

Hull and Machinery Insurance

Setting the Standard for Service and Security

April 2013

Charles Taylor as managers of the Standard Club have arranged a hull and machinery facility exclusively for Standard Club members.

What is this cover?

Known as Standard Club Hull, the facility offers hull and machinery, increased value, war and loss of hire covers to members of the Standard Club.

Cover is provided by Swiss Re and certain Lloyd's of London Syndicates. The facility will be managed by Charles Taylor, drawing on the Charles Taylor group's wide marine insurance market expertise.

Who can take this cover?

This cover is exclusively for members of the Standard Club.

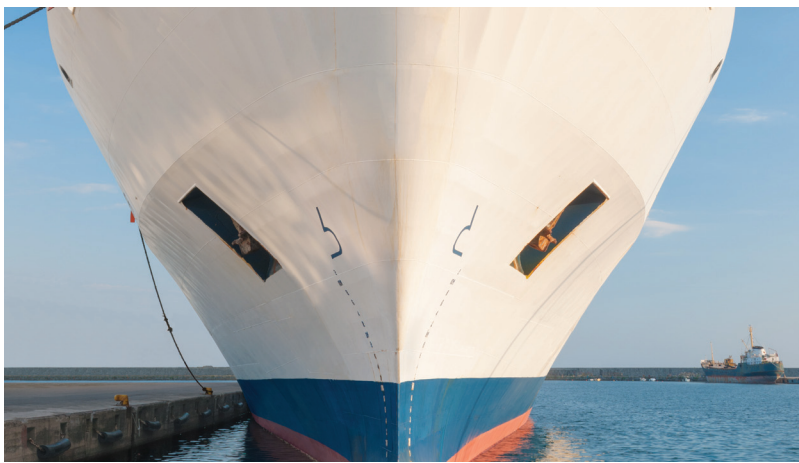
Why has this cover been developed?

The facility will provide shipowners with club-type service allied to London market Hull underwriting expertise deploying familiar and tested, but wide, coverage terms. At a time when the shipping market is suffering from very low freight rates, shipowners need the type of responsive and proactive service that they are used to receiving from their club. This facility will provide a new service-driven product, partnering the Standard Club with existing Hull underwriters.



Alistair Groom, Chief Executive Officer

+44 20 3320 8899
alistair.groom@ctplc.com



The Standard



Hull and Machinery Insurance continued

Why may the facility be attractive to members?

Members of the Standard Club may find this facility attractive because:

- it gives them access to club-standard claims service
- it may enhance the efficiency of claims management, for example when collision guarantees are needed
- it provides an alternative to members' current first party insurance arrangements
- the cover is based on market standard wordings and can be tailored to replicate members' existing cover

What is covered?

- hull and machinery
- increased value
- war risks
- loss of hire

What limits and lines are available?

The facility, which is led by Swiss Re and various syndicates at Lloyd's, is able to offer significant lead capacity subject to a maximum line of 45% of combined limits of \$100m for Hull and Machinery and Increased Value (subject to sub limits of \$100m and \$30m respectively), \$100m in respect of War and \$10m in respect of Loss of Hire.

Key features of the facility

Depending upon the type of ship, the facility will offer 45% capacity on a limit of \$100m. For smaller ships the facility may be able to provide a greater percentage of the capacity required. The facility will only be deployed to lead a risk and will not offer follow capacity.

Claims handling services and other technical support services are provided by Charles Taylor, the club's managers, drawing upon the wider marine market expertise resident within the Charles Taylor plc group.

The facility is open to members of the Standard Club and can be accessed by the member directly or through their Hull broker of record.

Frequently Asked Questions

Answers to Frequently Asked Questions can be found on the club's *website*.

The Standard Club is rated A by Standard & Poor's and is a mutual insurance association, owned by its shipowner members and controlled by a board of directors drawn from the membership. The club insures shipowners, offshore oil and gas operators and charterers for their liabilities to third parties.

For more information, contact Robert Drummond, Director of Business Development +44 20 3320 8942 or robert.drummond@ctplc.com or your usual Standard Club contact.

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Standard House, 12–13 Essex Street, London, WC2R 3AA, UK
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Telephone: +44 20 3320 8888 Emergency mobile: +44 7932 113573
Email: pandi.london@ctplc.com Website: www.standard-club.com

Please send any comments to the editor: **Brett Hosking**

Email: brett.hosking@ctplc.com Telephone: +44 20 3320 8956



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**Charles
Taylor**