



CIRCULAR REF: MSMI 2011/008

**CIRCULATED TO ALL MEMBERS, BROKERS AND DIRECTORS
ATTENTION INSURANCE DEPARTMENT**

**4 MAY 2011
MSMI/AAW/PAJ/JI**

**CESSATION OF UNDERWRITING AND SALE OF MSMI (IN RUN OFF) TO NORTH OF ENGLAND
PROTECTING & INDEMNITY ASSOCIATION LIMITED**

We refer to our circulars of 21 March 2011 and 7 April 2011 in relation to the cessation of underwriting by MSMI and the proposed sale of MSMI (in run off) to North of England Protecting and Indemnity Association Limited (North).

An integral part of North's offer to MSMI was the introduction by North of a fixed premium hull and machinery product on 1 July 2011. North has since announced that, due to market conditions, it will be postponing the launch of its hull & machinery product. As a consequence, North's offer has been withdrawn as the proposed transaction can no longer proceed as originally intended.

In light of this decision, the MSMI Board will consider the options available to the Company with regard to the run off of its liabilities, which may include the receipt of a revised offer from North, and a further announcement will be made in due course.

AA WILSON & PA JENNINGS
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As Managers on behalf of Marine Shipping Mutual Insurance Company Limited

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