

CIRCULAR

Shipowners Claims Bureau, Inc., Manager
60 Broad Street - 37th Floor
New York, New York 10004 U.S.A.



APRIL 18, 2006

CIRCULAR NO. 11/06

TO MEMBERS OF THE ASSOCIATION

Dear Member:

THE HAMBURG RULES – CLUB RECOMMENDATION OF CERTAIN CLAUSES TO BE DISCONTINUED.

In September 1992, International Group clubs issued a common-form Circular concerning the coming into force, following its 20th ratification in November 1991, of the United Nations Convention on the Carriage of Goods by Sea 1978 ("the Hamburg Rules") and the availability or otherwise of Club cover for liabilities arising in respect of the carriage of cargo on terms less favorable than those contained in the Hague or Hague-Visby Rules.

The Circular recommended the use of two forms of clause (set out below) for use in Bills of Lading and other contracts for the carriage of goods: Form A where Members wished to contract on the terms of the Hague/Hague-Visby Rules in preference to the Hamburg Rules and Form B for trade solely between states which were contracting parties to the Hamburg Rules.

Your Managers consider that the use of these clauses is no longer appropriate. Accordingly they are no longer recommended. Members using or intending to use them in Bills of Lading or other contracts of carriage are advised to contact the Managers who will be happy to advise Members whether, and if so in what form, a clause dealing with these matters should be inserted in and Bill of Lading or other contract relating to the carriage of goods. The clauses set out below should therefore no longer be used.

CLAUSES NO LONGER RECOMMENDED BY THE CLUB

FORM A

- (1) This Bill of Lading shall have effect subject to any national law making the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading signed at Brussels on 25th August 1924 (the Hague Rules) or the Hague Rules as amended by the Protocol signed at Brussels on 23rd February 1968 (the Hague-Visby Rules) compulsorily applicable to this Bill of Lading. If any term of this Bill of Lading be repugnant to that legislation to any extent, such term shall be void to that extent but no further. Neither the Hague Rules nor the Hague-Visby Rules shall apply to this contract where the goods carried hereunder consist of live animals or cargo which by this contract is stated as being carried on deck and is so carried.




- (2) Save where the Hague or Hague-Visby Rules apply by reason of (1) above, this Bill of Lading shall take effect subject to any national law in force at the port of shipment or place of issue of the Bill of Lading making the United Nations Convention on the Carriage of Goods by Sea 1978 (the Hamburg Rules) compulsorily applicable to this Bill of Lading in which case this Bill of Lading shall have effect subject to the Hamburg Rules which shall nullify any stipulation derogating therefrom to the detriment of the shipper or consignee.
- (3) Where the Hague, Hague-Visby or Hamburg Rules are not compulsorily applicable to this Bill of Lading, the carrier shall be entitled to the benefits of all privileges, rights and immunities contained in Articles I to VIII of the Hague Rules, save that the limitation sum for the purpose of Article IV Rule 5 of the Hague Rules shall be £100 sterling.

FORM B

- (1) This Bill of Lading shall have effect subject to any legislation making the United Nations Convention on the Carriage of Goods by Sea 1978 (the Hamburg Rules) compulsorily applicable to this Bill of Lading and in such circumstances the said Rules nullify any stipulation derogating therefrom to the detriment of the shipper or consignee. If any term of this Bill of Lading be repugnant to the legislation to any extent, such term shall be void to that extent but no further.
- (2) Save where the Hamburg Rules apply by reason of (1) above, this Bill of Lading shall have effect subject to any national law making the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading signed at Brussels on 25th August 1924 (the Hague Rules) or the Hague Rules as amended by the Protocol signed at Brussels on the 23rd February 1968 (the Hague-Visby Rules) compulsorily applicable to this Bill of Lading. If any term of this Bill of Lading be repugnant to that legislation to any extent, such terms shall be void to that extent but no further. Neither the Hague Rules nor the Hague-Visby Rules shall apply to this contract where the goods carried hereunder consist of live animals or cargo which by this contract is stated as being carried on deck and is so carried.
- (3) Where the Hague, Hague-Visby or Hamburg Rules are not compulsorily applicable to this Bill of Lading, the carrier shall be entitled to the benefits of all privileges, rights and immunities contained in Articles I to VIII of the Hague Rules, save that the limitation sum for the purposes of Article IV Rule 5 of the Hague Rules shall be £100 sterling.

Should any questions arise in respect of the above, or generally, your Managers will, as always, be pleased to respond.

Yours faithfully,


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