

Press Release



NORTH P&I CLUB EMERGES BIGGER AND STRONGER FROM RENEWAL

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The 'A' rated North P&I club - which celebrates its 150th anniversary this year - has further enhanced the quality, size and strength of its international membership after another successful renewal on 20 February 2010.

As reported in the latest issue of [North News](#) published today (10 June 2010), the club achieved 17% annual growth in tonnage at renewal to reach 110 million GT. This has since risen to 115 million GT, comprising 4000 ships entered by 375 members, with 90 million GT owned and 25 million GT chartered.

According to chairman Albert Engelsman of Dutch shipping group Wagenborg, 'Following a very successful renewal, we opened the 2010 policy year financially stronger than ever before. Our traditionally cautious investment strategy has served us well, delivering the strongest free reserve position in the club's history.' Financial statements for 2009-10 approved by North's directors on 18 May confirm free reserves grew 14% to US\$ 240.3 million. Full details will be published in the *Management Report* later this month.

Joint managing director Alan Wilson says, 'These have been tumultuous times across the globe and we have responded by maintaining our traditional, cautious, prudent approach to investment. In addition to building a stronger free reserve than ever before, we achieved a creditable combined ratio of 94.8% and made no unbudgeted supplementary calls for the 19th year running.'

North set and achieved a general premium increase of 5% at the 20 February renewal, which the directors consider vital to maintaining the club's strong finances and service levels. 'While we have seen a slight decline in attritional claims during the past year, the random nature of large incidents remains,' says joint managing director Paul Jennings. 'And with shipping markets showing signs of recovery and busier times ahead, we cannot necessarily predict a benign year in front of us.'

In addition to maintaining financial and service strength, North's strategic objectives include enlarging its product range and achieving further growth in owned tonnage. 'While we continue to emphasise quality, not quantity, we have a clear target to increase the size of the club, recognising that members can benefit from consequent economies of scale as well as from the lower volatility that comes from a larger book of business,' says Jennings.

North is currently expanding its existing freehold headquarters building in Newcastle-upon-Tyne, UK by over 50% to enable recruitment of 125 more staff. Work is due for completion by April 2011. The club is also planning to open an office in Tokyo later this year to complement its regional offices in Athens, Hong Kong and Singapore.

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