

## GENERAL INCREASE BULLETIN NO. 14 / 20

---

*Club – Swedish*

4<sup>th</sup> December 2020

### **P&I**

- A 5% general increase

### **FDD**

- A 10% general increase.

This renewal bulletin reports on the decisions taken by the Swedish Club at their recent meeting and is the last P&I club of the International Group to post their renewal requirements.

The club renewal circular notes that the average claim costs and frequency of all claims remain stable and in line with recent policy years however and with regards to pool claims for the International Group in the 2020/2021 year this is showing to be of both high frequency and severity and is likely to surpass both previous years in terms of claims cost. Club contributions to Pool claim costs in combination with retained claims has led the club to advise that their targeted combined ratio for P&I for 2020/2021 of 100% will not be reached with the current overall premium at a level below the expected claims cost.

In the light of the above the club budget for 2021/2022 – where club advises that premium adequacy must be addressed for a balanced underwriting result in 2021/2022, has determined to apply a 5% general increase to expiring P&I premiums whilst passing on to Members any changes in The International Group's Excess of Loss Reinsurance tariffs at 20th February 2021. Further adjustments to premiums will be made to reflect the true exposure of club retention as well as estimated contributions to pool claims, together with an assessment of the Member's records. P&I deductibles are to be addressed individually with owners.

For FDD the Board has determined to levy a 10% general increase for the policy year 2021/2022.

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>

P.L. FERRARI & CO S.r.l.