



NorthStandard

Sunderland
Marine

FAQs

One-stop-shop for smaller and
specialist vessels from NorthStandard

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Q What are we doing?

A We are launching a joint H&M and P&I product for vessels under 10,000GT, to be provided and serviced by the Sunderland Marine and Coastal & Inland teams together. We can also offer War, Loss of Hire and other ancillary Hull covers to meet members' marine insurance needs.

Q Why are we doing it?

A We sought feedback from a wide range of stakeholders in 2023 and the outcome was that there is a clear need for a single home for H&M and P&I in the small vessel insurance space. NorthStandard has the expertise to deliver that uniquely.

Benefits

Q What are the advantages of this new product?

A It will create efficiencies for brokers by offering an easy one-stop-shop to reduce duplication of effort to provide their clients with a market-leading product. For shipowners, there are benefits in terms of eliminating gaps in cover and reducing costs.

Q Will there be any cost savings from the joint product?

A Yes. Potential savings can be available on an account-by-account basis, always within the scope of the competitive restraints contained within the International Group Agreement. Additionally, the added convenience of joint H&M and P&I surveys will reduce costs and service disruption for owners.

How will it work

Q How do I get a quote?

A Get in touch with your usual contact in Sunderland Marine or Coastal & Inland. They will be able to coordinate the information collection process and put-up terms for both product lines. Contact details for the underwriting team are also available in the [joint product brochure](#).

Q How will claims be handled?

A Claims will be handled according to the product; Sunderland Marine for H&M and Coastal & Inland for P&I. If there are opportunities to jointly instruct lawyers we will look to do this where it is in the best interests of the club and the shipowner.

Q How will renewals be handled?

A Renewals will be handled in the same way as the quote was provided to you; there can be a single point of contact for both product lines. Loss records will be run on a product-specific basis, though the combined entry will be taken into account.

Scope and availability

Q What types of vessels are you looking to cover?

A We can provide cover for a wide range of smaller ships and vessels, including fishing vessels, tugs, barges, workboats, ferries, small dry cargo vessels, small passenger boats, pilot boats, crew/supply vessels, pontoons, research vessels, and small tankers. We are focusing on vessels under 10,000GT.

Q What types of vessels aren't you looking to insure under this product?

A Specifically for the joint H&M and P&I product we're unable to cover amphibious craft, party or pleasure boats, floating restaurants, builders/construction risks, suction dredgers, submersibles, remotely operated vehicles (ROVs) or 'over the side' risks, historic/replica vessels, tall ships, scrap voyages, livestock carriers, jack-up barges, US flag vessels, and vessels trading frequently to Russia or owners with any Russian connections.

FAQs (cont).

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Cover and conditions

Q Is P&I only available on mutual terms?

A No, we can offer P&I cover on a mutual or fixed-premium basis.

Q How do you decide whether to provide cover on mutual or fixed terms?

A The decision to buy mutual or fixed premium P&I from the club is led by the owner's or broker's preference. Typically, tankers are better suited to mutual cover and any owners who require a US\$1 Billion limit of liability. Some owners prefer not to have the (extremely limited) potential exposure to supplementary calls or release calls and will choose fixed premium cover. For information purposes, C&I's release calls for mutual business have been set at 0% for over 10 years, and NorthStandard has had no supplementary calls in over 30 years.

Q Can Sunderland Marine cover 100% of the risk?

A We can provide H&M cover on either a 100% basis or a subscription basis. Which one will depend on a number of factors, including value of vessel(s), risk location, and owner relationship. Speak to our team to find out more about your specific needs.

Q What's the maximum value of vessels Sunderland Marine cover?

A We can cover single vessels up to a limit of US\$50m (or the equivalent in other currencies). However, we typically deploy US\$3-5m for any one vessel.

Q Do you accept non-20th February P&I business?

A Yes, we can accept non-20th February renewals for both P&I and H&M.

Policy terms and deductibles

Q What wordings to you write on?

A You can find our H&M policy wordings on the Sunderland Marine website, www.sunderlandmarine.com. Any other wordings are available on request. The main wordings are IFVC cl.346+IAPC cl.347, and ITC cl.280+IAPC cl.294.

Mutual P&I is written on the Coastal & Inland P&I rules and fixed premium P&I is written on the NorthStandard Fixed Premium rules. P&I business from our NZ and Australian branches are currently written on the Owner's Fixed Premium Terms & Conditions. All of these wordings can be found on the NorthStandard website.

We also offer War, Loss of Hire and other ancillary Hull covers, under standard market clauses.

Q Are there any standard deductibles based on type or operation, etc.?

A Flat deductibles are usually applied for H&M, often with separate amounts or percentages for hull claims and machinery claims. We may also offer fleet deductibles, where appropriate.

We sometimes apply depreciation scales to machinery damages, for example, to limit and control claims exposure on older units.

P&I deductibles will depend on the customary deductibles for the specific type of operation and scope of cover.

FAQs (cont).

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Product security and structure

Q Is the product financially secure?

- A** Yes, this is a product from NorthStandard. NorthStandard is a leading provider of marine insurance products and services, with a financial strength 'A' rating from S&P Global.
- The business will be underwritten in Sunderland Marine and Coastal & Inland. Sunderland Marine is a trading name of NorthStandard Ltd and Coastal & Inland is a Class of NorthStandard.

Q Which laws and jurisdictions govern these policies?

- A** For H&M, the law and jurisdiction where the business is domiciled will usually apply, unless otherwise agreed by Sunderland Marine. For P&I business, English law applies.

Q Is Sunderland Marine a mutual?

- A** No. Sunderland Marine stopped being a mutual following the 2014 merger with North of England P&I Association and is now a trading name of NorthStandard Limited. However, Sunderland Marine continues to offer cover according to our longstanding mutual ethos – putting clients at the heart of the business together with a commitment to long-term sustainable relationships.

Q What happened to Owners' Fixed Premium?

- A** Owners' Fixed Premium (OFP) was originally a diversified line of P&I business within North Group. Following the merger with Standard Club, the OFP team and business are now part of Coastal & Inland. Some P&I business is still underwritten on the Owners' Fixed Premium Terms & Conditions but this is being gradually migrated onto the NorthStandard Fixed Premium Rules.