

GENERAL INCREASE BULLETIN NO. 1/22

Club – Steamship

2nd November 2022

- General increase of 7.5% in premium ratings for all classes of business.
- 10% increase in Class 1 P&I deductibles to apply to all deductibles which are US\$50,000 or less.

The recent Board meeting has concluded by setting a +7.5% general increase to be applied on expiring P&I and FDD mutual premiums at 20th February 2023. In addition, and as always, rates will be adjusted where necessary to reflect any changes in the cost of the International Group reinsurance programme.

The Club renewal circular sets out the main highlights from the Clubs operating environment which were considered when deciding the general increase requirements:

- The Club's own claims for the 2022/23 policy year at six months are less than budgeted with no material / major claims arising from Covid -19.
- There were no International Group (IG) Pool claims reported for the 2022/23 policy year in the period to 20 September.
- The overall development of the Club's prior year claims is greater than projected, primarily due to deterioration in Pool claims.
- As a result of the favourable claims projections the 2022/23 financial year combined ratio is better than expected at six months.
- The Club recorded a loss in investment amounting to a loss of US\$ 51 million. This represents an impact of interest rate increases in the United States and market volatility more generally.
- Owned tonnage has increased by approximately 3.5% in the year to 20 September.
- The Club decided to maintain the level of release calls.
- The Club's Standard & Poor's (S&P) rating has been reaffirmed at A, but with a negative outlook.

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