

PRESS RELEASE

20 November 2019

North P&I Club Opts for 7.5% General Increase at February 2020 Renewal

Directors of North P&I Club have decided to set a general increase of 7.5% on P&I and FD&D premiums for the 2020/21 Policy Year. The increase is considered necessary to maintain the Club's financial strength and stability in a climate of rising International Group Pool claims and premium erosion.

According to North's Chairman, Pratap Shirke, *"The marine insurance landscape has been challenging, and during this time we have persisted with our strategy of preserving a balance between reliable financial management and our desire for controlled growth. However, the Club has not been immune to the impact of the number and value of claims reported to the International Group Pool in the first six months of the year, which has ultimately had an adverse effect on our technical underwriting results."*

To offset the suppression of rates and premium income, North has taken corrective action to maintain the financial equilibrium of the Club. Mr Shirke continued, *"North is financially secure and has a strong capital position evidenced by its 'A' stable rating from S&P Global Ratings. The Directors remain focused on the need to support our membership and have decided on a renewal strategy that, in line with sound corporate governance principles, provides a transparent general rating increase. This is the most appropriate and equitable mechanism to notify Members of the Club's overall budgetary requirements for the next policy year."*

For the P&I class, a general increase of 7.5% will be applied to all Members' premiums at the February 2020 renewal. Rates will also be adjusted further for Members with adverse loss records or enhanced exposures. All Members' rates will be adjusted to incorporate any changes in the costing and structure of the International Group Excess Loss Reinsurance programme. Premiums for North's FD&D class will also increase by 7.5%.

North's Chief Executive, Paul Jennings, said, *"The Directors are satisfied that the Club remains in strong financial health and are confident that our 2020 renewal strategy allied with our disciplined financial approach and prudent underwriting philosophy, will position the Club appropriately to meet the oncoming challenges."*

North's Pre-Renewal Report is published today, 20 November 2019, providing more detailed information on the Club's financial position and claims development during the current Policy Year. North's Pre-Renewal Report is available [here](#).

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North P&I Club

North P&I Club is a leading global marine insurer providing P&I, FD&D, war risks and ancillary insurance to over 200 million GT of owned and chartered tonnage. Through its guaranteed subsidiary Sunderland Marine, North is also a leading insurer of fishing vessels, small craft and aquaculture risks. The Standard and Poor's 'A' rated Club is based in Newcastle upon Tyne, UK with regional offices and subsidiaries in China (Hong Kong and Shanghai), Greece, Ireland, Japan, Singapore, USA and Sunderland Marine offices worldwide. North is a leading member of the International Group of P&I Clubs (IG), with over 12% of the IG's owned tonnage. The 13 IG clubs provide liability cover for approximately 90% of the world's ocean-going tonnage and, as a member of the IG, North protects and promotes the interests of the international shipping industry. For further information, visit: www.nepia.com.