

TO THE MEMBERS

Our Ref: HWRB/C4/2010

7 July 2010

Dear Sirs

DEFENCES AGAINST PIRACY – BEST MANAGEMENT PRACTICES

A new booklet has been issued summarising Best Management Practices relating to Piracy off the Coast of Somalia and Arabian Sea Area. The booklet, BMP3, updates the guidance given in the previous version of the document, published in August 2009. The document, which can be downloaded from the Association's website at www.hellenicwarrisks.com, should be read and implemented by all ship owners intending to transit waters off the coast of Somalia.

BMP3 has been produced to assist companies and ships in avoiding piracy attacks, deterring attacks and delaying successful attacks in the Gulf of Aden and the Indian Ocean. It complements guidance provided by the International Maritime Organisation and includes sections on:

- risk assessment;
- typical attack profiles;
- planning by companies and masters;
- pre-transit and voyage planning and voyage planning;
- defensive measures;
- in transit operations; and
- steps to take if the ship is attacked or boarded.

BMP3 is supported by the Association and by thirteen industry organisations. The organisations consulted in its preparation represent the vast majority of ship owners and operators transiting the region. BMP3 is also supported by the following military organisations: EU Naval Force (EUNAVFOR), the US Maritime Liaison Office (MARLO), the Maritime Security Centre – Horn of Africa (MSCHOA), the NATO Shipping Centre (NSC) and NATO's Operation Ocean Shield and the UK Maritime Trade Organisation (UKMTO).

As Members are aware, over the last two years there have been hundreds of pirate attacks on merchant ships in the Gulf of Aden and off the coast of Somalia. A total of 10 ships entered in the Association have been seized by Somali pirates. Experience gained from all attacks and seizures has identified effective precautions, summarised in BMP3, that owners and crews can take to protect themselves and their ships.

The Association strongly endorses BMP3, particularly as regards liaison with naval forces, which is an essential part of best management practice. Members should register with MSCHOA, as well as contacting UKMTO and MARLO, as outlined in BMP3. Members are asked to note that failure to implement BMP3 and / or a failure to register with MSCHOA and UKMTO, could potentially affect their insurance cover in the event of a claim on the Association.

Finally, we take this opportunity to draw Members' attention to the terms of Circular C3/2010, also dated 7 July 2010, which sets out the current Additional Premium ("AP") Areas for Gulf of Aden Transits, Somalia Transits and Indian Ocean Transits. Further copies of this circular are available from the Association's website. Members' attention is also drawn to the terms of Rule 25 (Additional Premium Areas). The Owner of an Entered Ship is required to give the Association written notice before an Entered Ship proceeds to an AP area. If notice is not given as required, the Entered Ship has no cover while in the AP area.

Yours faithfully

THOMAS MILLER (BERMUDA) LTD
Managers

Copies of this Circular and other publications, including the Association's Rules, can be viewed on and downloaded from the Association's website at www.hellenicwarrisks.com.