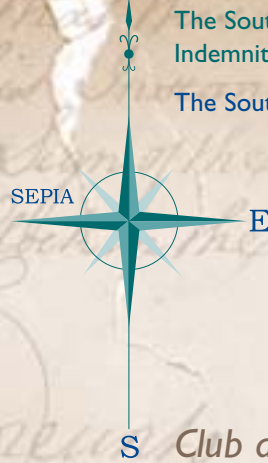




The South of England Protection and
Indemnity Association (Bermuda) Limited

The South of England Management AG



Club and Management Profile



The Association

The South of England Protection and Indemnity Association (Bermuda) Limited ('SEPIA'), is a new independent Class II Mutual club which is registered under the laws of Bermuda in order to provide an alternative to the International Group of P & I Clubs for Shipowners and Charterers.

SEPIA commenced underwriting on 20th February 2004 with a reserve fund in accordance with the Bermudian regulatory requirements and has in place an excess of loss reinsurance programme to protect the Club for US\$24,900,000 excess of US\$100,000 placed 100% with Lloyd's of London Standard & Pools 'A' rated security.

SEPIA has appointed the well-known and highly respected Captain Christof Lüddeke to act as Chairman of the Board of Directors and as the Club develops, the Board will be enlarged from the Membership. Captain Lüddeke is a serving Member of the Technical and Advisory Board of Germanischer Lloyd and has been elected to the Honourable Company of Master Mariners, London and the International Shipmasters' Federation, London. He formerly headed Mediterranean Shipping Lines as Director of the legal and insurance department for many years.

The Managers

The South of England Management AG has been appointed to handle the day-to-day running of the Association's affairs. The Managers although based in Vaduz, Liechtenstein have just opened a new office close to Zurich, Switzerland. Certain service functions such as claims handling and marketing have been contracted to the Managers' U.K. correspondents, Southern Seas Management (UK) Ltd. in Brighton, England.

Personnel

One partner, Neil Bell formed the first international fixed premium P & I programme based on the mutual clubs' (the historical market for P & I) servicing capabilities - Sphere Drake Insurance PLC. The other partner, Julian Wade played a key role in establishing Shoreline Mutual (Bermuda) Limited - a leading Certificate of Financial Responsibility (COFR) provider for ships trading into the U.S.A. Combined, the partners were the first to construct fixed premium P & I programmes with 'A' rated security - Chubb, QBE International and at Lloyd's through the general agency of Southern Seas (UK) Ltd.

The outsourced operations handled in Brighton as mentioned above include claims, headed by their Manager Keith Atkinson, BSc. Maritime Studies, Master Mariner, who was with A. Bilbrough & Co. Ltd., Managers for The London Steam-Ship Owners' Mutual Insurance Association Limited for 24 years, 16 of which was as a Director and certain administrative office functions, documentation and credit



control, which will be controlled by Liam Cullimore, who has spent 28 years working for a number of large Lloyd's brokers covering all facets of marine insurance, 19 of which was as a Director.

Operations

Underwriting Services

Enquiries from Shipowners, Ship Managers or Charterers through their chosen brokers and producers regarding membership of SEPIA, the new independent P & I Club, can be directed as hereunder:

The South of England Management AG

Zimex Business Aviation Center

Flughafenstrasse 22

CH-8302 Kloten

Zurich

SWITZERLAND

Telephone: (41) 433 883488

Facsimile: (41) 433 883489

Application Forms for entry and the Association's First Edition Rules are available upon request.

Types of Ship

The Managers are prepared to consider on behalf of the Association, the entry of all types of ships, but principally between the sizes of 7,500 and 25,000 gross tons trading internationally but excluding those ships with a predominantly U.S. trading pattern or which are U.S. flagged and/or crewed. Older tonnage, non-I.A.C.S. classed ships and singleton operations will be considered. Larger vessels in excess of 25,000 gross tons can be entertained, dependent on trading parameters.

Condition Surveys

As is customary, ships over 10 years of age will need to be condition surveyed annually by an approved surveyor in accordance with the guidelines laid down by the Managers.

Limits of Liability

SEPIA currently offers a range of optional limits of liability up to US\$100,000,000 any one accident or occurrence but in the longer term, it is the intention to make available limits of liability up to US\$500,000,000. All such security is and will be 100% with Lloyd's.

COFRs

Suitable Evidence of Insurance to satisfy the U.S.C.G. OPA 90 Certificates of Financial Responsibility requirements can be arranged, as and when required, for ships calling at U.S. ports.



Calls

SEPIA offers terms to Members on an estimated total cost basis and it is the Managers' intention to underwrite risks without recourse to supplementary calls. Along with the Club's development, reinsurance protection will be purchased in order to safeguard the Club's retention and minimise the need for any additional calls.

Claims & Directory of International P&I Correspondents

SEPIA has in place a Directory of International P&I correspondents who are available to provide on the spot commercial and legal services to Members of the Association. All correspondents are experienced in providing 'around-the-clock' assistance in P&I matters.

Full claims services are provided to Members of the Association by the Managers and their correspondents. Mr Keith Atkinson BSc. is the Claims Manager of Southern Seas Management (UK) Ltd. and claims notifications in the first instance should be directed to the Liechtenstein Managers' U.K. correspondents at:

Clarence House
30/31 North Street
Brighton
East Sussex
BN1 1DN
ENGLAND

Telephone: (44) 1273 888834

Facsimile: (44) 1273 888835

Security

Security in the case of arrest or the threatened arrest of a ship can be provided either by letter of undertaking, bond or bank guarantee, at the discretion of the Manager's authorised U.K. correspondents, in order to minimise the delay to or risk of detention of any Members' entered ship.

Rules of the Association

The Association's First Edition Rules are based on the traditional coverage as provided by the established Mutual P&I Clubs. In addition, The South of England's Managers have devised a range of Special Clauses to enable any Member's terms and Conditions of Entry to be tailored to suit their individual requirements.

Should you have any questions concerning the new P&I Club, please contact the Managers at their Switzerland office or alternatively, they can be reached through the Managers' U.K. correspondents Southern Seas Management (UK) Ltd., as detailed above.

