

GENERAL INCREASE BULLETIN NO. 3/22

Club – Shipowners

4th November 2022

- No General Increases would be applied across the Membership.
- A 10% increase in premiums would be applied in the Yacht sector.
- Increases would be applied as required to Members operating Dry Cargo vessels.
- All adjustments would be inclusive of any additional reinsurance costs that may apply.
- All deductibles under US\$ 50,000 would be increased by 10% but subject to a minimum monetary increase of US\$ 500.

At the recent Board meeting, the Club has considered its financial position and decided the renewal requirements as above. In addition, the Club circular sets out the main highlights:

- At the half year stage, the Club reported a Combined Ratio of 96.2%, with an underwriting surplus of US\$ 4.3m.
- Both claims from the Club's Membership and to the International Group Pool have been lower than expected which has offset the impact of inflation.
- However, there has been a steady increase in the level of claims from the yacht sector including a number of significant claims in the superyacht sector from the Club's Membership.
- Inflation will be influential and increases in reinsurance costs for the next year will be expected.
- It has been a significantly challenging year for the investment, but the Club remained well capitalised and that the majority of financial losses remained unrealised.
- The Managers will review Members' claims records and operational risks, when applying commensurate adjustments in premiums and terms where appropriate. This may include further adjustments to deductible levels.

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