



CLASS 5 (P&I)

2026/27 RULE CHANGES

New wording highlighted in bold & strikethrough. The explanatory notes in italics do not appear in the actual Rules.]

RULE 9 – RISKS COVERED

(...)

9.19 CARGO

9.19.1 Liabilities, costs and expenses set out in Rule 9.19.1.1 – 9.19.1.3 in respect of cargo intended to be or being or having been carried in an entered Ship, extending from the time of receipt for shipment on quay or wharf until final delivery from quay or wharf, namely:

9.19.2 PROVIDED that:

9.19.2.1 unless the Association shall have previously agreed or arranged cover on special terms (which may include the requirement of an increased Call or additional premium) or unless the Members' Committee in its sole discretion shall otherwise determine, there shall be no recovery in respect of liabilities, costs or expenses

~~**9.19.2.1.1** which would not have been incurred by the Assured if the contract of carriage had been subject to the Hague Rules or the Hague Visby Rules, except and to the extent that such are overridden by other rules, conventions or provisions of national or international law which may mandatorily apply;~~

~~**9.19.2.1.2** which would not have been incurred or borne by the Assured but for its waiver or limitation of rights of recourse that would otherwise have been available under the contract of carriage in accordance with~~

~~(a) the Hague or the Hague Visby Rules, and/or~~

~~(b) mandatorily applicable law.~~

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RULE 13 – EXCLUSION OF DAMAGE TO ENTERED SHIP, LOSS OF HIRE, SANCTIONS, ETC.

- 13.1** There shall be no recovery by an Assured in respect of any Ship entered by the Assured for:
- 13.1.1** loss of or damage to such Ship, the Ship's stores or fuel, or to any equipment, containers, pallets or trailers which are used in connection with such Ship and which are owned or leased by the Assured or by any company associated with or under the same management as the Assured, save only as may be recoverable under Rule 9.24;
 - 13.1.2** freight, demurrage, hire or detention except by way of the Assured's liability towards a third party for loss of or damage to cargo;
 - 13.1.3** salvage or services in the nature of salvage (other than under Rule 9.10 and 9.15.1.4);
 - 13.1.4** cancellation or wrongful termination of a charter or other engagement;
 - 13.1.5** bad debts or other losses arising out of the insolvency of any person, including insolvency of agents;
 - 13.1.6** loss, damage or expense in whole or in part arising out of or occasioned by the failure, inability or unwillingness of the Assured on financial grounds to pay and/or settle all or any financial obligations and demands and/or to discharge all or any items of expenditure whatsoever in connection with the proper prosecution and/or completion of a voyage;
 - 13.1.7** interest on any claim or part thereof that the Assured may make or bring against the Association under or in connection with these Rules, including any claim brought by way of legal or arbitration proceedings;
- 13.2** PROVIDED that any recovery which would otherwise be excluded under Rules 13.1.1 to 13.1.7 may be allowed if the relevant matters shall have been the direct result either of compliance by the Assured with a special direction of the Members' Committee in accordance with Rule 9.26 or of suing and labouring undertaken by the Assured with the approval of the Association in accordance with Rule 9.27.1.
- 13.3** There shall be no recovery by an Assured in respect of any Ship entered by the Assured for any liability, loss, damage, cost or expense where the provision of cover or any payment in respect thereof exposes or may expose the Association, any Subsidiary or the Managers to the risk of violating applicable law, including but not limited to, the prohibitions and requirements of any economic, financial, or trade sanctions administered by any state, international or supranational organisation or other authority; or to the risk of being or becoming subject to any sanction, prohibition or adverse action in any form whatsoever by any state, international or supranational organisation or other authority which sanction, prohibition or adverse action the Members' Committee in its sole discretion determines may materially affect the Association, any Subsidiary or the Managers in any way whatsoever.
- 13.4** **Unless the Association shall have previously agreed or arranged cover on special terms (which may include the requirement of an increased Call or additional premium) or unless the Members' Committee in its sole discretion shall otherwise determine, there shall be no recovery in respect of liabilities, costs or expenses arising out of or in connection with contracts for carriage wholly or partly by sea to the extent such liabilities and expenses would not have been incurred or borne by the Assured but for its waiver or limitation of, or failure to incorporate, rights of recourse that would have been available under a bill of**

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lading contract which incorporated

- (a) Article IV Rule 6 of the Hague or Hague Visby Rules, or**
 - (b) any equivalent provision under other applicable law,**
- provided that such liabilities, costs and expenses shall not be excluded losses if such rights of recourse are not available by reason of mandatorily applicable law.**

[The Pooling Agreement excludes cover for liabilities which would not have been incurred if the Assured had not waived the rights of recourse available under the Hague or Hague/Visby rules against the shipper, for example for shipment of dangerous cargo.]

The Pooling Agreement for 2026/27 now clarifies that the exclusion not only operates in respect of cargo liabilities, but all liabilities covered by P&I (such as pollution, wreck removal, personal injury) if caused by the shipment of such dangerous goods. Accordingly, a similar change is proposed in the Rules by moving the exclusion from the cargo Rule 9.19 to Rule 13 which covers the exclusions from P&I cover in general.

Market cover is available for such excluded losses due to waiver of such rights of recourse.]

RULE 17 – EXCLUSION OF CERTAIN SPECIALIST RISKS

17.1 *Unless previously agreed in writing by a special agreement between the Assured and the Association there shall be no recovery in respect of liabilities, costs and expenses:*

17.1.1 *arising from the operation of a semi-submersible heavy lift Ship or other Ship designed exclusively for the carriage of heavy lift cargo where the claim is in respect of the loss of or damage to the cargo, or, notwithstanding Rule 9.18.1, the wreck removal of that cargo, save to the extent such cargo is being carried under the terms of a contract on HEAVYCON terms or any other terms approved by the Association;*

17.1.2 *arising out of salvage operations (including wreck removal) conducted by an entered Ship or provided by the Assured, other than for the purpose of saving or attempting to save life at sea;*

17.1.3 *incurred by an Assured during the course of performing dredging, blasting, pile-driving, well intervention, cable or pipelaying, construction, installation or maintenance work, core sampling, mining, depositing of spoil, power generation, decommissioning, **the deployment, operation and recovery of pneumatic barriers**, and such other operations as the Association may from time to time determine in writing to the extent that such liabilities, costs and expenses arise as a consequence of:*

17.1.3.1 *claims brought by any party for whose benefit the work has been performed, or by any third party (whether connected with any party for whose benefit the work has been performed or not), in respect of the specialist nature of the operations;*

17.1.3.2 *the failure to perform such specialist operations by the Assured or the fitness for purpose and quality of the Assured's work, products or services, including any deficiency in the Assured's work, products or services;*

17.1.3.3 *any loss of or damage to the contract work;*

PROVIDED that this exclusion in Rule 17.1.3 shall not apply to liabilities, costs and expenses incurred by an Assured in respect of loss of life, injury or illness of crew and

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other personnel on board the entered Ship, and the removal of the wreck of the entered Ship, the discharge or escape of oil from the entered Ship or the threat thereof; but only to the extent that such liabilities, costs and expenses are covered elsewhere in accordance with these Rules;

[Pneumatic barriers are noise abatement systems which are put around offshore wind turbines during installation to reduce the impact of construction noise on marine wildlife. It involves laying a perforated hose on the seabed encircling the wind turbine site. Air is pumped through, and bubbles rise to the surface forming a noise buffering screen.

The Pooling Agreement for 2026/27 now clarifies that offshore ship operations involving the instalment and removal of such systems are specialist operations; and as a consequence, liabilities, costs and expenses arising out of these operations are excluded from standard P&I cover]