

New Shipowners' P&I Policy Wording

Version 1/2024

This year we have updated and refreshed our Policy Wording in order to keep up with the market developments and also keep delivering the high quality products that meet our clients' expectations. Paying attention to every detail, we introduced some cosmetic changes that aim at making the text more coherent and user-friendly. In addition, this year's version of the Policy Wording contains a few material changes, and we would like to draw your attention to these updates by mentioning them in this circular.

The new wording of the Shipowners' P&I - Version 1/2024 can be found on our [website](#).

Claims reporting

At the beginning of the Policy Wording, we have inserted a sample Claims reporting form, which is intended to assist our clients when reporting an insurance claim. The form lists the specific details and information necessary for the speedy and efficient handling of the claim.

FD&D (Part 2)

Section 24.1.3 – Exclusions and limitations

One of the exclusions and limitations in our FD&D cover contained a rather vague term ('serious impropriety') which could potentially cause problems in interpreting its meaning and scope. Therefore, we decided to use more straightforward and common words ('other improper conduct') when naming the trigger for this exclusion.

War P&I (Part 3)

Section 26 – Trading and Section 28.1 – Notice of cancellation and war automatic termination of cover

The notification period that applies when either party decides to cancel the War P&I cover (if taken out), is adjusted to three days (72 hours) counting from midnight of the day when the notice of cancellation is issued. This amendment in the notification period was necessitated due to developments on the re-insurance market.

Section 27.8 – Exclusions and limitations

The standard War P&I exclusion clause that generally relates to the Russia-Ukraine conflict is now moved from the Certificate of Insurance (COI) into the Policy Wording in view of the seemingly lasting nature of this armed conflict.

General Terms and Conditions (Part 4)

Section 32.5 – Communicable Disease(s) and Declared Communicable Disease(s) Limitation

This section has been adjusted to confirm that the exclusion of Covid-19 related risks remains in place regardless of how the World Health Organisation (WHO) classifies this communicable disease. The terms and scope of cover remain the same.

Section 34.3 – Cancellation by the Company

The main substantial change here is the replacement of the word 'termination' with the word 'cancellation', which is the more appropriate term for such circumstances when an Assured has exposed or may expose the Company to the risk of being or becoming subject to any applicable sanctions law or regulation. The wording of the section has also been re-written to introduce clarity and completeness.

Section 56 – Sanctions clause

In the present international environment, international sanctions and sanctions regimes seem to have an increasing effect on business relationships. Having this in mind and just like in the previous amendment above, we have elaborated our Sanctions clause to make its contents clearer, point out its overriding character, and avoid any room for doubt in respect of its effect.

