



## **FD&D Rule Changes 2024/2025**



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### Rule 6 Recovery from the Association

*Change: Provision in order to enable the Association to recover costs from the Member in cases where the underlying claim has been resolved by way of a settlement. Change on recovery of costs to allow any costs recovery made to be given to the Association.*

### Rule 6 Recovery from the Association

- a) No costs or expenses shall be recoverable from the Association unless:
- b) they have been incurred with the prior **written** consent of the Association;
- c) they have been incurred by the Association on behalf of the Member in accordance with FD&D Rule 7; **or**
- d) the Association, in its absolute discretion, shall decide **whether the costs or expenses that they** were reasonably incurred and **are ought** to be borne by the Association.

~~If a claim or dispute for which the Member is insured is settled without the prior consent of the Association or without a provision for reasonable costs, the~~ The Association shall be entitled to recover a reasonable contribution to such costs or expenses incurred by the Association such sums from the Member, provided such costs would otherwise have been recoverable as it deems reasonable, in respect of costs incurred, if a claim or dispute for which the Member is insured is settled:

- (i) without the prior **written** consent of the Association, **and/or**
- (ii) without a provision for costs.

The Association shall be entitled to ~~recover costs incurred by the Association which~~ be reimbursed by any costs the Member ~~shall recover~~ pursuant to an settlement, award or judgment ~~shall recover from a party. In the event any costs recovered are insufficient to satisfy both the Member's and the Association's claim, they shall be apportioned on a pro rata basis.~~

### Rule 20 Premiums and deductibles

*Change: Provision in order to enable the Association to charge interest for late payments. Interest rate will be announced in the P&I Policy Year Circular.*

### Rule 20 Premiums and deductibles

Premiums for the policy year to come are decided annually by the Association.

The premium is due for payment in four equal instalments on 20 February, 20 May, 20 August and 20 November.

Should the period of insurance commence during the current policy year, a pro-rata premium shall be paid at the time when the period of insurance begins for the period until the next due date. Thereafter, the premium shall be paid as stated in the second paragraph.



Deductibles for the policy year to come are decided annually by the Association. There shall be one deductible per event unless different types of liabilities are involved, in which case each type of liability shall carry one deductible.

Where security is provided to obtain the release of or to prevent the arrest or attachment of any assets of the Member under Rule 12, any applicable deductibles shall become due and be paid to the Association immediately.

If any sums due to the Association from the Member are not paid on or before the due date the Association shall be entitled to interest on such unpaid sums at such rate as it from time to time determines.