

18 February 2025

To all Members

**Class 3 – Protection & Indemnity
General Renewal Update – 2025/26**

This Bulletin applies equally for Members of The Britannia Steam Ship Insurance Association Limited (Britannia (UK)) and The Britannia Steam Ship Insurance Association Europe (Britannia Europe), together the Associations.

[Reference to Associations shall mean both or one of the Associations as applicable.]

1. International Group Reinsurance

The key elements of the International Group reinsurance programme remain unchanged as follows:

- Club Retention - USD10 million
- Pool Retention - USD90 million excess of USD10 million
- General Excess Loss Cover - USD2 billion excess of USD100 million
- Collective Overspill Cover - USD1 billion excess of USD2.1 billion

The Main General Excess of Loss placement remains unchanged with free and unlimited coverage for all risks except:

- Malicious Cyber
- COVID
- Pandemic

For Malicious Cyber, Covid and Pandemic risks there continues to be free and unlimited cover for claims up to USD650 million excess of USD100 million. Excess of USD750 million there is now aggregated cover of USD2.1bn under two separate towers, one for Covid and Pandemic risks and the other for Malicious Cyber risks. Excess of that aggregated cover the Group Clubs will continue to pool any reinsurance shortfall, resulting in no material change to Members' cover.

The result of the renewal for all ship categories and the rates for 2025/26, inclusive of the excess war risks cover referred to below, are as follows:

- Persistent oil tankers - USD0.6258 per GT
- Clean tankers - USD0.4337 per GT
- Dry cargo ships - USD0.6054 per GT
- Fully cellular container ships (FCC) - USD0.8903 per GT
- Passenger ships - USD3.4390 per GT

2. Affiliated Charterers

Members who wish to have an affiliated charterer included under an owner's entry must be able to show that:

- i. both the insured owner and the charterer are under common ownership; or
- ii. the insured owner or the charterer respectively either owns at least 50% of the shares in, and voting rights of, the other or owns a minority of the shares in the other and can procure that it is managed and operated in accordance with its wishes.

Those companies qualifying will continue to be provided with a limit of USD500 million in the aggregate any one ship any one event.

3. P&I War Risks

Cover for excess war and terrorism risks will continue to be provided for the 2025/26 policy year. The cover is only to pay claims in excess of amounts recoverable under the ship's or crew war risks P&I policies, subject to a minimum excess of the proper value of the entered ship or USD500 million, whichever is the lesser. (This condition does not apply, however, where the ship is solely entered in the name of the charterer other than a charterer by demise or bareboat charterer i.e. time/voyage chartered entries.) The limit under the cover will be USD500 million any one ship any one event, or such lesser amount as may be agreed with the Managers. For the avoidance of doubt, where Members have chosen to effect primary war risks insurance in excess of the proper value of the entered ship, this cover will pay claims in excess of amounts recoverable under all P&I war risks insurances.

However, due to the ongoing active war between Russia and Ukraine the amendment to the level of cover available for vessels operating in Russian and certain other Belarusian and Ukrainian waters due to the current conflict has been maintained.

For vessels transiting and/or calling within all Russian waters, including Russian coastal waters up to 12 nautical miles offshore, and certain European waters, cover is sub-limited to USD100 million any one event, each vessel. The limitation in respect to certain European waters is defined in Clause 6 of the Protection and Indemnity War Risk Clause Endorsement. As with the 2024/25 policy year, the cover will only respond to claims in excess of the proper value of the entered ship as defined in Clause 5 of the Protection and Indemnity War Risk Clause Endorsement.

Details of the cover provided are set out in the Associations' circular dated 16/01/2025 Class 3 – Protection & Indemnity Endorsements to 2025/26 policy year Certificates of Entry.

4. US Terrorism Risk Insurance Act 2002 (TRIA)

Cover for acts of terrorism, as defined by TRIA (which had been extended by the Terrorism Risk Insurance Programme Reauthorisation Act of 2015), has been further extended until 31 December 2027 and will continue to be available as part of the P&I War Risks extension (see 3 above). For those ships subject to TRIA and entered in the Associations, for 2025/26 a premium of USD0.0025 per gross ton is deemed attributable to these risks and will be included within the overall premium.

TRIA as amended provides for the US Government to pay a defined percentage of covered losses exceeding a specified trigger.

For 2025 the percentage paid by the US Government is 80%, against a trigger of USD200 million. In addition, the US Government has stopped making payments where aggregate insured losses exceed USD100 billion during any one year.

5. Bio-Chemical Risks

In view of the exclusion of bio-chemical type risks from the P&I war risks cover, and in recognition of an absence of suitable commercial market insurance, the International Group will continue to provide cover of USD30 million per ship in the aggregate for certain bio-chemical risks. However, this cover is not available for chartered entries.

Details of the cover provided is set out in the Associations' circular dated 16/01/2025 War Risks P&I Cover – Biological and Bio-Chemical Weapons.

6. Maritime Labour Convention 2006 (MLC 2006)

Details of MLC cover provided to Members is set out in the Associations' circular dated 16/01/2025 Class 3 – Protection & Indemnity Endorsements to 2025 policy year Certificates of Entry.

7. Insurance Act 2015

The Insurance Act 2015 came into force on 12 August 2016, Members' attention is drawn to the Associations' Circular, The UK Insurance Act 2015. Members' attention is also drawn to Class 3 (P&I) Rule 3.5 and Class 6 (FD&D) Rule 3.6, introduced into the Rules consequential on the Insurance Act 2015 and, in respect of the sections identified in those Rules, maintain the status quo between Members and the Associations under previous legislation. Members' attention is also drawn to Class 3 (P&I) Rule 6.2 and Class 6 (FD&D) Rule 6.2 which address the Members' or any potential Members' initial and continuing duty of fair presentation and the Associations' rights.

8. Heavy Fuel Oil Cargoes

Members will be required to continue to declare to the Associations details of any ship that has carried heavy fuel oil as cargo in the previous policy year. Declaration forms will be sent in due course.

9. Product and/or Chemical Tankers and/or OBO's

Members entering tankers on the basis that they carry only non-persistent oil cargoes and OBO's trading as dry, will continue to be required to notify the Associations should a persistent oil cargo be carried and pay the appropriate additional premium.

If a ship entered on the basis that it is carrying a persistent oil cargo does not in fact carry such a cargo for a period of thirty consecutive days, the Member will be able to claim a return of Call.

Full details are contained in the Associations' Bulletin to Members dated 20/01/2025 Operating Product and/or Chemical Tankers and To Members Operating Oil, Bulk, Ore Carriers (OBO's).

10. Consortium P&I Cover

Details of Consortium P&I cover are set out under Rule 19.22. Cover for liabilities arising under Consortium Agreements, including Vessel Sharing Agreements, is provided in accordance with the terms of the International Group Pooling Agreement. Members' attention is drawn to Rule 19.22.1, Consortium Claims; Rule 19.22.3, Aggregation and Rule 19.22.4, Exclusions. For the 2025/26 Policy Year the limit of liability in respect of Consortium Claims is USD500 million in the aggregate, any one incident or occurrence in accordance with Rule 19.22.5, Limits of Liability.

11. Joint Entries and Co-Assureds

Attention is drawn to Rule 8.1 Joint Members, the Associations may accept an application by the Member as the Senior Member for another person or persons to be added to the entry of a ship to be referred to as Joint Members. The Senior Member and all Joint Members shall be jointly and severally liable to pay all contributions or other sums due to the Associations in respect of the entry.

In addition, under Rule 8.2 Co-Assureds, the Associations may accept the addition for the entry of a ship by a Senior Member of the following person or persons as a Co-assured.

- 8.2.1 a charterer, other than a bareboat or demise charterer, which is affiliated to or associated with the senior member.
- 8.2.2 a contractor of the Senior Member for the provision of services by or to the Entered Ship.
- 8.2.3 other persons (except charterers other than bareboat or demise charterers).

Details of the cover under Rule 8 Joint Entries and Co-Assureds is set out in detail in the Associations' Class 3 Rules with effect from noon 12:00:00 UTC on 20 February 2025.

12. Additional Insurances

The Associations' [website](#) contains details of some of the additional covers that the Managers can assist Members in arranging, which are dependent on cover under the Associations' non-poolable reinsurance arrangements or other specific insurances and will be set out in Members' Certificates of Insurance.

The Associations' reinsurance arrangements for 2025/26 governing:

- Freight Demurrage & Defence (Class 6)
- Charterers' Liability Insurance
- Additional Insurances

are subject to the following market exclusions:

- Coronavirus Exclusion Clause – LMA5395
- Endorsement Excluding A Communicable Disease Following A Public Health Emergency Of International Concern (PHEIC) – JL2021-014

- LMA5403 Marine Cyber Endorsement
- JLC Territorial and Conflict Exclusion clause – JL 2022-019
- JLC Limited Notice of Cancellation – JL 2022-020
- Five Powers War Exclusion
- Sanctions clause – LMA3100A

The Associations' have agreed limited extensions of cover in respect of risks excluded under the PHEIC Endorsement as follows:

- | | | |
|--|---|--------------|
| • Freight, Demurrage and Defence (Class 6) | - | USD2 million |
| • Charterers' Liability Insurance | - | USD5 million |
| • Additional Insurance | - | USD3 million |

This special extension of cover is subject to an Annual Aggregate Limit (AAL) per Member per annum equal to twice the relevant limit of cover. Recovery from the Associations in respect of the PHEIC Endorsement attaching to any and all coverages and/or insurances offered by the Associations' is limited to USD10 million in the aggregate per Member per annum.

Attention is drawn to Part VI, Clause 17.3 – Reinsurance and Recovery, where reinsurance is arranged. The Member shall be entitled to recover only the net amount actually recovered under such reinsurance arrangements, together with that proportion (if any) of the risk or risks retained by the Associations.

Details of the notice of cancellation in respect of War Risks are contained in the Associations' Circular dated 15 February 2024.

13. Removal of Wreck and Oil Pollution

As a number of port authorities continue to be unwilling to accept a Certificate of Entry as proof that removal of wreck and oil pollution form part of the Member's cover, these two heads of cover will continue to be mentioned specifically on the Certificates of Entry.

14. Insurance Premium Taxes

An increasing number of countries, particularly in Europe, have introduced Insurance Premium Taxes (IPT). Members are reminded that responsibility for payment of such taxes rests with the individual Member rather than the Associations. Being an insurer established in the EEA, the Associations may be required to account for IPT to the tax authorities, if the Member has not made arrangements to pay the amounts directly or through his broker. Attention is drawn to Rule 12.4 – Tax, which allows the Associations to recover any tax which it may have to settle on a Member's behalf.

15. Laid-up returns

Those Members claiming a laid-up return of Call are reminded that the entered ship must have been laid-up in a safe port or place, approved by the Managers, for thirty or more consecutive days. An extended period in a yard for the purpose of repairs will not qualify for a laid up return of Call. To be eligible for a return an application must be made within three months of the end of the lay-up period or within three months of the end of the policy year, whichever occurs first. The application form can be found on the Associations' website.

16. Charterers' Liability

Members are reminded that the Associations are able to provide charterers' P&I, damage to hull and bunkers cover under a comprehensive charterers' programme, which is able to offer limits of up to USD750 million (sub limit of USD5 million in respect of bunkers cover). Details of the coverage are available on the Associations' website together with brochures with case studies, which explain the cover provided.

17. Sanctions

Members are aware of international sanctions currently being imposed by various national or supranational governmental bodies (e.g. US and the EU) on individual countries (e.g. Iran, Syria, Venezuela, North Korea and Russia). Members are reminded of Rules 5.6 and 20.2 of the Associations' Class 3 Rules (and corresponding Rules 20.1.8 and 33.4 of the Class 6 Rules) which are automatically applicable in the event of any sanction, penalty, prohibition or adverse action or the risk thereof against the Associations, the Managers or any reinsurers. As part of its compliance procedures, the Associations are required to obtain all company registered addresses for any company named on each Certificate of Entry.

[Circulars](#) and [Bulletins](#) referred to are listed below:

- Class 3 – Protection & Indemnity Endorsements to 2025/26 policy year Certificates of Entry
- War Risks P&I Cover – Biological and Bio-Chemical Weapons.
- Class 3 – Protection & Indemnity Endorsements to 2025/26 policy year Certificates of Entry
- The UK Insurance Act 2015
- Members Operating Product and/or Chemical Tankers
- Members Operating Oil, Bulk, Ore Carriers (OBO's)
- Notice of cancellation in respect of War Risks