



MARCH 08, 2016

CIRCULAR NO. 12/16

TO MEMBERS OF THE ASSOCIATION

Dear Member:

ECONOMIC SANCTIONS – COMPLIANCE GUIDANCE

In response to requests for guidance from Members in consequence of the continuing regulation of the shipping and insurance industries under various sanctions regimes, your Managers have created a new resource available on the Club's website entitled **Economic Sanctions – Compliance Guidance**.

It consolidates information which Members can access not only to foster general awareness of sanctions issues, but also to enable Members to develop their own internal compliance policies and procedures, given the potential effect of sanctions on a Member's P&I and/or FD&D cover.

The guidance provides a focus for the many Circulars, Alerts and seminar materials on sanctions-related matters promoted by the American Club, as well as general industry-related information published by US, EU and other authorities.

As sanctions legislation and regulation may change from time to time, the **Economic Sanctions – Compliance Guidance document** will be updated and maintained at the American Club's website at <http://www.american-club.com/page/sanctions>. It can be found under "Loss Prevention", "Best Practices & Guidance".

Members are encouraged to use this resource as part of their overall sanctions compliance program and to assist them with their due diligence investigations into prospective transactions or fixtures. Also, as noted in the guidance, Members should consult legal counsel when necessary and should promptly notify the Managers' Compliance Center at scbcompliance@american-club.com whenever there is a specific query as to whether any contemplated transaction or trade might prejudice a Member's P&I or FD&D insurance cover.

Yours faithfully,

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