



NorthStandard

Rule Book 2026/27

Strike & Delay Rules



NorthStandard

Strike & Delay Rules for the 2026/27 policy year of

NorthStandard Limited

NorthStandard EU Designated Activity Company

Website: www.north-standard.com

Contents

Section no.		Page no.
01	The Strike & Delay Class Rules of NorthStandard Limited	1
	The Strike & Delay Class Rules of NorthStandard EU Designated Activity Company	37
02	Index to the Strike & Delay Rules	39

01

Strike & Delay Rules



Section A: Insurance

- 1 In return for payment of *premium*, *the club* agrees to insure the *Member* against *delay* caused by an *insured risk* which occurs or commences during the period of cover, such contract of insurance being subject to *the rules*.
- 1.1 *The rules*, which are subject to *the articles*, contain the terms upon which Strike & Delay cover is given by *the club*.
- 1.2 The standard risks against which a *Member* is insured are set out in rule 3.
- 1.3.1 A *Member* may be insured in respect of risks other than those set out in rule 3, or in respect of risks otherwise excluded, where such risks have been agreed in advance by the *managers*.
- 1.3.2 Any such risks are covered subject to the terms, conditions, warranties, limitations and exclusions set out in *the rules* and in the *certificate of entry*.
- 1.3.3 The *managers* may reinsure all or part of any such risk and, in the event that such reinsurance is arranged, the *Member* is entitled to recover from *the club* only the net amount actually recovered under such reinsurance together with that portion of the risk retained by *the club*, whether or not the *Member* has notice of such reinsurance, its terms or the identity of the reinsurers.
- 1.4 No act, omission, course of dealing or forbearance or reimbursement by *the club* shall be treated as any evidence of a waiver of *the club's* rights under *the rules*.
- 1.5.1 *The rules* and any contract of insurance between *the club* and any *insured party* are governed by and construed in accordance with English law. In particular, they are subject to and incorporate the Marine Insurance Act 1906 and the Insurance Act 2015 and any statutory modifications thereto unless such Acts or modifications may have been excluded by *the rules* or by any term of such contract.
- 1.5.2 The following provisions of the Insurance Act 2015 ('the Act') are excluded from *the rules* and any contract of insurance as follows:
 - (1) Section 8 and Section 14 of the Act. As a result, any breach of the duty of fair presentation and/or the duty of utmost good faith shall entitle *the club* to avoid the policy in all circumstances.
 - (2) Section 10 of the Act. As a result, if the *Member* or any *insured party* fails to comply with any warranty in these rules or any contract of insurance, *the club* shall be discharged from liability from the date of the breach even if the breach is subsequently remedied.
 - (3) Section 11 of the Act. As a result, if the *Member* or any *insured party* fails to comply with any term in these rules or any contract of insurance, *the club's* liability may be excluded, limited or discharged in accordance with these rules notwithstanding that the breach could not have increased the risk of the loss which actually occurred.

- (4) Section 13 of the Act. As a result, *the club* shall be entitled to exercise its right to terminate the contract of insurance in respect of the *Member* and all insured parties in the event that a fraudulent claim is submitted by or on behalf of the *Member* and/or any *insured party* and/or any affiliated or associated company of the *Member*.
- (5) Section 13(A) of the Act. As a result, these rules or any contract of insurance between *the club*, the *Member* and any *insured party* shall not be subject to any implied term that *the club* will pay any sums due in respect of a claim within a reasonable time save that *the club* may not deliberately or recklessly fail to do so.

- 1.6 Without prejudice to the ability of *the club subsidiaries* to exercise and/or enforce any rights under these rules (including pursuant to rule 1.7), the terms of entry and the insurance provided by *the club* do not confer any right or benefit on any third party under the Contracts (Rights of Third Parties) Act 1999 or other similar legislation, save as otherwise provided in *the rules*. The consent of any of *the club subsidiaries* or of any other third party beneficiary shall not be required in respect of any variation, waiver, rescission or termination of any provision of these rules.
- 1.7 *The club* and *the club subsidiaries* shall have the power to act jointly and severally to exercise and/or to enforce any rights under these rules (including in the case of *the club subsidiaries*, to do so pursuant to the Contracts (Rights of Third Parties) Act 1999) but shall be severally liable and not jointly liable for any obligations owed by the others under *the rules* to a *Member* or any third party or under any other rules of this *class* to a *Member* or any third party.

Section B: Scope of cover, recovery and limits

- 2.1 The Strike & Delay cover protects the *Member* against financial loss of income caused by specified *delays* to an *entered ship* occurring or commencing during the period of its entry in *the club* to the extent that such *delay* is caused by an *insured risk*.
- 2.2 The financial loss shall be calculated on the basis of *the ship's* actual loss of time stipulated in *days*, hours and minutes and her daily entered sum. (see rules 2.3 to 2.5).

Loss of time calculation

- 2.3 Only the time during which *the ship* has been deprived in whole or in part of income under a relevant *employment contract* shall count.

There shall be no recovery for a *delay*, or any part thereof, in the absence of loss of income either because the *Member* is entitled to payment under the applicable *employment contract* notwithstanding the *delay* or because the *Member* would never have been entitled to payment, irrespective of the *delay*.

- 2.4 The loss of time may arise out of a single continuous period of *delay* or in respect of a series of intermittent *delays* during the course of a visit to a single port or visits to more than one port, provided that:
 - (1) time shall not start to run unless the *delay* has lasted for a continuous period of more than 24 hours; thereafter, the *Member* is entitled to recover from the commencement of the incident. Any applicable deductible and limit of *days* covered under the *certificate of entry* shall run from the commencement of the incident;
 - (2) period of *delays* separated by intervals of more than 48 consecutive hours shall be treated as separate incidents save in respect of *delays* covered under 3.22, 3.23, 3.31, 3.32 or 3.33.

Daily entered sum

- 2.5.1 Each *ship* is entered with *the club* for a specific entered sum which shall constitute the maximum amount the *Member* is entitled to recover for each *day* (and pro-rata for any part of a *day*) *the ship* was delayed by reason of an *insured risk*.
- 2.5.2 The *Member* warrants the daily entered sum agreed with *the club* is a fair and reasonable estimate of one of the following:
 - (1) *ship's* daily revenue (less bunkers or other costs saved in case of a *delay*); or
 - (2) the daily hire or other remuneration payable by him (less such expenses as the *Member* saves or ought to have saved due to *the ship* being delayed); or
 - (3) *the ship's* daily running costs.

- 2.5.3 A Member may be insured in respect of a daily entered sum other than as provided by rule 2.5.2 (including reflecting losses otherwise excluded) where such daily entered sum has been agreed in advance by the *managers*. Save as stated herein, any such daily entered sum is subject to the terms, conditions, warranties, limitations and exclusions set out in the *rules* and in the *certificate of entry*.
- 2.5.4 Any change in the daily entered sum during the course of the *policy year* must be agreed in *writing* by the *managers*.

Limits of recovery

- 2.6 Recovery for any one claim arising out of an insured risk shall not exceed:
- (1) the maximum number of *days* (less deductible) specifically agreed in the *Member's certificate of entry* for the relevant *insured risk*;
 - (2) any aggregate or other limits specifically agreed in the *Member's certificate of entry*.
- 2.7 In any event, the *Member's* claim against *the club* is limited to the net loss suffered in respect of any *delay* caused by one of the *insured risks*, after deduction of:
- (1) any amount which is recoverable by way of hire, demurrage, damages, under any guarantee or which can be avoided by placing *the ship* off-hire;
 - (2) any recovery in respect of loss of time and/or *ship's* daily running costs made from third parties or in general average;
 - (3) any recovery made from another insurer.

Recovery for onshore events

- 2.8 Recovery in respect of claims for *delay* under rules 3.1 to 3.14(1) shall be limited to:
- (1) the period during which the relevant risk persists; and
 - (2) after the relevant risk has ended (or "thereafter"), the period during which *the ship* is at the affected port or area and the after-effects of the relevant risk are still directly affecting the port or area and the *entered ship* provided that *the ship* arrived at such port or area within fifteen *days* after the relevant risk has ended.

Recovery for shipboard related events

- 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*:
- (1) commencing 12 months or more after the original incident unless otherwise agreed by the managers; or
 - (2) resulting from *the ship* becoming an actual, constructive or economic total loss; or
 - (3) resulting from *the ship* slow steaming solely as a result of one or more of the above events beyond her immediate next port of call or refuge.
- 2.10 Where repairs arising from an incident covered under rules 3.22, 3.23, 3.31, 3.32, 3.33, 3.34 or 3.35 are undertaken concurrently with other work, the time in excess of the deductible period that is common to both categories of work will be split equally.

Amounts owing to the club

- 2.11 *The club* is not liable to make any payment in respect of any claim while any sum is due to *the club* from the *Member* either in respect of a *ship* entered in this *class* or under the same group rating agreement or any *club subsidiaries*; however, if *the club* makes any payment, it may deduct any sum which is due from a *Member* relating to any *policy year*.

Pre-existing circumstances

- 2.12 No claim shall be allowed if in the opinion of the *Members' board* the loss was due to circumstances existing at the time *the ship* was entered with *the club*.

Obligation to sue and labour

- 2.13 A *Member* must at all times take all reasonable steps to avoid or minimise any loss, damage or liability in respect of which he may be insured by *the club*. If a *Member* is in breach of this obligation, the *Members' board* may reject any claim by the *Member* for reimbursement or reduce the sum payable by *the club*.

Wilful misconduct

- 2.14 Unless the *Members' board* otherwise decides, no claim is recoverable in respect of any losses which in its opinion have been incurred owing to the privity or *wilful misconduct* of an *insured party*.

Sanctions

- 2.15 The *Member* shall in no circumstances be entitled to recover from *the club* that part of any loss which is not recovered by *the club* from any reinsurance(s) by reason of any sanction, prohibition or adverse action against them by any state or international organisation or the risk thereof if payment were to be made by such reinsurers. This rule applies to any failure or *delay* in recovery by *the club* by reason of the reinsurers making payment into a designated account in compliance with the requirements of any state or international organisation.

Section C: Risks covered

3 The Member's loss in respect of *delay* to the *entered ship* caused by:

Onshore events

- 3.1 *Strike*, lockout, revolution, rebellion, insurrection, riot, civil commotion, political protest, action by environmental objectors or religious zealots.
- 3.2 War, civil war or any hostile act by or against a belligerent power, weapons of war used during the course of hostilities and any act of piracy.
- 3.3 Fire, explosion or mechanical breakdown on land.
- 3.4 Storm, tempest, flood, sandstorm, snow, ice, fog or lightning insofar as it disrupts the shoreside supply chain provided always that the *entered ship* has not been delayed by a cause in respect of which cover would have been excluded under rules 3.8 or 3.9.
- 3.5 Earthquake, volcanic eruption, avalanche, heave, landslide or subsidence.
- 3.6 Aircraft impact or accident, or *delay* to or misdirection of air cargo.
- 3.7 Accidental loss of or damage to any vehicle, vessel or aircraft carrying or transhipping cargo or spare parts to or from the *entered ship*.
- 3.8 Partial or total closure of any port, berth, sea-lane or navigable waterway, or of any airport or airspace, or of any road or railway, as a result of an order made lawfully by an authority of competent jurisdiction, after the time of the *order to proceed*.

Exclusion to rule 3.8

There shall be no recovery for:

- (1) closure of any port, berth, sea-lane or navigable waterway caused by or arising out of swell, wind, rain, ice or fog save as provided in rule 3.14;
 - (2) *delay* arising out of any congestion, including any occupation of any berth by any other vessel or floating object, dredging, maintenance or normal tidal feature of any port, berth, sea-lane or navigable waterway.
- 3.9 Physical obstruction, high or low levels of water in any port, berth, sea-lane or navigable waterway for any abnormal reason, unforeseeable at the time of the *order to proceed*.

Exclusion to rule 3.9

There shall be no recovery for:

- (1) *delay* caused by or arising out of swell, wind, rain, ice or fog unless the *delay* was directly caused by a *named storm*;

- (2) *delay* arising out of any congestion, including any occupation of any berth by any other vessel or floating object, dredging, maintenance or normal tidal feature of any port, berth, sea-lane or navigable waterway.
- 3.10 Closure of any border for political purposes or the imposition of any import or export controls, embargo or prohibition.
- 3.11 Physical or electronic damage caused by strikers, locked-out workmen, vandals, terrorists, saboteurs or other malicious persons.
- 3.12 Expropriation, confiscation or seizure of a cargo loaded, partially loaded or discharged, or intended to be loaded on board *the ship*.
- 3.13 Use or operation (or threat thereof), as a means of inflicting harm, of any computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system.
- 3.14 One of the following weather conditions at any port, berth, *sea-lane* or *navigable waterway*:
 - (1) named storm;
 - (2) wind, swell or fog;
 - (3) rain excluding *customary rain*;
 - (4) ice excluding *customary ice*;

Recovery in respect of claims for delay under rules 3.14(2), 3.14(3) and 3.14(4) shall be limited to the period during which the relevant risk persists.

(There are no rules 3.15 to 3.20)

Shipboard related events

- 3.21 *Strike* of crew and officers on board *the ship*.
- 3.22 Accidental collision, stranding or grounding of *the ship* or striking any fixed or floating object by the *entered ship*.
- 3.23 Damage to the vessel caused by stevedores, heavy weather, fire or explosion onshore, violent theft, jettison, barratry, contact with aircraft, earthquake, volcanic eruption and lightning.
- 3.24 Illness, injury or death on board or directly caused by *the ship*.
- 3.25 Actual or alleged presence of *contraband* on board the *entered ship*, which neither the *Member* nor the master, officers and crew could reasonably be expected to have prevented, but only to the extent the *Member* shall have both complied fully with all relevant legislation and regulations and co-operated fully and at all times with the relevant anti-trafficking agencies of all countries between which *the ship* trades.

- 3.26 Actual or alleged pollution emanating from *the ship*.
- 3.27 Desertion from such a *ship* of any or all of her officers and/or crew.
- 3.28 Any action by an authority of competent jurisdiction against *the ship* or her officers or crew in respect of:
- (1) a crime or an alleged crime committed on board such *ship*; or
 - (2) any incident or occurrence as specified in rule 3.22 to 3.28 involving any other *ship* in the same beneficial ownership or management.
- 3.29 Stowaways on board, rescuing refugees or saving of life at sea by *the ship*.
- 3.30 Imposition of a state of quarantine upon such *ship* by a lawful order from an authority of competent jurisdiction.
- 3.31 Fire or explosion on board *the ship*; or breakdown of onboard *machinery* excluding:
- (1) breakdown resulting from ordinary wear and tear or lack of due diligence on the part of the *Member*;
 - (2) damage to propeller(s), rudder(s), associated steering and propulsion components and other equipment routinely below the waterline if *the ship* uses berth where it is normal for *ships* to take the ground;
 - (3) deterioration of coatings and painted surfaces as a result of poor preparation or improper application.
- 3.32 Removal and replacement of bunkers (including the necessary and consequential cleaning of onboard *machinery*, tanks, pipelines and/ or other similar affected areas) because they are not in accordance with the specifications agreed in the charter party or in the orders to the bunker supplier, provided that such removal and replacement is to avoid or minimise physical damage to onboard *machinery*.

Exclusion to rule 3.32

No claim shall be allowed under this rule unless the continuous drip method of sampling procedure and retention of samples as set out in Annex VI of MARPOL has been complied with and one sample sent immediately to a bunker sample analysis laboratory approved by the *managers*.

If the continuous drip method is not used, confirmation shall be obtained from a sample analysis laboratory that no issues of inadequate quality of bunkers involving the nominated bunker supplier have occurred within the prior three *months* and that the *Member* has SMS procedures for *the ship* regarding a hierarchy of approvals for loading bunkers when the continuous drip method is not used.

There shall be no cover where *delay*:

- (1) arises from bunkers not complying with regulations regarding sulphur content; or
- (2) arises from commingling or inadequate segregation of bunkers; or

(3) is in respect of LNG bunkers.

No claim shall be allowed:

- (1) unless the failure to meet specification is notified to the *managers* within 60 days of the loading of the bunkers; or
- (2) if the specifications agreed in the charter party or in the orders to the bunker supplier are of a lower standard than ISO 8217:2005.

The bunker sample analysis laboratories approved by the *managers* are FoBAS, VPS, VeriFuel and nkCS, Maritec, Viswa Lab, Intertek Shipcare and Parker Kittiwake.

3.33 Piracy and/or kidnap and ransom and/or abduction of persons on board *the ship*, including during revolution, rebellion, insurrection, riot, civil commotion, political protest, or action of environmental objectors or religious zealots.

3.34 War, civil war or any hostile act by or against a belligerent power, weapons of war used during the course of hostilities; or capture, seizure, arrest, restraint or detainment during the course of hostilities, and the consequences thereof or any attempt thereat but excluding such actions or confiscation, requisition (for title or use), pre-emption or expropriation by or under the order of the government or any public local authority of the country in which *the ship* is owned or registered and excluding the operation of ordinary judicial process, failure to provide security or to pay any fine penalty or any financial cause.

3.35 Any use or operation (or threat thereof), as a means of inflicting harm, of any computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system on board *the ship*; or virus (or threat thereof) preventing the use of any computer, computer system, computer software program, computer process or any other electronic system on board *the ship*.

- (1) If the event under this rule directly or indirectly causes an incident which is covered by any of rules 3.21 to 3.32, then if the *Member's* terms of entry include cover under the relevant rule, the deductible applicable to that rule shall apply; and
- (2) If the event under this rule directly or indirectly causes an incident which is covered by any of rules 3.21 to 3.34, but the *Member's* terms of entry do not include cover under the relevant rule, the claim shall be excluded.

(There are no rules 3.36 to 3.40)

Sue and labour

3.41 Where a Member has incurred reasonable expenses for the purpose of avoiding or minimising any *delay* against which they are insured by *the club*, the *Member* may recover such expenses to the extent that they have been incurred with the prior agreement of the *managers*, or to the extent that the *Members'* board determines.

Omnibus

- 3.42 In the event that a claim relates to a loss which the *Members' board* determines to be within the scope of club cover, the *Members' board* shall have full discretion to decide the extent of the *Member's* recovery from *the club*.

Section D: Excluded risks

Risks covered by another insurer

- 4.1.1 There shall be no recovery against *the club* if and to the extent that the loss could be covered, in whole or in part, by any hull and *machinery*, protection and indemnity, war hull and *machinery*, war protection and indemnity or freight, demurrage and defence insurance.
- 4.1.2 Unless otherwise agreed by the *managers*, there shall be no recovery in respect of any loss recoverable under any other insurance which has been placed by or on behalf of the *Member* or which would have been so recoverable but for:
- (1) any deductible, limit or special terms applicable under such insurance; or
 - (2) act or omission on the part of the *Member* vitiating such insurance; or
 - (3) the entry of *the ship* with *the club* and the terms in such other insurance excluding or limiting liability on the grounds of double insurance.

Cyber risks

- 4.2 There shall be no recovery, save as provided in rules 3.2, 3.13, 3.34 and 3.35, in respect of any *delay* directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system.

War risks

- 4.3 There shall be no recovery, save as provided in rules 3.2, 3.33 and 3.34, in respect of any loss incurred as a result of:
- (1) war, civil war, or any hostile act by or against a belligerent power;
 - (2) capture, seizure, arrest, restraint or detainment during the course of hostilities, and the consequences thereof or any attempt thereat;
 - (3) weapons of war used during the course of hostilities including, but not limited to, mines, torpedoes, bombs, rockets, shells and explosives.

Five powers war and nuclear, chemical or biological exclusions

- 4.4 There shall be no recovery in respect of any *delay/loss* directly or indirectly caused by or arising from:
- (1) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel; or
 - (2) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof; or

- (3) any weapon or device employing atomic or nuclear fission and/ or fusion or other like reaction or radioactive force or matter; or
- (4) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter; or
- (5) any weapon or device employing (or alleged by a person threatening its use to employ) chemical, biological, bio- chemical or electromagnetic compounds or materials; or
- (6) the outbreak of war (whether there be a declaration of war or not) between any of the following: the UK, the USA, France, the Russian Federation, the People's Republic of China.

Unlawful sanctionable and hazardous trades

- 4.5 No claim is recoverable if it arises out of or is consequent upon *the ship* carrying *contraband* (save as may be recoverable in accordance with rule 3.25) or blockade-running or being employed in an *unlawful, prohibited or sanctionable* carriage, trade, voyage or operation, or if the provision of insurance for a carriage, trade, voyage or operation is or becomes *unlawful, prohibited or sanctionable* or if the *Members' board* determines that the carriage, trade, voyage or operation was imprudent, unsafe, unduly hazardous or improper.
- 4.6 *The club* reserves the right to notify *Members* of any voyage or trade which in its opinion is unsafe or improper. If a *Member* having been given this notice then employs his *ship* on such voyage or transit or trade, no claim will be allowed for the period during which the same is so employed.

Section E: Excluded losses

- 5 Except as provided in this rule or otherwise agreed by the *managers*, there shall be no recovery in respect of:
 - 5.1 loss of or damage to *the ship*, her stores or fuel, or any equipment or item used in connection with her; or
 - 5.2 loss, cost or expense arising wholly or partly from the *Member's* failure for any reason whatsoever to discharge any financial obligation of any kind in connection with the proper prosecution of a voyage; or
 - 5.3 loss arising directly or indirectly out of the insolvency of the *Member* or any person; or
 - 5.4 loss arising out of the cancellation of any contract or engagement in relation to *the ship*; or
 - 5.5 loss arising out of any *delay* caused by loss or shortage of, damage to, or other issue in respect of, cargo or other property intended to be, or being, or having been carried in, on or by *the ship*, save as otherwise provided in *the rules*; or
 - 5.6 interest payable on sums due from *the club*.
 - 5.7 any loss, damage, liability or expense that is excluded under the JL2021-014 clause dated 8 March 2021 (Endorsement Excluding a Communicable Disease Following a Public Health Emergency of International Concern) published by the Joint Liability Committee of the Lloyd's Market Association, or any subsequent amendments to or revisions or replacements thereof, which is hereby incorporated into these rules.
 - 5.8 loss of freight.

Section F: Obligation with regard to claims

Notification

- 6.1 A *Member* must immediately notify the *managers* in writing of every event which may lead to a claim under rules 3.13, 3.22, 3.23, 3.31, 3.32 and 3.35.
- 6.2 Any other event likely to give rise to a claim under rule 3 must be promptly notified to the *managers* and in any event within six *months* after the incident, failing which the claim shall not be covered unless the *Members' board* exercises its discretion to the contrary.
- 6.3 Details of each claim must be supplied on the appropriate claim form currently in use by *the club* and be duly signed by or on behalf of the *Member*.
- 6.4 A *Member* must promptly notify the *managers* of any information, documentation or report in his power, custody, control or knowledge relevant to the claim and keep the *managers* fully informed at all times of the progress of the matter.
- 6.5 If a *Member* fails to notify *the club* of a claim within one year after acquiring knowledge of the *delay* giving rise to such claim, any and all of that *Member's* right(s) to recover in respect of such *delay* shall be extinguished.

Evidence

- 6.6 The *managers* determine what evidence is required to satisfy *the club* that a claim is payable.
- 6.7 A *Member* must produce and supply to *the club* such information, documents or reports as the *managers* may reasonably request in connection with any claim.
- 6.8 A *Member* must not withhold or conceal any information, documents or reports which may be relevant to disclose to the *managers* or make any false statement in connection with any claim.

Powers of the managers relating to the handling of claims

- 6.9 The *managers* have the right, but not the duty, to control the interests of a *Member* relating to a claim, including:
 - (1) the appointment on behalf of *Member* of lawyers, surveyors or other experts;
 - (2) the conduct of any claim or legal or other proceedings and the compromise thereof;
 - (3) the appointment of a surveyor to survey an *entered ship* prior to any repair being effected where a claim may be or has been made under rules 3.22, 3.23, 3.31 and 3.32.

Settlement

- 6.10 A *Member* must not settle any claim or make any admission in respect of any matter relating to any *delay* for which he is insured with *the club* without the written consent of the *managers*.

Subrogation

- 6.11 When a claim is made under *the rules*, *the club* shall be subrogated to all the rights and remedies in respect of that claim which the *Member* may have against any third party. *The club* shall be entitled to use the name of the *Member* in bringing, defending, enforcing or settling any legal proceedings (including proceedings in any arbitration) and the *Member* shall give all necessary information and assistance, and produce and forward all documents to enable the Association to substantiate, settle or resist any claim. The Association shall, however, where it uses the name of any *Member*, indemnify him against all costs, charges, expenses and liabilities arising therefrom.

Effect of non-compliance

- 6.12 If a *Member* fails to comply with any requirement under rules 6.1 to 6.4 and 6.6 to 6.11, *the club* shall not be under any obligation to indemnify him unless the *Members' board* otherwise determines.

Section G: Application and entry

Application

- 7.1 The *applicant* must make to the *managers* a fair presentation of the risk by providing the *managers* with all material particulars and information together with any additional particulars and information as the *managers* may require.
- 7.2 The *applicant* will ensure that every material representation as to a matter of fact is substantially correct, and every material representation as to a matter of expectation or belief is made in good faith.
- 7.3 The *managers* may, without giving any reason, refuse any application for the entry of a *ship* in the *club*.

Entry

- 7.4 Unless the *managers* otherwise decide, each person whose entry has been accepted under *the rules* becomes a corporate Member of *the club* and, save as hereinafter provided, becomes a corporate Member of *NorthStandard Bermuda*. Whenever the *managers* accept an entry by way of reinsurance, the insurer reinsured by *the club* or person insured by such an insurer may, if the *managers* agree, become a corporate Member of *the club* and, save as hereinafter provided, become a corporate Member of *NorthStandard Bermuda*. It is a condition to the acceptance and continuation of any entry that the *managers* are authorised to sign on behalf of each Member all and any documents required to be signed by, or on behalf of, such Member in order to become or remain (as the case may be) a corporate Member of *NorthStandard Bermuda*. The provisions of this rule 7.4 relating to any person becoming a corporate Member of *NorthStandard Bermuda* shall only apply if, and for so long as, the risks of this *class* are reinsured with *NorthStandard Bermuda* by *the club*.
- 7.5 A person shall cease to be a Member of *the club* and, if they are such a Member at such time, of *NorthStandard Bermuda* if for any reason whatsoever the entry of all *ships* in respect of which such person's interest was insured by *NorthStandard UK*, *the club* or any of *the club* subsidiaries, and in respect of which they are entitled to be a Member, shall have ceased or terminated.
- 7.6 The *managers* may accept an entry on terms as to *premium* other than those set out in *the rules*, in particular on a fixed *premium* basis.
- 7.7 The Member warrants that he is, in relation to *the ship*:
 - (1) her owner or charterer; or
 - (2) a manager or operator having control of her operation and employment; or
 - (3) any other person in possession and control of her.

- 7.8 Under a charterer's entry, the *Member* warrants that he will, unless otherwise agreed with the *managers*, declare to *the club* all *ships* chartered by him.
- 7.9 The *Member* is obliged to disclose any change in any material information relating to an entry including, but not limited to, change of: management, flag, classification society, government authority responsible for *ship* certification for the trade in question, nationality of crew, trading or operating area or nature of trade or operation. Upon such disclosure, or failure to disclose, the *managers* may amend the *Member's* *premium* rating or terms of entry, or terminate the entry in respect of such *ship* with effect from the time of disclosure or failure to disclose.

Certificate of entry

- 7.10 The *managers* will send the *Member* a *certificate of entry* stating the date of commencement of cover and the terms and conditions on which *the ship* has been accepted for insurance.
- 7.11 If at any time there is a variation in the terms of entry, the *managers* will send the *Member* an endorsement stating the terms of such variation and the date from which such variation is to be effective.
- 7.12 Every *certificate of entry* issued is conclusive evidence as to its terms; if the *managers* believe that such documentation contains any error or omission, they may issue a new certificate or endorsement which will be conclusive as aforesaid.

Joint entrants

- 7.13 The *managers* may accept an application from a *Member* for another person or persons to become joint entrants in respect of that *Member's* entry. Each joint entrant has an independent right of recovery from *the club*.
- 7.14 Unless otherwise agreed by the *managers*, the *Member* and all joint entrants are jointly and severally liable to pay all amounts due to *the club* in respect of their entry.
- 7.15 The *Member* and each joint entrant warrants that the joint entrant is, in relation to *the ship*:
- (1) interested in her operation, management or manning; or
 - (2) the holding company or the beneficial owner of the *Member* or of any person interested in her operation, management or manning; or
 - (3) a mortgagee of *the ship* or a financial institution (or its subsidiary or affiliate) leasing *the ship* as owner to the *Member*; or
 - (4) the charterer.
- 7.16 The *Member* warrants that he has at all times full power and authority to act in the name of and/or on behalf of all joint entrants.

Insured parties

- 7.17 The receipt by an *insured party* of any sums paid by *the club* in respect of such an entry is sufficient discharge by *the club* for the same.
- 7.18 Any provision of *the rules* by which an *insured party* ceases either to be insured or to be entitled to recover from *the club* is to be treated to apply to all *insured parties*. Failure by an *insured party* to comply with any of the obligations under *the rules* shall be treated as the failure of all *insured parties*.
- 7.19 Conduct of an *insured party* which would have entitled *the club* to decline to indemnify it is to be treated as the conduct of all *insured parties*.
- 7.20 The contents of any communication between an *insured party* and *the club* is to be treated as to be within the knowledge of all *insured parties*.

Group entries

- 7.21 *The managers* may accept an entry on the basis that *the ship* is part of a group rating agreement and assess *premium* accordingly.
- 7.22 One person must be designated group principal and any communication from or on behalf of *the club* to the group principal is deemed to be within the knowledge of all *insured parties* in the group and any communication from and action taken by the group principal is deemed conclusively to be made with the full approval of any and all *insured parties* within that group.
- 7.23 All persons entering *ships* under a group rating agreement and the group principal remain jointly and severally liable to pay all amounts due to *the club* in respect of any and all *ships* in the same group.

Breach of warranty

- 7.24 In the event of any breach of the warranties set out in rules 7.2, 7.6, 7.7 and 7.15, all *insured parties'* insurance shall terminate automatically from the time of the breach. In such circumstances, the *Member* shall be, and remain, liable for all *premium* up to the time of the breach.
- 7.25 In the event of any breach by a joint entrant of the warranties set out in rule 7.14, the joint entrant's insurance shall terminate automatically from the time of the breach. The joint entrant shall be, and remain, liable for all *premium* up to the time of the breach.

Assignment

- 7.26 No insurance given by *the club* and no interest under *the rules* or under any contract between *the club* and any *Member* may be assigned without the agreement of *the managers*. Any assignment made without such agreement shall, unless the *managers* otherwise determine, be of no effect and the assignee shall have no rights against *the club*.

- 7.27 In the event that the *managers* agree, *the club* is entitled in settling any claim presented by the assignee to deduct or retain such amount as the *managers* may then estimate to be sufficient to discharge any actual or potential liabilities of the assignor to *the club*.

Section H: Ship standards and risk reviews

Classification and condition of ships

- 8.1 Unless otherwise agreed by the *managers*, the following are conditions of the insurance of every *ship*:
- (1) *the ship* must be and remain fully classed with a classification society approved by the *managers* or, provided agreed by the *managers*, remain fully approved by the government authority responsible for *ship* certification for the trade in question (hereafter 'society/authority');
 - (2) any matter in respect of which the society/authority might make recommendations about action to be taken must be promptly reported to the society/authority;
 - (3) the *Member* must comply with all *the rules*, recommendations and requirements of the society/authority within the time or times specified by that society/authority;
 - (4) the *managers* may inspect any document, and/or obtain any information relating to the maintenance of *the ship's* class or approval, in the possession of any society/authority with which *the ship* is or at any time has been classed or approved, and the *Member* authorises such society/authority to disclose such documents and/or information to the *managers* for whatever purposes they may consider necessary; and
 - (5) the *Member* must comply with all statutory requirements including, but not limited to, *the ship's* flag state relating to the construction, adaptation, condition, fitment, equipment, manning and operation of *the ship* and must at all times maintain the validity of such statutory certificates as are required or issued by or on behalf of *the ship's* flag state, including those in respect of the ISM and ISPS codes.
- 8.2 Unless and to the extent the *Members' board* otherwise decides, a *Member* is not entitled to any recovery under rules 3.22 to 3.32 and 3.35 in respect of any loss arising during a period when any of the conditions in rule 8.1 have not been complied with or at any time during the three preceding *months*.

Ship risk reviews

- 8.3 The *managers* may, as a condition of acceptance or renewal of entry in *the club* or at any time thereafter, appoint a surveyor to undertake a *ship* risk review in respect of an *applicant's* or *Member's ship* within a specified period. In the light of such *ship* risk review, the *managers* may decline the application, refuse to renew the entry or impose conditions on the terms of entry as they see fit.

Operational reviews

- 8.4 The *managers* may at any time, or following an incident for which a *Member* may be insured by *the club*, appoint a surveyor to undertake a review of the *Member's* operations within a specified period. If the review does not take place within such period, no claim for recovery as a result of any incident arising after the expiry of such period will be allowed until such time as the review has been carried out, unless the *Members' board* otherwise determines.

Section I: Period of insurance

Policy year

- 9.1 Unless otherwise agreed at the time of entry or set out in *the rules*, the insurance provided by *the club* begins at the time stated in the *Member's certificate of entry*, and continues until noon GMT on the following 20 February, and thereafter, unless terminated in accordance with *the rules*, from *policy year* to *policy year*.
- 9.2 If a *Member* does not wish to continue the insurance in respect of *the ship*, he must give notice in *writing* to the *managers* not later than 30 days before the expiry of the period of insurance.
- 9.3 *The ship* may not be withdrawn at any other time or in any other manner except with the consent of the *managers*.

Managers' notice

- 9.4 The *managers* may, at any time and without giving any reason, terminate *the ship's* entry on 30 days' notice in *writing*.

Pro-rata premium

- 9.5 Subject to rule 10.8, a *Member* is only liable for *premiums* in respect of *the ship* for the current *policy year* pro-rata for the period from the time stated in the *Member's certificate of entry* until noon GMT:
 - (1) on the *day* ownership was legally transferred by the *Member* to a third party; or
 - (2) on the *day* *the ship* became an actual or constructive total loss or such later date as the *managers* may determine; or
 - (3) on the date of cessation of insurance.

Cessation of insurance

- 9.6 A *Member* shall cease to be insured by *the club* in respect of any and all *ships* entered by him if:
 - (1) being an individual, he dies, becomes of unsound mind or bankrupt, or makes any arrangement with his creditors generally; or
 - (2) being a company, a resolution is passed for its voluntary winding-up or an order is made for its compulsory winding-up or it is dissolved or seeks protection from its creditors under any applicable bankruptcy or insolvency laws or any similar event occurs in any applicable jurisdiction.
- 9.7 A *Member* shall cease to be insured by *the club* in respect of any *ship* entered by him if:

- (1) he sells or assigns the whole or any part of his interest in the ship, unless the managers have agreed to such assignment and to an assignment of the relevant insurance by the club pursuant to rule 7.26; or
- (2) *the ship* becomes an actual total loss, or is accepted by underwriters as constructive or compromised total loss; or
- (3) *the ship* is posted at Lloyd's as missing or the expiry of 10 days from the date on which she was last heard of, whichever is the earlier; or
- (4) in the case of a charterer's entry, the charter comes to an end provided that the *Member* gave written notice promptly, but in any event within one month of the termination of the charter; or
- (5) notice is given under rules 9.2 to 9.4 and is not withdrawn by agreement before the expiry of the period of insurance; or
- (6) *the ship* is employed by the *Member* in a carriage, trade, voyage or operation which will thereby in any way howsoever expose *the club* OR *the managers* to the risk of being or becoming subject to any sanction, prohibition or adverse action in any form whatsoever by any state or international organisation, or if the provision of insurance for a carriage, trade, voyage or operation is or becomes *unlawful, prohibited or sanctionable*, unless the *managers* shall otherwise determine.

A *Member* must promptly notify the *managers* in writing when any of the events referred above in rules 9.6 and 9.7 occur.

Cancellation of insurance

9.8 If a *Member* fails to pay when due and demanded by the *managers* any sum owing from him to *the club*:

- (1) unless and to the extent the *board* otherwise decides, a *Member* will not be entitled to any recovery in respect of any claim arising from the date of such failure until the date such sum owing to *the club* is paid in full; and
- (2) his insurance will be cancelled, whether or not it may already have ceased for some other reason, if after service on him of a notice stating that there are sums owing and requiring payment by a specific date he fails to pay any sum in full on or before such date.

9.9 The *managers* may, but are not obliged to, specify the amount outstanding; any inaccuracy in the demand as to the amount stated to be owing shall not invalidate the notice unless there is no sum owing at all.

9.10 The cover provided under rules 3.2 and 3.34 in respect of war risks may be cancelled by *the club* on seven days' notice to the *Member* (such cancellation becoming effective on the expiry of seven days from *midnight* of the day on which notice of cancellation is issued).

9.11 Whether or not a notice of cancellation has been given, the cover provided by rules

3.2 and 3.34 (*delays* resulting from war) shall terminate automatically:

- (1) upon the outbreak of war (whether there be a declaration of war or not) between any of the following countries: the UK, the USA, France, the Russian Federation, the People's Republic of China; or
- (2) in the event of *the ship* being requisitioned either for title or use.

Effect of cessation of insurance

9.12 When a *Member* ceases to be insured in respect of any *ship* or at all ('the date of cessation') then:

- (1) such *Member* and his successors are, and remain, liable for all *premium* in respect of that part of the *policy year* for which *the ship* was on risk, and previous *policy years*, unless otherwise agreed pursuant to rule 11; and
- (2) *the club* is under no liability for claims arising out of any incident occurring after the date of cessation; and
- (3) *the club* remains liable in respect of *delays* arising out of incidents occurring before the date of cessation, except that *the club* shall only be liable in respect of claims for *delay* under rules 3.1 to 3.13 if *the ship* arrives at a port or area affected by a relevant risk before the date of cessation.

9.13 When a *Member* ceases to be insured under rule 9.4, he remains liable for *premium* for the *policy year* in which the cessation occurs pro-rata only for the period beginning with the date of entry and ending with the date of termination.

Effect of cancellation of insurance

9.14 When a *Member's* insurance is cancelled under rules 9.8 to 9.11 then:

- (1) if the cancellation occurs while the *Member* is, but for the cancellation, insured, such *Member* and his successors are, and remain, liable for all *premium* in respect of the *policy year* during which the date specified in the notice ('the date of cancellation') occurs pro-rata only for the period beginning with the date of entry and ending with the date of cancellation and in respect of previous *policy years* irrespective of whether or not notice has been given under rule 9.8;
- (2) if the cancellation occurs after the *Member* has ceased to be insured for some other reason, such *Member* and his successors remain liable for all *premiums* as provided for in rule 9.12(1);
- (3) *the club* ceases to be liable for any claims in respect of any *ships* entered by such *Member*:
 - (a) which may arise by reason of any event occurring after the date of cancellation; or

- (b) which have accrued or arisen during a *policy year* for which sums remained owing but unpaid by the *Member* in full or in part at the date of cancellation; or
- (c) which may have accrued or arisen in any year other than one referred to in rule 9.14(3)(b) above, whether or not *the club* may have admitted liability for such claims or may have known, at the date of cancellation, that a claim was likely to accrue.

Section J: Premiums

Mutual premiums

- 10.1 *Members who have ships entered in this class (together with other Members of this class with entries in the club subsidiaries) in respect of any policy year, not being a closed policy year, other than on fixed premium terms, insure each other against liabilities which they or any of them may incur or become liable to pay and contribute to the funds of the class required to meet:*
- (1) all its liabilities and other outgoings, actual or anticipated;
 - (2) all provisions the board deems it expedient to make.
- 10.2 *Members agree to pay all premium and other sums determined by the board, in such manner and at such time as the board may require.*

Estimated total premium

- 10.3 *Before or at the beginning of each policy year, the club shall levy upon Members an estimated total premium (ETP) calculated on the basis of an agreed percentage of the daily entered sum. The board decides the number of instalments in which payment is to be made and payment will be made accordingly unless otherwise agreed by the managers.*
- 10.4 *If at any time the board determines that the whole of the ETP is not required to meet the obligations of the class:*
- (1) it may declare a discount of such percentage of the ETP as it may decide; and
 - (2) the liability of the Members to pay ETP under rule 10.3 shall be reduced accordingly.
- 10.5 *Before the start of a policy year, the board may decide the percentage by which there is to be a general change in the premium ratings of all Members. Unless otherwise agreed between the managers and a Member, the premium ratings so changed will apply in respect of such policy year.*
- 10.6 *If a Member ceases to be insured in respect of any ship before any instalment of ETP becomes payable, the managers will, subject to rule 9.12(1), decide how and when any such sum is to be paid, provided that it will be immediately payable if the Member has no other ships entered in the club, or subsequently withdraws all his ships.*

Supplementary calls

- 10.7 *The board may levy one or more supplementary calls in respect of any open policy year if it determines that the funds or reserves of this class are insufficient for that year, or for any other purpose.*

Laid-up returns

- 10.8 If a *ship* is laid-up in a safe port for 15 or more consecutive days after finally mooring there, the *Member* is, subject to rule 10.10, allowed a pro-rata return of *premium* up to a maximum rate of 95%. Any lay-up return is reduced pro-rata for any period of shifting within the port during lay-up.

Exclusions to rule 10.8

Unless otherwise agreed by the *managers*, there shall be no return if:

- (1) there are crew on board *the ship* other than for security or for maintenance necessary for the safety of *the ship*; or
- (2) repairs are carried out other than for the safety of *the ship*.

Time charter returns

- 10.9 If a *ship* is trading under time charter, the *Member* is, subject to rule 10.10, allowed a pro-rata return of *premium* allocated to onshore events up to a maximum rate of 95%.
- 10.10 If a *Member* does not notify and submit his claim for reimbursement to the *managers* in *writing* within six *months* under rule 9.5, or within six *months* of the end of the *policy year* under rules 10.8 or 10.9, no allowance or return shall be made unless the *managers* otherwise determine.

Releases

- 11.1 Upon the cessation of insurance of any *ship*, a *Member* may be released from all further liability for *premium* to *the club*.
- 11.2 The *managers* will calculate the amount required to so release the *Member* ('the release call') by reference to such percentage of the ETP as the *board* may decide.
- 11.3 Within the time specified by the *managers*, the *Member* may elect to pay either the release call or all further *premium* when due.
- 11.4 If the *Member* elects to pay all further *premium* when due, he must, unless he has other *ships* remaining in *the club* under an owner's entry, provide at his own expense within the time specified by the *managers*, a guarantee acceptable to the *managers* for the full amount of the release call. If he fails to provide the guarantee within the time specified, the release call automatically becomes payable.
- 11.5 If during the period that the *Member* is still liable to pay further *premium* he no longer has any *ships* remaining in *the club* under an owner's entry, he must immediately provide at his own expense a guarantee acceptable to the *managers* for the full amount of all release calls in respect of all of his *ships*.
- 11.6 If, after the original release call is calculated, the *board* amends the release percentage, the *managers* may re-calculate the release call.
- 11.7 The *managers* may impose such other terms and conditions as they think fit.

- 11.8 A Member who has paid a release call is under no liability for any *premium* in respect of any *ship* which is the subject of the release call assessed after the date of the release and has no right to share in any return of *premium* which the *board* may thereafter decide to make.

Payment

- 11.9 Any *premium* or other sums due shall be designated in such currency, and be payable in such manner and at such time, as the *managers* may specify. If any sum due is not paid on the specified date, time being of the essence, such *Member* shall pay interest on the amount outstanding from that date until the date of payment at such rate as the *board* determines. The *managers* may, however, waive payment of interest in whole or in part.
- 11.10 Where a *Member* has appointed a broker, the broker is the agent of the *Member*. Payments of *premium* and other sums due to the *club* shall not be considered received by the *club* until actually received by it, and payment by the *Member* to his broker or other intermediary shall not constitute payment to the *club*.
- 11.11 Where the *Member* has appointed a broker, payment by the *club* to the broker of sums due to the *Member* shall constitute payment to the *Member*. Any such payment shall fully discharge the *club's* liability to the *Member* in respect of such sums.
- 11.12 The *club* is entitled to, and the *Member* grants, a lien on any *ship* entered in this class by the *Member* in respect of any amount owed by the *Member* to the *club* or any of the *club's* subsidiaries.

Closed policy years

- 11.13 No sooner than 18 months after its commencement, the *board* may decide to close a *policy year*.
- 11.14 If the *premium* obtained exceeds the liabilities and other outgoings falling upon this class for that year, the *board* may either carry the surplus to reserves or return it in whole or in part to the persons who paid such *premium* in proportion to the aggregate *premium* paid by them in such *policy year*.
- 11.15 If at any time after a *policy year* has been closed it appears to the *board* that the liabilities and other outgoings arising in respect of the year exceed or are likely to exceed the *premium*, other than overspill calls, in respect of the year, then the *board* may decide to provide for such deficiency by:
- (1) utilising funds either from reserves or standing to the credit of any different closed *policy year*; or
 - (2) levying one or more supplementary calls in respect of any open *policy year*.

Reserves

- 11.16 The *board* may:

- (1) establish and maintain such reserves or other accounts as it thinks fit;
- (2) transfer any sum standing to the credit of any *policy year* to any reserve;
- (3) apply the sums in any reserve for any purpose and may at any time transfer sums from one reserve to another.

Investment

11.17 The funds of *the club* may be invested in any way the *board* may determine.

11.18 Unless the *board* otherwise determines, all funds relating to any *policy year* or reserve shall be pooled and invested as one fund.

11.19 The *board* may apply investment returns to any *policy year* or reserve as it thinks fit.

Section K: General terms and conditions

Powers of the board, subcommittees, class committees, the Members' board and managers

12.1 Whenever any power under *the rules* is:

- (1) vested in the *board*, it may be delegated to any subcommittee of the *board*, *class committee*, the *Members' board* or to the *managers*;
- (2) conferred or imposed upon the *managers*, or is delegated to them under rule 12.1(1), it is exercisable by the *managers*, or by any authorised employee or agent.

12.2 Any power referred to in rule 12.1 is exercisable in the absolute discretion of the *board*, subcommittee, *class committee*, the *Members' board*, or *managers*. The *board*, any subcommittee, any *class committee*, the *Members' board* and the *managers* may impose any terms or conditions when exercising any such discretion and are not required to give reasons for any decision or determination.

12.3 Whenever the *managers'* agreement or approval is required by *the rules*, it must be given in *writing*, and no agreement or approval shall be of any effect in the absence of such written agreement.

Disclosure

12.4 *The club* shall be entitled to give disclosure of information relating to the *Member's* business which has become known to *the club* where such disclosure is required by law, or any rule, regulation, order or direction of any authority or if necessary for the proper performance of *the club's* or *managers'* obligations.

Notices

13.1 All notices and documents required by *the rules* to be given to *the club* or to the *managers* must be in *writing* and addressed to the *managers*.

13.2 All notices and documents required by *the rules* to be served on a *Member* may be served as the *managers* decide either personally, or by post, fax or email to him:

- (1) at his address as recorded by the *managers*; or
- (2) at any other address he has notified the *managers* as being his address for service; or
- (3) at any address of a broker or agent through whom any *ship* has been entered in *the club*.

13.3 Every notice and document served personally is deemed served on the *day* of service; if served by post, fax or email is deemed served on the second *day* after posting or sending. Proof of posting is sufficient proof of service by post, while the *managers'* record of any electronic communication is sufficient proof of service by other means.

Website

- 13.4 The *managers* may send or supply any notice or document to *Members* by making it available on *the club's* website, and it is deemed delivered when the relevant *Members* are notified that it is available on the website.

Personal data

- 13.5 Conditions relating to the sharing and processing of *personal data* between, by and/or on behalf of *the club* and the *Member* pursuant to these rules are contained in a separate privacy notice available on *the club's* website.

Law and jurisdiction

- 13.6 All insured parties submit to the jurisdiction of the English courts in respect of any action brought by *the club* to recover any sums which the *managers* may consider to be due from an *insured party*. However, *the club* is entitled to commence and maintain any action to recover any sums which the *managers* may consider to be due from an *insured party* in any jurisdiction.
- 13.7 If any other dispute between an *insured party* and *the club* arises out of or in connection with *the rules*, it must first be referred to the *board* notwithstanding that the *board* may have already considered the matter which has given rise to the dispute, and such reference shall be on written submissions only.
- 13.8 No *insured party* is entitled to maintain any legal proceedings against *the club* unless and until the matter has been submitted to the *board* and the *board* has given its decision.
- 13.9 If, after the dispute has been referred to the *board* in accordance with rule 13.7, an *insured party* does not accept the decision of the *board*, the parties will attempt to settle it by mediation in accordance with the CEDR model mediation procedure. Unless otherwise agreed between the parties, the mediator will be nominated by CEDR. The mediation will take place in London and in English. The mediation agreement shall be governed by the substantive law of England. The English courts shall have exclusive jurisdiction to settle any claim, dispute or difference which may arise out of, or in connection with, the mediation.
- 13.10 If the dispute is not settled by mediation within 14 days of commencement of the mediation or within such further period as the parties may agree in *writing*, the dispute shall be referred to and finally resolved by arbitration in London before two arbitrators, one to be appointed by each of the parties, and an umpire to be appointed by the two arbitrators. The submission to arbitration and all the proceedings therein shall be subject to the Arbitration Act 1996 and any statutory modifications thereof.

Section L: Definitions

14 In *the rules* the following words and expressions have the following meanings:

The rules: the Strike & Delay class rules of the club for the time being in force.

The articles: the articles for the time being of the club.

The club: NorthStandard UK.

Affiliated or associated charterer: where (1) both the *Member* or a joint entrant and the charterer have the same parent or (2) one of the *Member*, joint entrant or the charterer respectively is the parent of the others. For the purposes of this definition, a 'parent' is a company which owns at least 50% of the shares in and voting rights of the others or owns a minority of the shares in the others and can procure that it is managed and operated in accordance with its wishes.

Applicant: any person seeking to enter a *ship* on his own or another's behalf or on whose behalf an application is made.

Board: the directors for the time being of *the club* or, as the context may require; (a) a quorum of directors present at a duly convened meeting of the *board*; or (b) such number of the directors as is required for the passing of a written resolution of the directors

Certificate of entry: a document issued pursuant to rule 7.9 including any endorsement thereto.

Class: the Strike & Delay class of the club and the club subsidiaries.

Class committee: has the meaning given to it in the articles.

Club subsidiaries: has the meaning given to it in the articles.

Contraband: any item that is illegal to carry, such as drugs, arms, munitions, alcohol, tobacco or precious metal.

Covered risk: risk covered under the *Member's* certificate of entry or endorsement.

Customary ice: ice covering areas listed in the International Navigating Conditions (01/11/03) at the time prescribed by those conditions.

Customary rain: pattern of increased rainfall over a large area occurring on a seasonal basis characteristic of a monsoon system as defined by the World Climate Research Programme (https://www.wcrp-climate.org/documents/monsoon_factsheet.pdf)

Day: the day of any occurrence means the day as computed according to Greenwich Mean Time (GMT).

Delay: Delay in relation to a *ship* includes complete or partial suspension of its commercial operations.

Employment contract: the voyage or time charterparty, booking note, contract of affreightment or other contract under which the entered ship is employed or which the entered ship is performing at the time of any delay or part thereof.

Entered Ship: A *ship* which has been entered for any of the risks enumerated herein and accepted in the Association in the manner hereinafter provided.

Insured party: the Member and any joint entrant in respect of an entry.

Insured risk: risk insured under the Member's certificate of entry or endorsement.

Machinery: the various systems necessary for the propulsion and operation of a *ship*, including engines, generators, turbines, electrical *machinery*, propeller, shafts and boilers.

Managers: the managers for the time being of the club.

Member: a person whose entry has been accepted under these rules and who pursuant to rule 7.4 becomes a Member of *NorthStandard UK* and (subject to the provisions of rule 7.4) of *NorthStandard Bermuda*.

Members' board: has the meaning given to it in the articles.

Midnight: midnight GMT.

Month: calendar month.

Named storm: a storm named by an appropriate meteorological authority.

Navigable waterway: navigable body of water inland used by both inland craft and ocean-going vessels.

Noon: noon GMT.

NorthStandard Bermuda: NorthStandard Reinsurance Limited, a company incorporated in Bermuda with liability limited by guarantee without a share capital (company number: 22688).

NorthStandard UK: NorthStandard Limited, a company limited by guarantee incorporated in England and Wales (company number: 505456).

Order to proceed: order to proceed to or by way of the location where the *delay* is suffered or the assumption by the *Member* of a contractual obligation to proceed to or by way of that location.

Personal data: any information that relates to or enables the identification of a living person.

Policy year: the year from noon GMT on 20 February to noon GMT on the following 20 February.

Premium: includes estimated total premium, supplementary calls and any other premium which may be due from a *Member*.

Sea-lane: regularly used navigable routes for ocean-going vessels under the jurisdiction of and maintained by competent authorities such as the Panama Canal, the Suez Canal or the Bosphorus Strait.

Ship: any ship, boat, hydrofoil, hovercraft or any other description of vessel, whether completed or under construction, (including a lighter, barge or similar vessel howsoever propelled but excluding a fixed platform, a fixed rig and a wing-in-ground craft) used or intended to be used for any purpose whatsoever in navigation or otherwise on, under, over or in water or any part of such *ship*, or any proportion of the tonnage thereof or any share therein.

Strike: Strike, slow-down, work stoppage and any other form of partial or total restraint of labour.

The ship: a ship which has been entered in the club for insurance.

Unlawful, prohibited or sanctionable: unlawful, prohibited or sanctionable under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, or United States of America, irrespective of whether the restrictions apply to *the club* or *Member*, the place of incorporation or domicile of the *Member* or *the ship's* flag state, or any other relevant jurisdiction.

Wilful misconduct: an act intentionally done or a deliberate omission by an *insured party* with knowledge that the performance or omission will probably result in injury or loss, or an act done or omitted in such a way as to allow an inference of a reckless disregard for the probable consequences.

Writing: any reference to 'writing' shall include any communication effected by post, cable, telegram, fax or any comparable means including email.

References to one gender shall include all other genders.

References to singular numbers shall include plural numbers and vice versa.

References to persons shall include any individual firm, company, government, state or agency of a state, local or municipal authority or government body or any joint venture, association or partnership (whether or not having separate legal personality).

References to rule numbers shall include any sub-paragraphs of that rule.

Headings and sub-headings are for reference only and do not affect the construction of any rule.

NorthStandard EU Designated Activity Company Rules of the Strike & Delay Class

The rules of NorthStandard EU Designated Activity Company shall be the same as the rules of NorthStandard Limited amended, varied and supplemented as follows:

- 1 Unless the context otherwise requires, 'the club' means NorthStandard EU Designated Activity Company and references to 'the articles' shall be deemed to be references to the Memorandum and Articles of Association of *the club*.
- 2 The words 'and the articles of association for the time being of *NorthStandard UK*' shall be inserted into rule 1.1 after the words '*the articles*'.
- 3 The words '*NorthStandard UK* and' shall be inserted into rule 1.6 after: (i) the words 'ability of' in the first sentence; and (ii) the words 'The consent of' at the beginning of the second sentence.
- 4 Rule 1.7 shall be amended such that: (i) the words '*NorthStandard UK*' shall be inserted after the words '*The club*'; and (ii) the words '*NorthStandard UK* and' shall be inserted after the words 'in the case of'.
- 5 The words '*NorthStandard UK* or' shall be inserted into rule 2.11 before the words 'any *club subsidiaries*'.
- 6 The words '*the club*' appearing after the words 'corporate Member of' in rule 7.4 (on both occasions) shall be replaced with '*NorthStandard UK*'.
- 7 Rule 7.5 shall be amended such that: (i) the words '*NorthStandard UK*' shall replace the words '*the club*' before 'and (if they are such a Member at such time) of *NorthStandard Bermuda*'; and (ii) the words '*NorthStandard UK*,' shall be inserted after the words 'insured by' and before '*the club*'.
- 8 The words '*NorthStandard UK* and' shall be inserted into rule 10.1 before '*the club subsidiaries*' in the first sentence.
- 9 The words '*NorthStandard UK*' shall be inserted into rule 11.12 after the words '*the club*' that appear towards the end of that rule.
- 10 The definition of Class shall instead read as follows:
'**Class:** the Strike & Delay class of NorthStandard UK, the club and the club subsidiaries.'
- 11 The definition of Class committee shall instead read as follows:
'**Class committee:** has the meaning given to it in the articles of association for the time being of NorthStandard UK.'
- 12 The definition of Club subsidiaries shall instead read as follows:
'**Club subsidiaries:** has the meaning given to it in the articles of association for the time being of NorthStandard UK (but excluding the club).'

13 The definition of Member shall instead read as follows:

'Member: a person whose entry has been accepted under these rules and who pursuant to rule 7.4 becomes a corporate Member of NorthStandard UK and (subject to the provisions of rule 7.4) of NorthStandard Bermuda.'

14 The definition of Members' board shall instead read as follows:

Members' board: has the meaning given to it in the articles of association for the time being of NorthStandard UK.'

02

Index to the Strike & Delay Rules



	Rule no.	Page no.
Accidental Loss	3.7	7
Aircraft Impact or Accident	3.6	7
Arbitration	13.10	31
Assignment	7.26	19
Avalanche	3.5	7
Blockade Running, exclusions	4.5	13
Certificate of Entry	7.10, 7.11	18
Cessation of Insurance	9.6, 9.7	22
Civil Commotion	3.1, 3.33	7, 10
Closed Policy Year	11.13, 11.14, 11.15	28
Collision	3.22	8
Confiscation	3.12, 3.34	8, 10
Congestion	3.8, 3.9	7, 7
Contraband Carriage, exclusions	4.5	13
Crew Strike	3.21	8
Cyber Risks	3.13, 3.35, 4.2	8, 10, 12
Daily Running Costs	2.5.2	4
Death on Board	3.24	8
Demurrage	2.7, 4.1.1	5, 12
Desertion	3.27	8
Deductible	2.6	5
Earthquake	3.5, 3.23	7, 8
Electronic Damage	3.10	8
Embargo	3.10	8
Entered Sum	2.5.1	4
Environmental Objectors	3.1	7
Explosion	3.3	7
Expropriation	3.12	8

Fire	3.3	7
Flood	3.4	7
Fog	3.4	7
Grounding	3.22	8
Heave	3.5	7
High Levels of Water	3.9	7
Illness	3.24	8
Import/Export Control	3.10	8
Injury	3.24	8
Insolvency, exclusions	5.3	14
Investments	11.17	29
Joint Entrants	7.13	18
Kidnap and Ransom	3.33	10
Laid Up	10.8	27
Landslide	3.5	7
Law of Jurisdiction	13.6	31
Lien	11.12	28
Lightning	3.4	7
Lockout	3.1	7
Loss of freight	5.8	14
Low Levels of Water	3.9	7
Machinery Damage	3.31	9
Mechanical Breakdown on Land	3.31	9
Navigable Waterway	3.9	7
Notification of Claims	6.1	15
Nuclear, exclusions	4.4	12
Off-spec Bunkers	3.32	9
Other Damages	3.23	8
Physical Damage	3.10	8

Physical Obstruction	3.9	7
Piracy	3.2, 3.33	7, 10
Policy Year	9.1	22
Political Protest	3.1, 3.33	7, 10
Pollution	3.26	8
Port Closure	3.8	7
Pre-Existing Circumstances, exclusions	2.12	6
Premiums	10.1-10.3	26
Prohibition	3.10	8
Protection & Indemnity	4.1.1	12
Quarantine	3.30	9
Rebellion	3.1, 3.33	7, 10
Release Call	11.1-11.8	27-28
Religious Zealots	3.1	7
Rescuing of Refugees	3.29	9
Restraint of Labour	3.1	7
Return of Premium	10.8	27
Revolution	3.1	7
Riot	3.1	7
Risks Covered	3	7-11
Sanctions	4.5, 9.7	13, 22
Sandstorm	3.4	7
Saving Life at Sea	3.29	9
Seizure of a Cargo	3.12	8
Snow	3.4	7
Spare Parts	3.7	7
Storm	3.4	7
Stowaways	3.29	9
Stranding	3.22	8

Strike	3.1, 3.21	7, 8
Striking Fixed or Floating Object	3.22	8
Subrogation	6.11	16
Subsidence	3.5	7
Sue and Labour	3.41	10
Supplementary Calls	10.7	26
Tempest	3.4	7
Transshipping Cargo	3.7	7
Volcanic Eruption	3.5	7
War	3.2, 3.34	7, 10
War, exclusions	4.3	12



NorthStandard

Keep up to date by visiting
north-standard.com

 **NorthStandard**

 **NorthStandardGroup**

 **NorthStandard**

NorthStandard group incorporates entities, branches and offices worldwide and includes the insurance entities detailed below. For further details on our group please visit north-standard.com/how-we-trade. To identify your insurer within NorthStandard please refer to your policy documents or please contact us.

NorthStandard Limited (No. 505456) is registered in England and also trades as Sunderland Marine. Registered Office: 100 The Quayside, Newcastle upon Tyne, NE1 3DU, UK. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

NorthStandard EU DAC is registered in Ireland (No. 628183) and also trades as Sunderland Marine. Registered Office: Fitzwilliam Hall, Fitzwilliam Place, Dublin, D02 T292, Ireland. NorthStandard EU DAC, trading as NorthStandard and Sunderland Marine, is regulated by the Central Bank of Ireland.

The Standard Club Asia Ltd is registered in Singapore with limited liability (No. 199703224R). Registered Office: 3 Anson Road, #10-02 Springleaf Tower, Singapore 079909. Authorised and regulated by the Monetary Authority of Singapore. The Standard Club Asia Ltd (Hong Kong Branch), registered in Hong Kong (No. F0024636), authorised and regulated by the Hong Kong Insurance Authority.

The Standard Club UK Ltd is registered in England (No. 00017864). Registered Office: The Minster Building, 21 Mincing Lane, London, EC3R 7AG. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.