

To: All Brokers & Shipowners

Date: Wednesday, March 09, 2005

From: Neil Clemens, President

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Status Report

For your information I attach the latest update of statistics as furnished by the USCG. The detailed statistics can be viewed at the USCG's NPFC COFR Information web site at www.cofr.npfc.gov which also contains details of USCG control numbers for vessels having COFRs. With reference to the table, I am pleased to report that the total number of guaranties issued by SIGCo for dry cargo and tanker vessels continues to grow.

<u>Insurers providing evidence of Financial Responsibility in support of OPA/CERCLA COFRs issued by the USCG as at 1st April, 2000</u>						
	<u>--- Dry Cargo ---</u>		<u>--- Tanker ---</u>		<u>--- Total * ---</u>	
SIGCo	4,789	63.4%	1,070	59.3%	5,859	62.6%
Shoreline Mutual	1,811	23.9%	615	34.1%	2,426	25.9%
WQIS	444	5.9%	17	0.9%	461	4.9%
Arvak	332	4.4%	95	5.3%	427	4.6%
Other Guarantors **	177	2.4%	7	0.4%	184	2.0%
	7,553	100%	1,804	100%	9,357	100%
* excludes Tank Barge, MODU, Passenger, Fishing and Utility vessels						
** includes Lloyds, Cofrsure, HIH, Gyosen Chuokai, CU, Heddington Highland, Sphere Drake and Travelers						

CG5585 Procedures

SIGCo has been offering the CG5585 processing service for approaching 3 years. Since the first COFRs issued under this service will be scheduled for renewal later this year, this is an opportune moment for me to clarify the application procedures.

New applications – the attached form should be used for **every vessel** for which the client requires SIGCo to process a CG5585. We will not proceed with the application process without this completed form. This is to avoid confusion about who has the responsibility for making the application.

Renewals – ***Where SIGCo processed the original CG5585 application*** on behalf of the client, we will notify the broker in advance of the impending renewal. We will then require a completed form from the broker or client for **every vessel** as our instruction to perform the COFR renewal. The same form is used as for new applications, except that the relevant renewal section should indicate any changes that have occurred for that vessel since the original application.

Please note, you should continue to advise us of any changes to information in the CG5585/COFR as they occur, rather than wait for the COFR renewal.

Finally I would like to thank all of you for your continued contribution to the success of SIGCo.