

21 October 2021

To all Members of Class 3 – Protection and Indemnity & Class 6 – Freight, Demurrage and Defence

Dear Sirs

Calls: Class 3 – Protection and Indemnity

At its meeting on 19 October 2021 The Britannia Steam Ship Insurance Association Holdings Limited Board reviewed the financial position and considered the requirements for the 2022/23 renewal of both Britannia Europe and Britannia.

The Board reached the following decisions:

2018/19

The year will be closed, in accordance with the provisions of Rule 37(1), with no further call being made.

2019/20

The originally notified deferred call of 45% to be collected in full.

25% of the 45% deferred call was collected in October 2020. The remaining 20% will be collected immediately. The Board will review the 2019/20 policy year again in 12 months' time, with the expectation that it will then be closed with no further call.

2020/21

Following the move from deferred calls to an estimated total call (ETC) the final instalment will fall due in October 2022. The Board will review the position in October 2022.

2021/22

The final instalment of the ETC will fall due in October 2023. The Board will review the position in October 2022.

2022/23

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. Britannia will undertake a technical based renewal of its membership to promote sustainable premiums and restore underwriting balance. Whilst there is no declared general increase with Members continuing to be underwritten individually, the Board has targeted a 12.5% increase on Britannia's ETC.

Deductibles

The Board agreed that minimum deductibles will be increased to the following levels.

- Crew USD 6,000
- Cargo USD 18,500
- All Others USD 12,500

or the USD equivalent at 19 October 2021 if premium is levied in another currency.

Members will have the option to vary their deductibles in return for an appropriate rate adjustment.

Release calls

The Board set the following release calls percentages:

- 2019/20 NIL
- 2020/21 5%
- 2021/22 7.5%
- 2022/23 15%

These percentages will be reviewed further in 12 months' time.

Class 6 – Freight, Demurrage and Defence

At renewal 2018/19 the initial cost absorbed by Britannia of USD5,000 per claim was increased to USD7,500. In addition, at renewal 2019/20 Members' one-third contribution to all costs in excess of USD7,500 was limited to a maximum of USD150,000 per claim.

The 2021/22 rate increase was the first increase since 2013/14. An additional adjustment to premium rate for 2022/23 is required to address the continuing underwriting deficit.

In addition, the Board reached the following call decisions.

2017/18

No further call will be made, and the year will be closed in accordance with the provisions of Rule 37(1).

There are no recommendations at this stage in respect of the remaining open policy years. The Board will review the position in October 2022.

2022/23

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.

Release calls

The Board set the following release call percentages:

- 2019/20 NIL
- 2020/21 5%
- 2021/22 10%
- 2022/23 20%

These percentages will be reviewed further in 12 months' time.

Yours Faithfully

Tindall Riley (Britannia) Limited
Managers