

January 2019

CIRCULAR TO ALL MEMBERS

## Skuld Owners' Fixed P&I Terms and Conditions – Amendments for the 2019/20 policy year

The following changes to Owners' Fixed P&I Terms and Conditions for 2019/20 policy year were approved by the Board of Directors of Assuranceforeningen Skuld (Gjensidig) at its Meeting in November 2018.

Skuld Owners' Fixed P&I Terms and Conditions are published on our website. Hard copies will be available upon request.

New text appears in red and deletions are struck through.

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New clause:

### 24.3. PAY TO BE PAID

It shall be a condition precedent of the Assured's right to claim against Skuld on that the liabilities, losses, expenses or costs (which are the subject of the claim) have actually been paid or discharged by the Assured or Co-assured out of funds belonging unconditionally to such Assured or Co-assured and not by way of loan or otherwise, and that, in the event of a liability, the liability has been discharged pursuant to:

- a) a court order or judgment, other than a default judgment,
- b) an award, other than a default award, of an arbitration tribunal appointed with the Skuld's consent or in accordance with an arbitration agreement entered into before the event giving rise to the claim arose, or
- c) a settlement approved by Skuld.

**Comment:** *New Clause added to align terms with mutual cover and market practice and allow us to apply pay-to be paid-rule to non-mutual covers.*

### 30. WAIVER AND RECOVERY

In the absence of an express written confirmation of cover by Skuld, no act (including the provision of security, **certificate**, payment of any sum or handling of any claim) or omission or

delay by Skuld shall be treated as a waiver of Skuld's rights or acceptance of cover. If Skuld provides security, incurs costs, or makes any payment in respect of a claim or dispute which turns out not to be covered, the Assured shall indemnify Skuld.

**Comment:** *Specifying that certificates (such as blue cards) issued by the Association do not constitute waiver in line with any form of security and highlighting that the Clause deals with recovery issues.*

## Appendix 1 Definitions

### **Vessel**

Any ship, boat, hydrofoil, hovercraft or other description of vessel (including a lighter, barge or similar vessel howsoever propelled but excluding (a) a unit or vessel constructed or adapted for the purpose of carrying out drilling operations in connection with oil or gas exploration or production and (b) a fixed platform or fixed rig and (c) 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, boat, hydrofoil, hovercraft or other description of vessel or any proportion of the tonnage thereof or any share therein and which is named in the Certificate of Insurance.

**Comment:** *To align definition with that in the Rules.*