

GENERAL INCREASE BULLETIN NO. 2/22

Club – Britannia

3rd November 2022

P&I Mutual entries

- Britannia is no longer adopting the General Increase system, however, the Club is targeting an overall increase of 10% in the Estimated Total Call (“ETC”) for the 2023/24 policy year before any Group Excess of Loss (“GXL”) rate adjustment.
- The minimum deductible will be increased to the following levels:
 - Crew: USD 7,000
 - Cargo: USD19,500
 - All others: USD13,500

At the recent Board meeting, the Club reviewed its financial position and considered its requirement for the 2023/2024 policy year:

- Whilst there is no declared general increase with Members continuing to be underwritten individually, the Club’s target is an increase of 10% in the ETC.
- Members’ individual rates will be adjusted to reflect their claims record and risk profile, as well as any changes in the cost of the International Group Reinsurance Programme.
- The release calls percentages are set as follows:
 - 2020/21: NIL
 - 2021/22: 5%
 - 2022/23: 7.5%
 - 2023/24: 15%
- Whilst no pool claims have been reported in the current policy year, pool claims in prior policy years have continued to deteriorate.

- The Club remains financially strong with A rating by S&P but further rate increases are required for the 2023/24 renewal to robustly address the underwriting deficit.

FDD Mutual entries

- The 2022/23 rate increase was only the second increase since 2013/14.
- An additional adjustment to premium rate for 2023/24 is required to address the continuing underwriting deficit.
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The board decided the following:

- Members' rates will be adjusted to reflect their individual claims records and risk profiles to achieve a 15% increase on Britannia's ETC but there will be no declared general increase.
- The Board set the following release call percentages:
 - 2020/21: NIL
 - 2021/22: 5%
 - 2022/23: 10%
 - 2023/24: 20%

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