

To: All Members

**(1) Maritime lien insurance
(2) Charterers' and bunker suppliers' insolvency insurance**

The Association has received several enquiries from Members and brokers as to the availability of additional covers for Maritime Lien insurance and Charterers' and bunker suppliers' insolvency insurance.

Maritime Lien insurance is a cover that is of interest to prospective buyers of ships. It responds to third party claims relating to the previous period of ownership which survive notwithstanding the terms of a MOA or judicial sale. Such third party claims are often expressed to be "liens" and can be enforceable even if the sale contract provides that the ship is sold "free of liens and encumbrances". The Association has developed a stand-alone facility which can respond to the claim or lien itself. The cover is a direct cover as between the Member and market underwriters although it is arranged through the Association.

In addition the Association is also able to offer, again a direct cover between Member and market underwriters, a policy for charterers' and bunker suppliers' insolvency insurance. The purpose of this insurance is to indemnify Members for financial losses incurred by way of third party claims arising directly from the insolvency of an entered ship's charterer or bunker supplier.

If any Member or broker is interested in obtaining further details of these covers and the specific terms thereof, please contact the Managers.

Yours faithfully,
THOMAS MILLER DEFENCE LTD
Managers