



# CIRCULAR

## TO ALL OWNERS AND MEMBERS

07 November 2023

Dear Sir / Madam

### **Introducing NorthStandard's New Combined Rules**

For the 2024 policy year (and onwards), there will be new wordings for each of the P&I, Coastal and Inland, FD&D, and War Risks classes of NorthStandard's business. The P&I, FD&D and War Risks wordings combine the separate wordings currently used by the "North" and the "Standard" sides of the business, while the Coastal and Inland wording is updated to reflect the amendments to the P&I class wording upon which it is based. The new wordings will come into operation from noon on 20 February 2024.

The principles and processes involved in arriving at the new combined wordings were as follows:

- The new wordings are based on Standard's rules. The rules of each legacy business worked, but the Standard wordings are generally more modern in tone and had already been formally reviewed/re-drafted by lawyers Reed Smith more recently than North's.
- We worked closely with lawyers Reed Smith on the new wordings. Reed Smith were already familiar with Standard's wordings, and because they were the lead lawyers for the merger itself, they have been able to ensure efficiently that the rules dealing with the operation of the different business classes are worded appropriately. Reed Smith also advise the International Group on the terms of the Pooling Agreement, so their input ensures that cover given under the new wordings remains poolable where relevant.
- The process of combining the rules was split into two broad sections; "Scope of Cover" (setting out the risks covered and any areas where there may be exclusions to cover) and the "Mechanical Provisions" (concerning membership, payment of premium, operation of classes and handling of claims, etc.).
- Scope of Cover - When combining the rules, wherever one set of rules provided a wider cover than the other, we have adopted the wider cover wherever reasonably possible. This provides (a) tangible merger benefits to Members of both legacy businesses and (b) enables us to assure Members of both legacy businesses that the new wordings do not make any Members' position worse in practice than it was under the "old" legacy sets of rules.



- Mechanical Provisions - These have been drafted to mirror the move into operation of the business broadly through the legacy North corporate structure/mechanisms, for example by adopting references the Members' Board for discretionary decisions rather than Standard's previous reference to the statutory Board of Directors. Where one set of rules contained a provision which gave better protection to the broader Membership (eg, in terms of remedies available to the club in the event of default by a Member) that wording has been adopted. There is obviously a move away from much of the terminology and definitions used under the North rules, but there are no substantive changes in how the classes will operate or in how claims will be handled.
- The new rules will be available to view on our website in November along with supporting documents to enable Members of both legacy businesses to navigate their way around the new rules.

If you have any queries relating to the new rules, please direct them in the first instance to your usual contacts in Underwriting.

### **Name Change**

From 6 October 2023, our Irish insurance company, North of England P&I DAC changed its name to NorthStandard EU DAC. This is purely a name change of the company and will only be relevant to those members and policyholders who are insured by North of England P&I DAC. Details of your insurer can be found in your insurance documentation. There will be **NO** change to the terms of the underlying insurance business written by North of England P&I DAC other than the name change. All the other insurance companies within the NorthStandard group will continue to use their existing names and provide their current services. Further details can be found [here](#).

As part of this name change to NorthStandard EU DAC, a number of bank accounts have been amended to reflect the new club name. The legacy bank accounts name for North P&I EU DAC have changed to NorthStandard EU DAC. There are no further changes to other bank details.

### **Loss Payable Clauses and Letters of Undertaking**

We wish to draw members attention to the name change above to ensure mortgagees are aware that there may be a change to the name of the insuring entity for vessels subject to a mortgage for 2024/25 policy year, effective 20 February 2024. Past policy years are not impacted by this change and claims will continue to be processed in line with the appropriate policy year rules.



Further details of this change and others related to documentation format changes can be found [here](#).

If you have any questions please direct them in the first instance to your usual contacts in Underwriting.

Yours faithfully

A handwritten signature in grey ink, appearing to read 'D. Roberts'.

**David Roberts**  
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