



Frequently Asked Questions – Circular No. 16/22

1. Why are Clubs in the International Group requiring their Members and other insureds to provide information related to calls at Russian ports or transits through Russian territorial waters?

Based on The Russia (Sanctions) (EU Exit) Regulations 2019 along with General Trade Licence Russia Sanctions – Vessels, issued on March 17, 2022, as revised by General Trade Licence Russia Sanctions – Vessels, issued on April 8, 2022, by Office of Financial Sanctions Implementation (OFSI), since the Association's Managers have a representative office in the United Kingdom, the Association is obliged to require Members and Insureds to provide information with regard to calls at Russian ports or transits through Russian territorial waters. By omitting to provide such an information, the cover may be construed as null, void, and no effect.

2. Do Members need to report port calls and transits from 17 March onwards?

Yes, the Association should be informed accordingly for those voyages including Russian port callings or transit through Russian territorial waters from March 17, 2022, onwards.

3. Does the Circular apply to Insureds entered with Eagle Ocean Marine and American Steamship Owners Marine Insurance Company (Europe) Limited?

Yes. Owing to the fact that Eagle Ocean Marine is a trade name for the Association's fixed premium facility and American Steamship Owners Marine Insurance Company (Europe) Limited is a subsidiary of the Association, the respective provisions incorporated in the Circular are applicable to the respective cover of the Insureds and of the Members.

4. Does the Circular apply to charterer or 'FD&D only' entries?

Yes. The restriction outlined in the Regulation is cast in terms that it is prohibited to provide insurance in pursuance of or in connection with an arrangement whose object or effect is to make a vessel available for use in Russia. Based on legal advice, this appears to apply equally to Owners and Charterers' cover.

5. I am unsure what information to provide.

- (a) a description of the act; (i.e., loading or discharging at a Russian port or transit through Russian territorial waters)
- (b) a description of any goods, technology, services or funds to which the act relates; (i.e., type of cargo, technology, services or funds which are related to the said shipment)
- (c) the date of the act or the dates between which the act took place; (i.e., specific date of port calling or commencement and conclusion dates of the transit)

- (d) the quantity of any goods or funds to which the act relates; (i.e., specific number of metric tones or/and parcels etc.)
- (e) [the Insurer's] name and address;
- (f) the name and address of any consignee of goods to which the act relates or any recipient of technology, services or funds to which the act relates;
- (g) in so far as it is known to [the Insurer's], the name and address of the end-user of the goods, technology, services or funds to which the act relates;
- (h) if different from [the Insurer's], the name and address of the supplier of any goods to which the act relates

6. Do I specify the receiver as the consignee?

Depending on the nature of the bill of lading or other transport document, the consignee may change throughout a voyage and up until the point at which the cargo is delivered. Where cargo is delivered without production of a bill of lading, it may not become clear to the Member for some time (if ever) who was the final consignee under a bill of lading.

The Member can only provide the Association with such accurate information as is available at the time that information needs to be submitted. That may be the original named consignee specified in the bill of lading or other transport document at the time it was issued (or the consignee may simply be described as "to order"). Or, it may be the holder of the bill of lading by way of endorsement at the time the bill is surrendered to the carrier (i.e. the receiver).

7. My charterer issues bills of lading. What should I do?

A Member can only provide the Association such information which is available to it at the time that information needs to be submitted. However, in the event that a return by a Member comes under scrutiny, the Member may have to justify why it was unable to complete any fields left blank on its spreadsheet. Members are often provided with copies of bills of lading issued on its behalf or Charterer's bills of lading even if they are not involved in their issuance. Cargo manifests and other typical shipping records will provide a lot of the information required under the Circular.

8. Does name of vessel owner mean the legal registered owner?

Yes. It does not refer to a disponent owner or beneficial owner.

9. My Member is not loading or discharging at Russia, do they still have to provide the information?

From March 17, 2022 onwards, as long as the Member is calling a Russian port or/and transit through the Russian territorial waters, the Member is still obliged to provide all the requested information whether a loading/discharge of cargo is materialized or not. In other words, the mere fact of a Russian port calling or a transit through Russian territorial waters

is enough for the UK legal instruments to be applicable for the said shipment irrespective of the reason of the port calling or/and the transit (i.e., loading or discharging of cargo).

10. Why can the Association not gather this information in other ways, such as from AIS data?

Although the accumulation of the requested information based on databases which provide the analytics and real-time data of a vessel (i.e., AIS data) was examined, this would not be consistent with the provisos of the UK legal instruments. Please also note that no matter how much information can be extracted through those sources, the data provided may be proved inaccurate and deficient. Hence, unfortunately, no other alternative method could satisfy our obligation for full compliance with the said UK legal instruments.

11. Is it necessary to provide all of the information detailed in the Circular and the accompanying spreadsheet template?

Yes. The information requested is mandated by the UK Regulations.