Dear Erik,

ATHENS CONVENTION.

It was reported that at a recent meeting with Norwegian government officials you suggested that the issue of applying the LLMC in order to reduce the overall exposure under Athens was still a live issue and that you were awaiting comment from the Clubs. We for our part had assumed that States were no longer interested in this approach – in any event there had been no reaction to the question we raised in our letter of 22nd July 2004. Indeed we were not sure that there had ever been any general support for the idea which was first floated in your letter of 5th July 2004.

We had assumed that States were not interested in this approach partly because the consequence of employing a global limit under LLMC would be an unacceptable delay in dealing with claims because claimants would first pursue their claims under the broad jurisdiction provision of Athens and then be obliged to enforce any judgement in the jurisdiction where the LLMC Fund was established. We also assumed that States would not welcome the application of LLMC because a global limit could have the effect of reducing the individual limit in a major incident and this would be unacceptable in those States, like Norway and UK, which had already implemented increased limits for individual claims.

If we were wrong in assuming that States were no longer interested in applying a global limit under LLMC we would be glad if the members of the Correspondence Group would so indicate. It would also be helpful if you could indicate how you envisage the two
Conventions inter-acting as a matter of law and how you envisage claims being dealt with as a matter of practice.

We would be most grateful for an early response.

Yours sincerely,

D.J.L. Watkins

c.c. Correspondence Group