# AMENDMENTS TO RULES FOR 2026/2027 POLICY YEAR

Explanations for the amendments and the revised wordings are set out below. New wording is in **bold** and deleted wording is ~~struck through~~.

## 1. P&I Rules

**Stowaways and refugees – additional expenses - rule 3.4**

The way in which rule 3.4 is set out is being amended to make the scope of cover provided by the rule clearer.

3.4 ~~Port and other charges solely incurred for the purpose of landing stowaways or refugees, or others saved at sea, or, with the agreement of the managers, a deceased person, or landing or securing the necessary treatment for an injured or sick person, other than crew, including the net loss to the Member in respect of fuel, insurance, wages, stores and provisions incurred for such purpose.~~

3.4 **Additional expenses, port fees and other charges solely incurred for:**

**(1) landing or handling stowaways;**

**(2) assisting, searching for, landing, or otherwise handling refugees or other persons saved at sea;**

**(3) landing or handling a deceased person, with the agreement of the managers; or**

**(4) landing or securing necessary treatment for an injured or sick person (excluding crew).**

**In all cases, cover includes the net loss to the Member in respect of fuel, insurance, wages, stores and provisions.**

**Waiver of rights of recourse – exclusion (13) to rule 3.13, and rule 5.19**

An exclusion of cover in respect of a failure to preserve rights of recourse was introduced in the 2025 year rules (exclusion (13) to rule 3.13).

However, it became apparent that the scope of that exclusion was not clear, particularly whether the exclusion was triggered only by waivers of rights of recourse in contracts of carriage (effectively bills of lading or voyage charterparties), or whether the exclusion could be triggered by waivers of rights of recourse in other contracts connected with the employment of the ship (such as charterparties generally or service contracts).

There was also a lack of clarity over whether the restriction would apply solely to cargo liabilities, or liabilities more widely (as was the intention).

A moratorium on the application of the exclusion was consequently agreed by the International Group until 20 February 2026. Following further debate, a revised wording has been included in the Pooling Agreement which reflects the wider approach agreed.

The revised wording is being introduced as rule 5.19, with the current rule 5.19 being renumbered as rule 5.20. Exclusion (13) to rule 3.13 (the existing rights of recourse provision) will be deleted.

The Club has published Frequently Asked Questions on the operation of the exclusion here: https://north-standard.com/insights-and-resources/resources/circulars/rights-of-recourse

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| **5.19** | **Liabilities arising out of or in connection with contracts for carriage wholly or partly by sea to the extent such liabilities would not have been incurred or borne by the Member but for its waiver or limitation of, or failure to incorporate, rights of recourse that would have been available under a bill of lading contract which incorporated:**<br>**(1) Article IV Rule 6 of the Hague or Hague-Visby Rules; or**<br>**(2) any equivalent provision under other applicable law,**<br>**provided that such liabilities shall not be excluded:**<br>**a if such rights of recourse are not available by reason of mandatorily applicable law; or**<br>**b to the extent that the Members' board otherwise determines after the occurrence of the event giving rise to them.** |

**Fines – rule 3.16**

The amendments to this rule make it clear that cover is provided for costs and expenses related to a fine, and also for fines arising out of the misdeclaration of a wide range of things commonly carried on board the ship, in addition to cargo. The rule has previously been interpreted in this way, so the clarification reflects what has been operational practice and clarifies that a wide cover is available.

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| 3.16 | Fines**, together with related costs and expenses,** imposed on the Member or upon any other person whom he reasonably reimburses or is legally liable to indemnify: |
| 3.16.1 | for short or over delivery of cargo, or for failure to comply with regulations concerning the declaration of goods **(including, but not limited to, the ship's stores, medicines, lube oil and fuel, and crew effects (including valuables))** or the documentation of cargo (other than fines or penalties arising from the smuggling of goods or cargo or any attempt thereat) |

**Specialist operations – rule 5.11**

The amendment to this rule reflects changes to the International Group Pooling Agreement, adding the deployment, operation and recovery of pneumatic barriers ('bubble curtains') to the list of excluded specialist operations.

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| 5.11 | Liabilities incurred during the course of performing dredging, blasting, pile-driving, well intervention, cable or pipe laying, construction, installation or maintenance work, core sampling, mining, depositing of spoil, power generation, decommissioning, **the deployment, operation and recovery of pneumatic barriers,** and such other operations as the parties to the Pooling Agreement may agree… |

**Laid-up returns - rule 18.8**

Rule 18.8 is being amended to make it clear that the Managers may allow a return of premium in excess of the maximum figure of 75% currently referred to, where deemed appropriate.

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| 18.8 | If a ship is laid-up in a safe port without any cargo on board for 30 or more consecutive days after finally mooring there, the Member is, subject to rule 18.9, allowed a pro-rata return of premium up to a maximum rate of 75% **(or such higher rate as the managers may determine)**. Any lay-up return is reduced pro-rata for any period of shifting within the port during lay-up. |

## 2. Mobile Offshore Units Rules

To the extent that the Mobile Offshore Units Rules reflect the mutual P&I rules (with logical differences), they will be amended in the same manner as set out above.

## 3. Coastal & Inland Rules

The Coastal & Inland rules reflect the mutual P&I rules (with logical differences) and will therefore be amended in the same manner as set out above.

## 4. Fixed P&I Rules

The Fixed P&I rules reflect the mutual P&I rules (with logical differences) and will therefore be amended in the same manner as set out above.

## 5. Strike & Delay Rules

An amendment to the rules is being made to provide the Member with greater flexibility regarding the timing of repairs. This enables a pragmatic approach to be taken when, for example, repairs are carried out (and delays thus incurred) more than 12 months after the breakdown of onboard machinery for sound operational reasons, and the managers have been kept informed. This will also align the Club's rules with wider industry practice under loss of hire policies.

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| 2.9 | There shall be no recovery under rules 3.22, 3.23, 3.31, 3.32, 3.33, 3.34 or 3.35 in respect of any period of *delay*:<br>(1) commencing 12 *months* or more after the original incident **unless otherwise agreed by the *managers***... |

A typographical error in rule 9.7(1) (a reference to rule 7.25 instead of rule 7.26) will also be corrected.