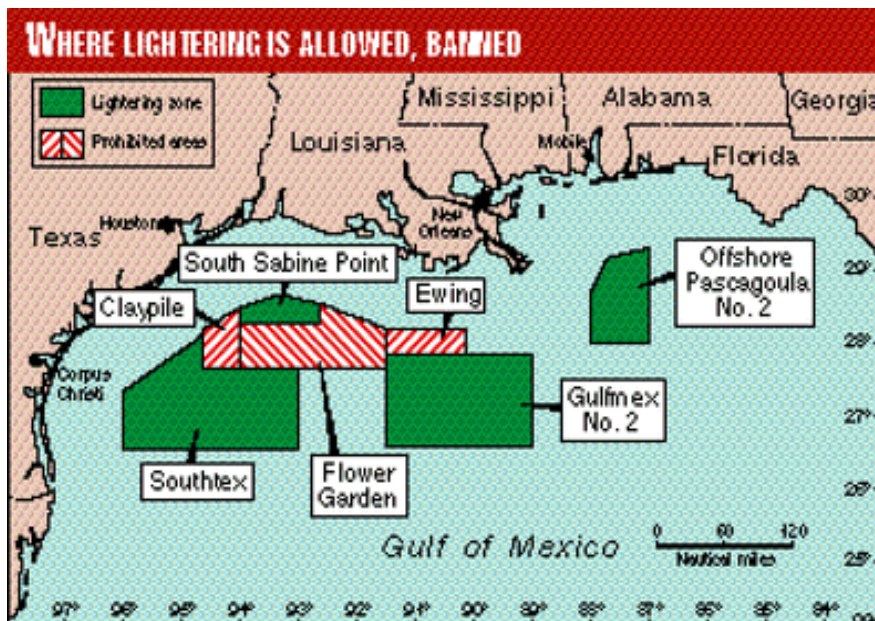
29°12'00", 87°45'00", thence to

28°39'00", 88°00'00", thence to
28°00'00", 88°00'00", thence to
28°00'00", 87°00'00", and thence to the point of beginning.

(4) South Sabine Point—lightering zone:
Latitude N. Longitude W.

28°30'00", 92°38'00", thence to
28°44'00", 93°24'00", thence to
28°33'00", 94°00'00", thence to
28°18'00", 94°00'00", thence to
28°18'00", 92°38'00", and thence to the point of beginning.

The following map, which, as is the case of the above coordinates, was contained in the Annex to Circular No. 03/12, indicates where these areas are located and the adjacent zones where lightering is prohibited:



Members are reminded that the reduction in the voyage premium applies to US voyages involving the loading or discharging of persistent oil as cargo solely at LOOP or one of the four designated areas (which are all situated at least sixty miles from the US coastline).

Members should note that lightering may be permitted in other areas on a local basis by the Captain of the Port, but only the above mentioned areas are actually approved and designated by the US Coast Guard at the federal level and apply with LOOP for the purposes of the reduction in the voyage premium.

Yours faithfully,


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

All Clubs in the International Group have issued similar circulars.