

GENERAL INCREASE BULLETIN NO. 11 / 20

Club – UK Defence Club

30th November 2020

FDD

- A 5% general increase ordered.

This renewal bulletin reports on the decisions taken by the UK Defence Club Board of Directors at their recent meeting.

Last year the club anticipated in their renewal circular for 2020 the possible impact that could originate from the implementation of the IMO 2020 sulphur rules which were to come into force on 1st January 2020. One year on, the club circular for renewal 2021 evidences that in fact they have seen claims situations resulting from IMO 2020 sulphur regulations together with a variety of claims relating to Covid-19 commenting that these claims are likely to persist during 2021.

It is since 2014 that the club has not requested a general increase and whilst the club notes that free reserves remain strong the pressure on premium combined with the experience of 2020 has led to the Directors to determine a 5% general increase to be applied on expiring premiums at 20th February 2021 noting that this is a necessary step to adjust the underlying underwriting position. A continued focus upon each Member's premium rating in the light of their risk profile and accrued loss record will be undertaken when proposing renewal terms for 2021.

The Board took the decision to maintain a continuity credit equal to 2.5% for those members entering their full fleet with the club and defer consideration of an eventual balance of continuity credits until the close of the policy year.

Should you have any queries regarding the above arguments and insurance issues, please do not hesitate to get in touch with your usual P.L. Ferrari contact or get in touch via our website at <https://www.plferrari.com>

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