
Rule Book, 2020/21

Defence Class Rules



Defence Class rules
for the 2020/21 policy year
of

The Standard Club Ltd

The Standard Club UK Ltd

The Standard Club Asia Ltd

The Standard Club Ireland DAC

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Contents

Section no.		Page no.
1	The Defence Class Rules of The Standard Club UK Ltd	1
	The Defence Class Rules of The Standard Club Asia Ltd	5
	The Defence Class Rules of The Standard Club Ireland DAC	6
2	Index to the Defence Class Rules	7

01

Defence Class Rules



SECTION A: INSURANCE

- 1.1** These rules, which are subject to the articles, contain the terms upon which Defence cover is given by the club.
- 1.2** The risks for which a member is insured are set out in rule 3.
- 1.3** Rules 1, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 23, 24 and 25 of the P&I class, insofar as not inconsistent, are incorporated in and form part of these rules.
- 1.4** The definitions in rule 26 of the P&I class are, to the extent they are applicable, incorporated in and form part of these rules.

SECTION B: SCOPE OF COVER, RECOVERY AND LIMITS

- 2.1** The costs in respect of which a member is insured are those authorised by the managers in their discretion and incurred in pursuing or defending claims, disputes or proceedings. Such costs include any which the member may become liable to pay to any third party under any order or agreement.
- 2.2** The costs must relate to a cause of action arising during the period of the ship's entry in the club and must arise out of or in relation to the operation or chartering by the member of the ship.
- 2.3** When considering whether to authorise any costs in respect of any matter, the managers may take into account, among other issues:
- (1)** the merits
 - (2)** the enforceability of any claim
 - (3)** the costs, actual or anticipated
 - (4)** the effect on the financial position of the class or club
 - (5)** whether the member exercised reasonable care in the chartering, control or management of the ship.
- 2.4** The managers may, at any time, decline or limit the reimbursement of any costs in respect of any matter, notwithstanding that they may previously have authorised reimbursement in connection with the same matter.
- 2.5** A member's insurance is subject to the warranties, conditions, exceptions, limitations and other terms set out in the rules and his certificate of entry.
- 2.6** A member is not insured for any liabilities incurred by him in a capacity other than that in which he has entered into the contract of insurance with the club.
- 2.7** Unless and to the extent that the managers otherwise determine, the costs for which the member is insured shall be limited to US\$5 million any one claim, dispute or proceeding.

SECTION C: RISKS COVERED

- 3** Costs in respect of claims, disputes or proceedings brought by or against a member relating to:
 - 3.1** any charterparty, contract of affreightment, bill of lading or other contract
 - 3.2** detention or loss of use of, or delay to, the ship
 - 3.3** the provision of supplies
 - 3.4** maintenance of or repair to the ship
 - 3.5** loss of or damage to the ship

Exclusion to rules 3.4 and 3.5

The club will only cover a member for costs in relation to a claim within any franchise or deductible under a hull policy if and to the extent that such franchise or deductible does not or is deemed not to exceed US\$100,000 in respect of each incident.

- 3.6** cargo operations
- 3.7** charges, disbursements or accounts
- 3.8** amounts due from or to underwriters or brokers
- 3.9** salvage, pilotage or towage services rendered by or to the ship
- 3.10** claims by or against any person
- 3.11** the mortgage of the ship
- 3.12** representation at official investigations or enquiries
- 3.13** claims by or against any customs, port, governmental or local authority
- 3.14** the building, modification, purchase or sale of the ship.

Exclusions to rule 3.14

- (1)** there is no cover for claims arising out of a contract for the building or modification of the ship or in respect of a contract for the purchase of the ship, for claims arising before delivery of the ship to the member, unless the entry is made effective from the date of the relevant contract, or on such terms as the managers may agree;
 - (2)** where a limit has been stipulated in respect of claims, it applies in the aggregate to all claims in respect of all ships entered by the insured parties or associated or affiliated companies arising out of any one contract or series of related contracts unless otherwise agreed by the managers.
- 3.15** all other matters in respect of which a member should, in the opinion of the board, be supported by the club.

SECTION D: EXCLUDED RISKS

Risks covered by insurances 4

The club will not cover a member in respect of any of the costs for which he would be covered, or could be covered subject to a discretion contained within the risk, if the ship were:

- (1) fully entered in The Standard Club UK Ltd or other insurer affording equally wide cover;
- (2) fully entered in the War Risks Class of The Standard Club UK Ltd or other insurer affording equally wide cover.

The Standard Club Asia Ltd

Rules of the Defence Class

The rules of The Standard Club Asia Ltd shall be the same as the rules of The Standard Club UK Ltd amended and varied as follows:

Unless the context otherwise requires, 'the club' means The Standard Club Asia Ltd and references to 'the articles' shall be deemed to be references to the Memorandum and Articles of Association of the club.

The Standard Club Ireland DAC

Rules of the Defence Class

The rules of The Standard Club Ireland DAC shall be the same as the rules of The Standard Club UK Ltd amended and varied as follows:

Unless the context otherwise requires, 'the club' means The Standard Club Ireland DAC and references to 'the articles' shall be deemed to be references to the Memorandum and Articles of Association of the club.

02

Index to the Defence Class Rules



	Rule no.	Page no.
Defence rules, scope of cover, recovery and limits	2	2
bill of lading, breach of	3.1	3
building – ship	3.14	3
cargo operations	3.6	3
charges, accounts	3.7	3
charterparty, breach of	3.1	3
contract, breach of	3.1	3
crew and others	3.10	3
customs authorities	3.13	3
damage – ship	3.5	3
detention, delay	3.2	3
maintenance – ship	3.4	3
modification – ship	3.14	3
mortgage – ship	3.11	3
official investigations	3.12	3
omnibus	3.15	3
pilotage	3.9	3
purchase – ship	3.14	3
repair – ship	3.4	3
risks covered	3	3
sale – ship	3.14	3
salvage	3.9	3
supplies	3.3	3
towage services	3.9	3
underwriters, brokers	3.8	3

Our service lines

Our members rely on us in three main areas. Protection from losses in the areas we offer cover, information and guidance on how to avoid risk and, in the event of an incident, rapid help and resolution.

We have organised our services to align with our members' needs.

Underwriting

Flexibility, breadth

We provide protection and indemnity cover and associated insurances for shipowners, charterers and offshore energy operators. We are S&P 'A' rated and one of the premier mutual P&I insurers by tonnage and membership.

- ▷ **Core P&I**
- ▷ **Defence**
- ▷ **Inland and Coastal**
- ▷ **Offshore**
- ▷ **Strike and Delay**
- ▷ **Tailored Insurances**
- ▷ **War Risks**

Risk Management

Security, guidance

Our teams of marine and technical experts provide advice and best practices that underpin our ability to manage risks, deliver value and sustain financial security.

- ▷ **Best Practice Manuals**
- ▷ **Data Analysis and Insights**
- ▷ **Events and Training**
- ▷ **Loss Prevention Advice**
- ▷ **News and Opinion**
- ▷ **Risk Reviews**
- ▷ **Safety Guidance**

Response

Wherever, whenever

Through offices in major hubs and a network of correspondents we cover the globe, responding to incidents with immediate, practical advice and ongoing support to resolve matters as positively as possible.

- ▷ **Claims Handling**
- ▷ **24 Hour Support**
- ▷ **International Offices**
- ▷ **Global Network**



**Standard
Club**

By your side

Keep up to date by visiting the Knowledge Centre section on our website [standard-club.com](https://www.standard-club.com)

 @StandardPandl

 The Standard P&I Club

The Standard Club Ltd is incorporated in Bermuda (No. 01837), authorised and regulated by the Bermuda Monetary Authority. Registered office: Swan Building, 2nd Floor, 26 Victoria Street, Hamilton HM 12. The Standard Club Ltd is the holding company of The Standard Club UK Ltd, The Standard Club Ireland DAC (both managed by Charles Taylor & Co. Limited) and The Standard Club Asia Ltd (managed by Charles Taylor Mutual Management (Asia) Pte. Limited).

The Standard Club UK Ltd is registered in England, No.17864, at The Minster Building, 21 Mincing Lane, London EC3R 7AG, authorised by the Prudential Regulation Authority FRN 202805 and is regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The Standard Club Ireland DAC is registered in Ireland, No. 631911, at Fitzwilliam Hall, Fitzwilliam Place, Dublin 2; authorised and regulated by the Central Bank of Ireland. Managers: Charles Taylor & Co. Limited. Registered in England No. 02561548, authorised and regulated by the Financial Conduct Authority FRN 785106. Registered office: The Minster Building, 21 Mincing Lane, London EC3R 7AG.

The Standard Club Asia Ltd is a company incorporated in Singapore with limited liability (No. 199703224R), authorised and regulated by the Monetary Authority of Singapore. Managers: Charles Taylor Mutual Management (Asia) Pte. Limited, a company incorporated in Singapore with limited liability (No. 199703244C). Registered office: 140 Cecil Street, #15-00 PIL Building, Singapore 069540. The Standard Club Asia Ltd (Hong Kong Branch) is authorised and regulated by the Hong Kong Insurance Authority, registered in Hong Kong (No. F24636). Managers: Charles Taylor Mutual Management (Asia) Pte. Limited (Hong Kong Branch), registered in Hong Kong (No. F24645). Registered offices: Room 701-3 & 710, 7/F CC Wu Building, 302-308 Hennessy Road, Wanchai, Hong Kong.

Managed by
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