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TO MEMBERS OF THE ASSOCIATION

Dear Member:

MANAGEMENT NEWS – COMPLIANCE AND DUE DILIGENCE PARTNERSHIP



Your Managers are delighted to announce their partnership with International Compliance Services Inc. (ICSI), a US compliance and due diligence services company domiciled in Florida, along with its Greek branch, ICSI - Athens.

As a result of the rapid growth of compliance and sanctions risks within the shipping industry, due diligence procedures now constitute an essential part of the business and operations of shipping-related companies. US, UK, EU, and UN regulatory authorities expect companies within the marine industry to conduct full due diligence and compliance investigations relating to cargo, price caps, charterers, charter party fixtures, suppliers, sellers, receivers, port authorities and terminals, financial institutions, sellers, and purchasers, as well as agents, stevedores, bunkering companies, and other service providers.

Unfortunately, many marine operators do not have compliance capabilities necessary – either by way of experienced staff or investigative platforms – to perform these exacting inquiries. With that in mind, your Managers identified a gap in the marine sector relating to the provision of compliance and due diligence services. In an effort to fill that gap and provide competent, timely, and detailed advice, your Managers collaborated in the creation of ICSI to provide compliance and due diligence services to Owners, Charterers, managers, operators, and other shipping related companies.

Stated otherwise, ICSI will act as an outsourced compliance and due diligence department for Owners, Charterers, managers, operators, and other shipping related companies. Members may avail themselves of ICSI's services at a discounted rate.

The main services to be provided by ICSI relate to: (a) operational due diligence, (b) sanctions due diligence, and (c) corporate governance services.

The cost to Members for such services – lower by comparison to non-Members – are offered as follows:

- (1) Per month - \$4,500 lumpsum for unlimited searches; and
- (2) Yearly subscription - \$45,000 lumpsum for unlimited searches.

The Association will continue to perform due diligence checks as they relate solely to the issue of cover as has historically been the case. However, reliance on the Association's due diligence searches relating to cover will not suffice for purposes of Member audits by US, UK, EU, and UN authorities. In other words, the due diligence relating to cover does not relieve Members from their independent duty to conduct their own due diligence.

In that respect, Members can deal with the increased due diligence standards and subsequently, comply with the sophisticated and complex compliance and sanctions regulations issued by OFAC, OFSI, EU, and the UN by utilizing the specialized services offered by ICSI at a reduced rate.

For further information regarding the services, the cost, the mission, and the vision of ICSI please visit the company's website: <https://intlcomplianceservices.com>. To avail yourself of the unique and specialized services ICSI offers, please submit any inquiries directly to info@intlcomplianceservices.com.

Yours faithfully,



Daniel A. Tadros, Chief Operating Officer
Shipowners Claims Bureau, Inc., Managers for
THE AMERICAN CLUB