

Policy Year 2023/24 - Changes to the Rules of the P&I, FD&D and War Risks Classes

17 January 2023

Circular Ref: 2023/002



CIRCULAR

Policy Year 2023/24 - Changes to the Rules of the P&I, FD&D and War Risks Classes

Following consultation with the Members Board, the changes to the Rules of the P&I, FD&D and War Risks Classes detailed in the attachment to this Circular, were approved by the Directors of North of England P&I Association Limited and North of England P&I DAC and will be effective from noon GMT on 20 February 2023.

The amended Rule Books will be available on North's website from 20 February 2023. Should any Member wish to discuss issues arising out of these amendments, they should contact their Underwriter.

PAUL JENNINGS
CHIEF EXECUTIVE / EXECUTIVE DIRECTOR
The North of England P&I Association Limited / North of England P&I DAC

AMENDMENTS FOR 2023/2024 TO THE RULES OF THE PROTECTING & INDEMNITY CLASS

Explanatory notes have been provided for the proposed changes and consequential renumbering and any cross referencing which will also be required. In the proposed new Rules, new wording is in **bold** and existing wording to be deleted is shown as strikethrough text [.....].

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P&I – RULE 19 (9) QUARANTINE

A reference to reimbursement of additional expenses incurred by a Member as a result of a vessel being quarantined being limited to additional insurance will be added to Rule 19(9). This mirrors the position in Rule 19(6), which allows reimbursement of the same expenses when incurred in relation to diversions to land injured or sick persons.

19(9) Additional expenses unavoidably incurred by a Member as a direct consequence of an outbreak of infectious disease on an Entered Ship for disinfection of such Ship or the cargo or persons on board such Ship or in respect of quarantine and the net loss to the Member (over and above such expenses as would have been incurred but for the outbreak) in respect of fuel, **additional** insurance, Seamen’s wages, stores, provisions and port charges.

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P&I – RULE 19(15) TOWAGE

A reference to SUPPLYTIME contracts being an approved contract for towage by an Entered Vessel is being added to the Notes to Rule 19(15)(b) to reflect the updated wording of the Pooling Agreement.

15(b) Liabilities, costs and expenses arising out of towage by an Entered Ship of any ship or object.

Provided always that in Rule 19(15)(b) unless the towage is for the purpose of saving or attempting to save life or property at sea:

(A) the towage contract has been approved by the Managers and the Member has paid or agreed to pay such additional premium as may be required by the Association, or.....

Note: The Managers will normally approve contracts which have been made on or incorporate the following terms and conditions:

1. United Kingdom, Netherlands or Scandinavian standard towage conditions;
2. TOWCON and TOWHIRE;
3. Any current Lloyd’s standard form of salvage agreement (whether or not incorporating SCOPIC).

4. SUPPLYTIME

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P&I – RULE 28 EXCLUSION OF CERTAIN RISKS RELATING TO SPECIALIST OPERATIONS

A reference to mining being an excluded Specialist Operation is being added to mirror the updated wording of the Pooling Agreement.

28(1) Unless otherwise agreed by the Managers in writing there shall be no recovery from the Association in respect of any claim relating to:

Liabilities, costs and expenses incurred by a Member during the course of performing specialist operations including but not limited to dredging, blasting, pile-driving, well intervention, cable or pipe laying, construction, installation or maintenance work, core sampling, **mining**, depositing of spoil, power generation, decommissioning to the extent that such liabilities, costs and expenses arise as a consequence of:

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P&I – RULE 43 (3) SANCTIONS – RECOVERY FROM REINSURANCE RULE

The fast-changing nature of the international sanctions landscape has been made clear recently. As a result, the Managers have identified potential for a situation to arise where the Association has made a payment to or on behalf of a Member which (although entirely lawful at the time of payment) the Association subsequently finds it is not able to recover from its reinsurers as a result of a change in applicable sanctions. Although likely to be a limited potential risk, the Managers recommend that the proposed amendment is made to protect the Association from an inability to recover from its reinsurers so far as is possible.

43(3) The Association shall in no circumstances have a liability to a Member in respect of that part of any liabilities, costs and expenses which is not recovered by the Association from parties to any such reinsurance contract including but not limited to the Pooling Agreement, and/or the Group Excess Loss Reinsurance Contract because of a shortfall in recovery from such parties or reinsurers by reason of any sanction, prohibition or adverse action against them by any state or international organisation or the risk thereof if payment were to be made by such parties or reinsurers, **and, if for any reason whatsoever the Association discharges the liabilities of the Member or makes any payment to the Member in respect of which it suffers such a shortfall in recovery, the Member shall indemnify and hold the Association harmless to the extent thereof.**

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P&I – VARIOUS AMENDMENTS RELATING TO THE MERGER OF NORTH AND THE STANDARD CLUB

The amendments set out in the table below are required to address the following matters related to the merger of North and The Standard Club:

1. the change of name of “The North of England Protecting and Indemnity Association Limited” to “NorthStandard Limited”;
2. the change of name of “North of England Mutual Insurance Association (Bermuda) Limited” to “NorthStandard Reinsurance Limited”;
3. for the policy year 2023/24 North’s underwriting entities will underwrite mutual insurance business on the basis of the current North Group rule books, and the Standard Club’s underwriting entities will underwrite mutual insurance business on the basis of their existing rule books; and

4. notwithstanding the position set out in point 3 above, the mutual classes shall operate across the NorthStandard Group as a whole (e.g. the P&I class will consist of all mutual P&I policies underwritten by entities in the NorthStandard Group). Therefore, amendments to the rules ensure that Additional Calls can be levied against all Members of a class irrespective of which underwriting entities in the NorthStandard Group have underwritten the policies.

The rules of the Standard Club underwriting entities will also be amended to operate on the basis outlined above.

Rule	Amendment
1	These Rules are subject to the Articles of Association of NorthStandard The North of England Protecting and Indemnity Association Limited.
2(1)	Reference in these Rules to the “Association”, shall mean North UK and/or North EU (as appropriate); however North UK, and North EU and each other Club Subsidiary shall have the power to act jointly and severally to enforce and to exercise any rights under the Rules but shall be severally liable and not jointly liable for any obligations owed by the others under the Rules to a Member or any other third party or under any other rules of this Class to a Member or any other third party.
2(1)	Definition of “This Class” amended as follows: Class 1 The Protecting and Indemnity Class of the Association and the Club Subsidiaries
2(1)	New definition inserted as follows: CLUB SUBSIDIARY Has the meaning given in Article 2 of the Association’s Articles of Association (but excludes North EU).¹
2(1)	Definition of “Entered Ship” amended as follows: A Ship which has been entered in the Association for insurance in this Class of the Association.
2(1)	Definition of “Member” amended as follows: A Member of North UK as defined in the Articles of Association as a result of being a member of this Class pursuant to, and in accordance with, these Rules of the Association. Where the context permits, Member shall include a former Member.
2(1)	Definition of Member of North of England (Bermuda) amended as follows: MEMBER OF NORTH OF ENGLAND NORTHSTANDARD (BERMUDA) A Member (as defined in and subject to the Bye-laws and Rules thereof) of North of England NorthStandard (Bermuda).
2(1)	Definition of “North EU” amended as follows: North of England P&I Designated Activity Company, a designated activity company

¹ ‘Cub Subsidiary is defined in the NorthStandard Limited articles of association as “Means each of the following subsidiaries of the Association, which, together with the Association, are the underwriting entities in the ‘NorthStandard Club’: (a) North EU; (b) Standard Asia; (c) Standard Ireland; and (d) Standard UK, together being, the “Club Subsidiaries”

	limited by shares incorporated in Ireland with company number 628183 , which is a wholly owned subsidiary of North UK.
2(1)	Definition of “North UK” amended as follows: NorthStandard The North of England Protecting and Indemnity Association Limited, a private company limited by guarantee incorporated in England and Wales with company number 505456.
2(1)	Definition of “North of England (Bermuda)” amended as follows: NORTH OF ENGLAND NORTHSTANDARD (BERMUDA) NorthStandard Reinsurance The North of England Mutual Insurance Association (Bermuda) Limited a company incorporated in Bermuda with liability limited by guarantee, with company number 22688 , without a share capital with which the Association may reinsure risks of this Class.
2(1)	Definition of “Rules” amended as follows: The rules and regulations of the Association for the time being in force concerning this Class of the Association.
3(1)	The cover provided by this Class of the Association in respect of this Class is as set out in these Rules and provides insurance for a Member against loss, damage, liability or expense incurred by him which arises: <ul style="list-style-type: none"> (a) in respect of the Member’s interest in an Entered Ship, (b) out of events occurring during the period of entry of the Ship in the Association, and (c) in connection with the operation of the Ship.
3(2)	Save for the rights of the Association and the Club Subsidiaries to exercise or enforce any rights under these Rules, it is not intended that any benefit or rights should be acquired through the operation of the Contracts (Rights of Third Parties) Act 1999 or other similar legislation. The consent of any such third party beneficiary shall not be required in respect of any variation, waiver, rescission or termination of any provision of these Rules. It is not intended that any benefit or rights should be acquired through the operation of the Contracts (Rights of Third Parties) Act 1999 or other similar legislation.
4(1)(a)	Every person whose application to the Association to enter a Ship in this Class of the Association for the insurance of his interest in that Ship is accepted shall (if not already a Member) be and shall become a Member as from the date of the acceptance of his application.
4(3)	Subject always to Rule 4(4) and Rule 6 any person who is or becomes a member of this Class shall be and remain a member of North of England NorthStandard (Bermuda) subject always to the provisions of the Memorandum of Association, Bye-laws and Rules thereof for the time being in force. Accordingly, subject as aforesaid, it is a condition of: <ul style="list-style-type: none"> (a) continuation of membership of this Class, and (b) acceptance of any application for membership pursuant to all and any of Rules 4(1), 4(2), 7, 8 and 9,

	that the Managers are authorised to sign on behalf of such person all and any documents required to be signed by, or on behalf of, such person in order to be or remain (as the case may be) a member of the North of England NorthStandard (Bermuda).
4(4)	The provisions of Rule 4(3) shall apply if, but only if and for so long as, risks of this Class shall be reinsured with North of England NorthStandard (Bermuda) by the Association.
12(1)	<p>Subject to Rule 8 Members who have entered Ships for insurance in this Class of the Association for any part of a Policy Year shall through the Association (and together with the other members of this Class with entries in the Club Subsidiaries) insure each other as hereinafter set out against liabilities, costs and expenses which they or any of them may incur or may become liable to pay in respect of such Entered Ships, and for this purpose the said Members shall make contributions to the funds required to meet:</p> <ul style="list-style-type: none"> (a) the claims, (including any contribution to any Overspill Claim) expenses and other outgoings (whether incurred, accrued or anticipated) which in the opinion of the Directors necessarily and properly fall upon this Class of the Association in respect of such Policy Year; (b) such of the general expenses of the Association and/or of this Class as the Directors may from time to time think fit to charge against the insurance business of this Class in respect of such Policy Year; (c) such transfers to reserves or provisions of the Association and/or of this Class as the Directors may deem it expedient to make, including transfers to reserves and provisions in respect of any deficiency which has occurred or which may be thought likely to occur in respect of any Closed Policy Year as the Directors think fit; (d) the proportion attributable to this Class of such sums as the Association may by any Governmental legislation or regulation be required to set aside in order to establish and/or maintain an adequate solvency margin and/or guarantee fund in respect of any Policy Year.
14(3)	No amount of any kind whatsoever due or alleged to be due by North UK and/or North EU to the Member or for the avoidance of doubt by North of England NorthStandard (Bermuda) to the Member in his capacity as a member of North of England NorthStandard (Bermuda) shall constitute any set-off against the Contributions, Fixed Premiums or other sums of whatsoever nature due to North UK and/or North EU or shall entitle a Member to withhold or delay payment of any such Contributions, Fixed Premiums or sums.

40(2)	<p>For the purpose of determining whether any (and if so, what) sum is due for the purposes of Rule 40(1) or otherwise under these Rules no account shall be taken of any amount due or alleged to be due by the Association or, for the avoidance of doubt, by North of England NorthStandard (Bermuda) to the Member in his capacity as a member of North of England NorthStandard (Bermuda) for any reason whatsoever, and no set-off of any kind (including any set-off which might otherwise have arisen by reason of the bankruptcy or winding up of the Member) shall be allowed against such sum (whether or not any set-off against Contributions or Fixed Premiums has been allowed at any time in the past) except to the extent (if any) to which any sum demanded by the Managers as due, and required to be paid in a notice served under Rule 37(c) (Cesser for Non-Payment) may (in the Managers' discretion) in itself have already allowed for a set-off or credit in favour of the Member.</p>
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AMENDMENTS FOR 2023/2024 TO THE RULES OF THE FREIGHT, DEMURRAGE AND DEFENCE CLASS

Explanatory notes have been provided for the proposed changes and consequential renumbering and any cross referencing which will also be required. In the proposed new Rules, new wording is in **bold** and existing wording to be deleted is shown as strikethrough text [~~.....~~].

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FD&D - RULE 20 DEDUCTIBLES AND RULE 26 CONDUCT OF CLASS

In order to bring North's position in line with the majority of the FD&D market, Rule 20 will be amended to remove the cap on a Member's maximum contribution to fees provided for by the Rules (a maximum deductible can still, however, be negotiated separately as part of the terms of entry). Consequential amendments will also be made to Rule 26(3) to clarify the order in which any costs recovered in an FD&D dispute are applied to offset the costs paid by the Association and/or apportioned between the Association and the Member

20 Unless otherwise agreed between the Member and the Managers in writing as part of the terms upon which the Ship is entered in the Association the Member's recovery from the Association shall be subject to a deductible of 25% with a minimum of US\$10,000 ~~and a maximum of US\$150,000~~ per claim.

26(3) Any amount recovered as costs shall be applied **in the following order: (i) [first]** against costs incurred by the Association (or costs for which the Association may be liable) in excess of those which attract the Member's maximum deductible **(if applicable); (ii) [and second]** pro rata to the Association's ~~[remaining]~~ costs and costs liabilities and any deductible paid by the Member in excess of its minimum deductible; and ~~[third]~~ **(iii)** against the Member's minimum deductible.

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FD&D – VARIOUS AMENDMENTS RELATING TO THE MERGER OF NORTH AND THE STANDARD CLUB

The amendments set out in the table below are required to address the following matters related to the merger of North and The Standard Club:

1. the change of name of "The North of England Protecting and Indemnity Association Limited" to "NorthStandard Limited";
2. the change of name of "North of England Mutual Insurance Association (Bermuda) Limited" to "NorthStandard Reinsurance Limited";
3. for the policy year 2023/24 North's underwriting entities will underwrite mutual insurance business on the basis of the current North Group rule books, and the Standard Club's underwriting entities will underwrite mutual insurance business on the basis of their existing rule books; and
4. notwithstanding the position set out in point 3 above, the mutual classes shall operate across the NorthStandard Group as a whole (e.g. the FD&D class will consist of all mutual FD&D policies underwritten by entities in the NorthStandard Group). Therefore, amendments to the rules ensure that Additional Calls can be levied against all Members of a class irrespective of which underwriting entities in the NorthStandard Group have underwritten the policies.

The rules of the Standard Club underwriting entities will also be amended to operate on the basis outlined above.

Rule	Amendment
1	These Rules are subject to the Articles of Association of NorthStandard The North of England Protecting and Indemnity Association Limited.
2(1)	Reference in these Rules to the “Association”, shall mean North UK and/or North EU (as appropriate); however North UK, and North EU and each other Club Subsidiary shall have the power to act jointly and severally to exercise and to enforce any rights under the Rules but shall be severally liable and not jointly liable for any obligations owed by the others under the Rules to a Member or any other third party or under any other rules of this Class to a Member or any other third party.
2(1)	Definition of “This Class” amended as follows: Class 1 The Freight, Demurrage and Defence Class of the Association and the Club Subsidiaries
2(1)	New definition inserted as follows: CLUB SUBSIDIARY Has the meaning given in Article 2 of the Association’s Articles of Association (but excludes North EU).²
2(1)	Definition of “Entered Ship” amended as follows: A Ship which has been entered in the Association for insurance in this Class of the Association.
2(1)	Definition of “Member” amended as follows: A Member of North UK as defined in the Articles of Association as a result of being a member of this Class pursuant to, and in accordance with, these Rules of the Association. Where the context permits, Member shall include a former Member.
2(1)	Definition of Member of North of England (Bermuda) amended as follows: MEMBER OF NORTH OF ENGLAND NORTHSTANDARD (BERMUDA) A Member (as defined in and subject to the Bye-laws and Rules thereof) of North of England NorthStandard (Bermuda).
2(1)	Definition of “North EU” amended as follows: North of England P&I Designated Activity Company, a designated activity company limited by shares incorporated in Ireland with company number 628183 , which is a wholly owned subsidiary of North UK.
2(1)	Definition of “North UK” amended as follows: NorthStandard The North of England Protecting and Indemnity Association Limited, a private company limited by guarantee incorporated in England and Wales with company number 505456.
2(1)	Definition of “North of England (Bermuda)” amended as follows:

² See footnote 1 above

	<p>NORTH OF ENGLAND NORTHSTANDARD (BERMUDA)</p> <p>NorthStandard Reinsurance The North of England Mutual Insurance Association (Bermuda) Limited a company incorporated in Bermuda with liability limited by guarantee, with company number 22688, without a share capital with which the Association may reinsure risks of this Class.</p>
2(1)	<p>Definition of “Rules” amended as follows:</p> <p>The rules and regulations of the Association for the time being in force concerning this Class of the Association.</p>
3(1)	<p>The cover provided by this Class of the Association in respect of this Class is as set out in these Rules and provides insurance for a Member against loss, damage, liability or expense incurred by him which arises:</p> <ul style="list-style-type: none"> (d) in respect of the Member’s interest in an Entered Ship, (e) out of events occurring during the period of entry of the Ship in the Association, and (f) in connection with the operation of the Ship.
3(2)	<p>Save for the rights of the Association and the Club Subsidiaries to exercise or enforce any rights under these Rules, it is not intended that any benefit or rights should be acquired through the operation of the Contracts (Rights of Third Parties) Act 1999 or other similar legislation. The consent of any such third party beneficiary shall not be required in respect of any variation, waiver, rescission or termination of any provision of these Rules. It is not intended that any benefit or rights should be acquired through the operation of the Contracts (Rights of Third Parties) Act 1999 or other similar legislation.</p>
3(3)	<p>The cover provided by the Association in respect of this Class of the Association does not provide insurance for a Member against any liability that the Member may have to the Association itself, whether under these Rules or otherwise.</p>
4(1)(a)	<p>Every person whose application to the Association to enter a Ship in this Class of the Association for the insurance of his interest in that Ship is accepted shall (if not already a Member) be and shall become a Member as from the date of the acceptance of his application.</p>
4(3)	<p>Subject always to Rule 4(4) and Rule 6 any person who is or becomes a member of this Class shall be and remain a member of North of England NorthStandard (Bermuda) subject always to the provisions of the Memorandum of Association, Bye-laws and Rules thereof for the time being in force.</p> <p>Accordingly, subject as aforesaid, it is a condition of:</p> <ul style="list-style-type: none"> (i) continuation of membership of this Class; and (ii) acceptance of any application for membership pursuant to all and any of Rules 4(1), 4(2), 7, 8 and 9 <p>that the Managers are authorised to sign on behalf of such person all and any documents required to be signed by, or on behalf of, such person in order to be or remain (as the case may be) a Member of North of England NorthStandard (Bermuda).</p>

4(4)	The provisions of Rule 4(3) shall apply if, but only if and for so long as, risks of this Class shall be reinsured with North of England NorthStandard (Bermuda) by the Association.
12(1)	<p>Subject to Rule 8 Members who have entered Ships for insurance in this Class of the Association for any part of a Policy Year shall through the Association (and together with the other members of this Class with entries in the Club Subsidiaries) insure each other as hereinafter set out against costs and expenses which they or any of them may incur or may become liable to pay in respect of such Entered Ships, and for this purpose the said Members shall make contributions to the funds required to meet:</p> <p>(a) The claims, expenses and other outgoings (whether incurred, accrued or anticipated) which in the opinion of the Directors necessarily and properly fall upon this Class of the Association in respect of such Policy Year.</p> <p>(b) Such of the general expenses of the Association and/or of this Class as the Directors may from time to time think fit to charge against the insurance business of this Class in respect of such Policy Year.</p> <p>(c) Such transfers to reserves or provisions of the Association and/or of this Class as the Directors may deem it expedient to make, including transfers to reserves and provisions in respect of any deficiency which has occurred or which may be thought likely to occur in respect of any closed Policy Year as the Directors think fit.</p> <p>(d) The proportion attributable to this Class of such sums as the Association may by any governmental legislation or regulation be required to set aside in order to establish and/or maintain an adequate solvency margin and/or guarantee fund in respect of any Policy Year.</p>
14(3)	No amount of any kind whatsoever due or alleged to be due by North UK and/or North EU to the Member (or for the avoidance of doubt by North of England NorthStandard (Bermuda) to the Member in his capacity as a member of North of England NorthStandard (Bermuda)) shall contribute any set-off against the Contributions, Fixed Premium or other sums of whatsoever nature due to North UK and/or North EU or shall entitle a Member to withhold or delay payment of any such Contributions, Fixed Premium or sums.

30(2)	<p>For the purpose of determining whether any (and if so, what) sum is due for the purposes of Rule 30(1) or otherwise under these Rules no account shall be taken of any amount due or alleged to be due by North UK and/or North EU or, for the avoidance of doubt, by North of England NorthStandard (Bermuda) to the Member in his capacity as a member of North of England NorthStandard (Bermuda) for any reason whatsoever, and no set-off of any kind (including any set-off which might otherwise have arisen by reason of the bankruptcy or winding up of the Member) shall be allowed against such sum (whether or not any set-off against Contributions or Fixed Premiums has been allowed at any time in the past) except to the extent (if any) to which any sum demanded by the Managers as due, and required to be paid in a notice served under Rule 27(c) (Cesser for Non-Payment) may (in the Managers' discretion) in itself have already allowed for a set-off or credit in favour of the Member.</p>
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AMENDMENTS FOR 2023/2024 TO THE RULES OF THE WAR RISKS CLASS

Explanatory notes have been provided for the proposed changes and consequential renumbering and any cross referencing which will also be required. In the proposed new Rules, new wording is in **bold** and existing wording to be deleted is shown as strikethrough text [~~.....~~].

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WAR RISKS - RULE 10 (JOINT INSURED OWNERS)

This wording is being added to reduce the risk of a situation occurring where the contracted arrangements between Insured Owners and Joint Insured Owners may create difficulties in pursuing indemnity claims against Charterers or third parties. A similar provision is already contained in the P&I Rules.

10.1.2 if, at the time of entry, the Joint Insured Owners shall have directed that all payments of any sums payable by the Association shall be paid to one of the Joint Insured Owners or to some other party, payment of such sums by the Association in the manner directed shall be a complete discharge of the Association's liabilities to all Joint Insured Owners. If no such directions shall have been given, payment by the Association, in its discretion, to any one of the Joint Insured Owners shall operate as a similar complete discharge of its liabilities to all Joint Insured Owners. **The liability of any Insured Owner to another Insured Owner shall not be excluded nor discharged by reason of the receipt of such payment or the provision of insurance pursuant to Rule 10. Any payment by the Association to an Insured Owner in respect of such liabilities, costs or expenses covered by the Association shall operate only as satisfaction but not exclusion or discharge of the liability of such person to another Insured Owner;**

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WAR RISKS - RULE 12 REINSURANCE

Rule 12.3 will be amended as set out below to mirror the amendment made to P&I Rule 43(3) as explained above. The amended Rule will read as follows:

The Insured Owner shall in no circumstances be entitled to recover from the Association that part of any liabilities, costs and expenses which is not recovered by the Association from parties to the pool and/or under any reinsurance(s) because of shortfall in recovery from the parties or reinsurers thereunder by reason of any sanction, prohibition or adverse action against them by a state or international organisation or the risk thereof if payment were to be made by such parties or reinsurers **and, if for any reason whatsoever the Association discharges the liabilities of the Insured Owner or makes any payment to the Insured Owner in respect of which it suffers such a shortfall in recovery, the Insured Owner shall indemnify and hold the Association harmless to the extent thereof.** For the purposes of this clause, "shortfall" includes any failure or delay in recovery by the Association by reason of the parties or reinsurers making payment into a designated account in compliance with the requirements of any state or international organisation.

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WAR RISKS - AMENDMENTS REQUIRED FOLLOWING ACCESSION OF KING CHARLES III

References within the War Risks Rules to "Queen", "Her Majesty", "Queen's Enemy Risks" ("QER"), etc., will be updated following the accession of King Charles to "King", "His Majesty", "King's Enemy Risks" ("KER"), etc.

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WAR RISKS – VARIOUS AMENDMENTS RELATING TO THE MERGER OF NORTH AND THE STANDARD CLUB

The amendments set out in the table below are required to address the following matters related to the merger of North and The Standard Club:

1. the change of name of “The North of England Protecting and Indemnity Association Limited” to “NorthStandard Limited”;
2. the change of name of “North of England Mutual Insurance Association (Bermuda) Limited” to “NorthStandard Reinsurance Limited”;
3. for the policy year 2023/24 North’s underwriting entities will underwrite mutual insurance business on the basis of the current North Group rule books, and the Standard Club’s underwriting entities will underwrite mutual insurance business on the basis of their existing rule books; and
4. notwithstanding the position set out in point 3 above, the mutual classes shall operate across the NorthStandard Group as a whole (e.g. the War Risks class will consist of all mutual War Risks policies underwritten by entities in the NorthStandard Group). Therefore, amendments to the rules ensure that Additional Calls can be levied against all Members of a class irrespective of which underwriting entities in the NorthStandard Group have underwritten the policies.

The rules of the Standard Club underwriting entities will also be amended to operate on the basis outlined above.

Rule	Amendment
	These Rules are subject to the Articles of Association of The North of England Protecting and Indemnity Association NorthStandard Limited.
	Reference in these Rules to the “Association”, shall mean North UK and/or North EU (as appropriate); however North UK, and North EU and each other Club Subsidiary shall have the power to act jointly and severally to exercise and to enforce any rights under the Rules but shall be severally liable and not jointly liable for any obligations owed by the others under the Rules to a Member or any other third party or under any other rules of this Class to a Member or any other third party.
Definition of “This Class”	Class 1 The War Risks Class of the Association and the Club Subsidiaries
Definition of “Cover Afforded by the Association”	means the cover afforded by this Class of the Association in respect of this Class as described in Rules 1.1 to 1.10.
New definition of “Club Subsidiary”	CLUB SUBSIDIARY Has the meaning given in Article 2 of the Association’s Articles of Association (but excludes North EU).³
Definition of “Entered Ship”	A Ship which has been entered in the Association in the Association for insurance in this Class of the Association.

³ See footnote 1 above

Definition of “Insured Owner”	means an Owner (as defined below) by whom or on whose behalf a ship has been entered in the Association in this Class of the Association irrespective of whether, at any subsequent time, the insurance of the Owner or of the Entered Ship shall have been terminated and irrespective of whether, at any subsequent time, the Owner shall have ceased to be a Member.
Definition of “The Managers”	means the managers for the time being of the Association in respect of this Class of the Association including the chief executive officer of North UK and North EU.
Definition of “Member”	A Member of North UK as defined in the Articles of Association as a result of being a member of this Class pursuant to, and in accordance with, these Rules of the Association . Where the context permits, Member shall include a former Member.
Definition of “North EU”	North of England P&I Designated Activity Company, a designated activity company limited by shares incorporated in Ireland with company number 628183 , which is a wholly owned subsidiary of North UK.
Definition of “North UK”	NorthStandard The North of England Protecting and Indemnity Association Limited , a private company limited by guarantee incorporated in England and Wales with company number 505456 .
Definition of “Owner”	means in relation to an Entered Ship or a ship which is intended or desired to be entered in the Association in this Class of the Association , owner, owners in partnership, owners holding separate shares in severalty, part owner, mortgagee, trustee, charterer, operator, manager, builder of such ship, or insurer other than the Association as defined by Rule 12.1.
Definition of “These Rules”	The rules and regulations of the Association as originally framed or as from time to time altered or added to and for the time being in force.
Definition of “Ship”	means in the context of an Entered Ship or a ship which is intended or desired to be entered in the Association in this Class of the Association (but in no other context), a ship, boat, hovercraft or any other description of vessel or structure (including any ship, boat, hovercraft or other vessel or structure under construction) used or intended to be used for any purpose whatsoever in navigation or otherwise on, under, over or in water or any part thereof or any proportion of the tonnage thereof or any share therein.
Definition of “Successors”	means, in relation to all the persons hereinbefore specified in connection with “Owner” and “Insured Owner” and in relation to any other person whatsoever by whom or on whose behalf a ship shall have been entered in the Association in this Class of the Association , their heirs, executors, administrators, personal representatives, assigns (when permitted under these Rules), receiver, administrative receiver, curator or other person authorised to act on behalf of one who becomes incapable by reason of mental disorder of managing his property or affairs, trustee in bankruptcy, liquidator, administrator and other successors whatsoever.

1.1	The cover afforded by this Class of the Association for this Class in respect of an Entered Ship consists of the following:
24.1	<p>The Insured Owners who have entered ships in this Class the Association for the risks insured under Rule 2 or Rule 3 or both such Rules for any Policy Year, not being a Policy Year which has been closed, shall (together with the other members of this Class with entries in the Club Subsidiaries), provide by way of Contributions all funds which in the opinion of the Directors are required:</p> <p>24.1.1 to meet such of the general expenses of the Association and/or of this Class the Association as the Directors may from time to time think fit to charge in respect of that Policy Year against the Association's insurance business of this Class;</p> <p>24.1.2 to meet the claims, expenses and outgoings, whether incurred, accrued or anticipated, of the Association's insurance business of this Class in respect of that Policy Year including, without prejudice to the generality of the foregoing, any proportion of any claims, expenses or outgoings of any insurer other than the Association which have fallen or may be thought likely to fall upon the Association by virtue of any reinsurance or pooling agreement concluded between the Association and such other insurer;</p> <p>24.1.3 for any transfers to reserves or provisions which the Directors may deem it expedient to make out of the Contributions paid in respect of such Policy Year and which the Directors may from time to time think fit to charge against the Association's insurance business of this Class for that Policy Year including, without prejudice to the generality of the foregoing, such transfer to reserves and provisions in respect of any deficiency which has occurred or which may be thought likely to occur in respect of risks in any previous Policy Year, including any closed Policy Year, as the Directors may think proper;</p> <p>24.1.4 to provide all such sums as the Association may by any governmental or other similar legislation or regulation be required to set aside in order to establish and/or maintain an adequate solvency margin and/or guarantee fund in respect of any Policy Year. Without in any way limiting the obligations of Insured Owners to pay such sums, the Directors may, in their discretion and at any time or times, require any or all Insured Owners to guarantee specifically the payment of such sums in such terms and with such security as the Directors may from time to time decide.</p>

27.2	If it shall be agreed between an Insured Owner and the Managers that a ship is to be entered in the Association in this Class as from a specified date occurring after the commencement of any Policy Year, or that the Association is otherwise on risk in respect of any insurance for only a part of any Policy Year (save in the circumstances set out in Rule 27.3), then the Contributions due from the Insured Owner to the Association in respect of that Policy Year shall be payable on a pro rata basis representing the time that such ship is entered for insurance during the Policy Year.
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