



January 2023

CIRCULAR TO ALL MEMBERS

## Skuld Yacht Crew Liability Terms & Conditions amendments for 2023/24 policy year

The following changes to Yacht Crew Liability Terms and Conditions for 2023/24 policy year were approved by the Board of Directors of Assuranceforeningen Skuld (Gjensidig) at its Meeting in November 2022.

Skuld 2023 Yacht Crew Liability Terms and Conditions are published on our website.

New text appears in red and deletions are ~~struck through~~.

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18.2. In the Event of shortfall in recovery from Skuld's reinsurers by reason of a sanction, prohibition or adverse action against the reinsurers by a state, international organisation or other competent authority or the risk thereof if payment were to be made by such reinsurers, the Assured shall in no circumstances be entitled to recover from Skuld that part of any liabilities, costs and expenses which is not recovered by Skuld ~~and, if for any reason whatsoever Skuld discharges the liabilities of the Assured or makes any payment to the Member in respect of which it suffers such a shortfall in recovery, the Assured shall indemnify and hold Skuld harmless to the extent thereof.~~

For the purposes of this provision, the word "shortfall" includes any failure or delay in recovery by Skuld by reason of the parties or reinsurers making payment into a designated account in compliance with the requirements of any state, international organisation or other competent authority.

***Comments: This change allows Skuld request indemnification of any payment made to the Assured, if it is not recoverable under reinsurance due to shortfall.***

### 39. War P&I risks cover

Liabilities, costs and expenses in respect of which cover under this insurance is excluded solely by reason of the exclusion under Clause 12.20.1 for war risks provided that:

39.1. the Certificate of Insurance or an Endorsement specifies that the Assured is insured for "War P&I Risks Cover";



39.2. cover under this Clause shall only cover such liabilities, costs and expenses insofar as they exceed amounts recoverable under any other insurance (including, but not limited to, the Yacht's War Risks insurance);

39.3. cover under this Clause may be cancelled by Skuld giving the Assured ~~72 hours~~**seven days'** notice of cancellation in writing;

39.4. cover under this Clause shall exclude liabilities, costs and expenses:

**39.4.1.** arising out of the outbreak of war (whether declared or not) between any of the following countries: the United Kingdom, the United States of America, the People's Republic of China, France or the Russian Federation;

**39.4.2** caused by or arising from the *Territorial and Conflict Exclusion Clause*;

**39.4.3.** if the Yacht is operating in *Listed Area*.

39.5. cover under this Clause will terminate automatically without notice to the Assured

**39.5.1.** should war (whether declared or not) break out between any of the following countries: the United Kingdom, the United States of America, the People's Republic of China, France or the Russian Federation **and/or**

**39.5.2.** upon the occurrence of any hostile detonation of any nuclear weapon of war, wheresoever or whensoever such detonation may occur.

## Appendix 1

### Listed Area

Any area declared by Skuld to be an area of perceived enhanced risk for the purposes of this insurance.

At any time or times before, or at the commencement of, or during the policy year, Skuld may in its sole discretion declare any ports, places, countries, zones or areas (whether of land or sea) as Listed Areas. Such Listed areas will be excluded from cover hereunder in respect of War Risks. Any declarations of Listed Areas will be notified by publication on [www.skuld.com](http://www.skuld.com). The cover shall cease in respect of the Listed Areas upon the expiry of seven days from the date the notice of such determination is published on [www.skuld.com](http://www.skuld.com).

### Territorial and Conflict Exclusion Clause

Losses, damages, liabilities, costs or expenses:

- (a) caused by or arising from or in connection with any Russia-Ukraine conflict and/or any expansion of such conflict; or
- (b) in any area or territory or territorial waters where Russian armed forces, Russian-backed forces, and/or Russian authorities, are engaged in conflict within the territories (including territorial waters) of the Russian Federation, Belarus, Ukraine and any disputed regions of Ukraine, the Crimean Peninsula and the Republic of Moldova.



- (c) arising from capture, seizure, arrest, detainment, confiscation, nationalisation, expropriation, deprivation or requisition for title or use, or the restraint of movement of

vessels and cargo in the territories (including territorial waters) of the Russian Federation, Belarus, Ukraine and any disputed regions of Ukraine, the Crimean Peninsula and the Republic of Moldova.

#### War Risks

Liabilities, costs or expenses (irrespective of whether a contributory cause of the same being incurred was any neglect on the part of the Assured or his servants or agents) when the loss or damage, injury, illness or death or other accident in respect of which such liability arises or cost or expense is incurred ~~was caused by~~ arising out of or in any way connected with one or more of the following risks:

- (a) War, civil war, revolution, rebellion, insurrection or resultant civil strife or any hostile act by or against a belligerent power or by any person acting maliciously or from a political motive or by any act of terrorism (provided that, in the event of any dispute as to whether or not, for the purposes of this paragraph (a), an act constitutes an act of terrorism, the decision of Skuld shall be final;
- (b) capture, seizure, arrest, restraint, detainment (barratry and piracy excepted) and the consequences thereof or any attempt thereat;
- (c) mines, torpedoes, bombs, rockets, shells, explosions or other similar weapons of war;
- (d) strikers, locked-out workmen, persons taking part in labour disturbances, riots or civil commotions, or
- (e) confiscation, nationalisation, deprivation, requisition, or expropriation.

**Comments: All of the above changes reflect the amended market and reinsurance terms in connection with war risks: (i) reducing notice of cancellation term to 72 hours; (ii) expanding war risk definition and exclusions, including the declaration of listed areas.**