



Circular

January 2022

CIRCULAR TO ALL MEMBERS

Skuld Owners' Fixed P&I Defence Terms and Conditions – Amendments for 2022/23 policy year

The following changes to Owners' Fixed P&I Defence Terms and Conditions for 2022/23 policy year were approved by the Board of Directors of Assuranceforeningen Skuld (Gjensidig) at its Meeting in November 2021.

Skuld 2022 Owners' Fixed P&I Defence Terms and Conditions are published on our website.

New text appears in red and deletions are struck through.

1. COVER

Skuld shall cover the Assured's reasonable costs for necessary legal assistance in relation to disputes which are directly connected with the operation of the entered vessel and which are in respect of any of the following:

1.16 conversion, alteration, building, ~~purchase, or mortgaging or sale~~ of the vessel (subject to 2.8 and 4.2 of these Defence Terms and Conditions).

1.17. ~~contracts for sale of the entered vessel or purchase of a vessel, provided that the purchased vessel has been entered in the Association for Defence cover at the latest on signing the relevant contract (subject to 2.7 and 4.2 of these Defence Terms and Conditions).~~

2. EXCEPTIONS

However, Skuld shall be under no liability to reimburse the Assured for costs:

2.7. where the vessel is not entered with Skuld

1. at the time the cause of action arises and,

2. in the case of disputes arising out of the alteration, building, ~~purchase, or mortgage or sale~~ of the vessel, at the time the relevant contract is entered into.

2.8 where the dispute arises under ~~Clause Rule~~ 1.16 (the conversion, alteration, building, ~~purchase, or mortgage or sale~~ of the vessel) unless cover has been separately agreed in writing,



4. LIMITATION

4.2 For disputes arising under 1.16 (alteration, conversion, building, ~~purchase, or~~ mortgage or ~~sale~~ of the vessel) and 1.17 (purchase or sale of the vessel) of these Defence Terms and Conditions, the limit shall be USD 300,000 per dispute unless a different limit is agreed.

Comments: Amendments in clauses 1.17, 2.7, 2.8 and 4.2. above expands our FDD terms by including sale& purchase disputes in the standard cover. It also aligns our FDD cover with the Rules.