



The London P&I Club

THE INTERNATIONAL GROUP POOLING AND GXL REINSURANCE CONTRACT – 2024/25 POLICY YEAR RENEWAL ARRANGEMENTS

Renewal Overview

The main GXL placement (Layers 1-3, USD2 billion excess of USD100m) has been maintained as three layers. There continues to be the USD1 billion Collective Overspill excess of the GXL together with three private placements in Layer 1 (maintaining their 25% overall share).

An overview of the entire GXL for 2024/25 is:

- Individual Club's retention remains at USD10m;
- Pooling remains up to USD100 m excess USD10m;
- Excess USD100 m, the GXL applies as follows:
 - Layer 1 USD650 m excess USD100m; Layer 2 USD750 m excess USD750 m; Layer 3 USD600 m excess of USD1.5 bn;
 - 75% of Layer 1 and 100% of Layers 2 and 3 are placed with the open market on a free and unlimited basis, except for risks in respect of malicious cyber, COVID-19 and Pandemic. For those risks, for the 2024/25 policy year, there remains free and unlimited cover for claims up to USD650m excess of USD100m. This covers almost all IG Clubs' certificated risks. Excess of USD750m there is up to US\$1.35bn of annual aggregated cover in respect of Malicious Cyber cover and separate annual aggregated cover of USD1.35bn in respect of COVID19/Pandemic risks. Excess of that aggregated cover, the IG continues to pool any reinsurance shortfall, resulting in no change to shipowners' cover.
 - 25% of Layer 1 is covered by three private market placements, which are renewed independently of the open market element of the GXL;
 - Hydra continues to retain an Annual Aggregate Deductible ("AAD") in Layer 1, which remains at the same value as for the 2023/24 policy year in 100%

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The London Steam-Ship Owners' Mutual Insurance Association Limited. Registered in England No 10341.

Registered Office: 50 Leman Street, London, E1 8HQ.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

The London P&I Insurance Company (Europe) Limited, a private limited liability company registered in Cyprus, No HE410091.

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terms. With the open market layer at 75%, the value of this AAD remains at USD107.1m for the 2024/25 policy year.

Other placements: The Collective Overspill (USD1bn excess of USD2.1 bn) and ancillary covers are being renewed with premiums included within the overall rate per GT.

The IG's Bermudan based reinsurance captive Hydra continues to support the IG through its risk retention. This enhances stability in pricing. The use of private placements has also continued to give shipowners greater stability.

The GXL continues to allow the broadest cover for shipowners, with reductions for all vessel categories as set out below.

Individual Club retention and GXL programme attachment

The Individual Club retention remains unchanged for the 2024/25 policy year at USD10 million, as does the structure of the Pool and the attachment point for the GXL programme.

MLC cover

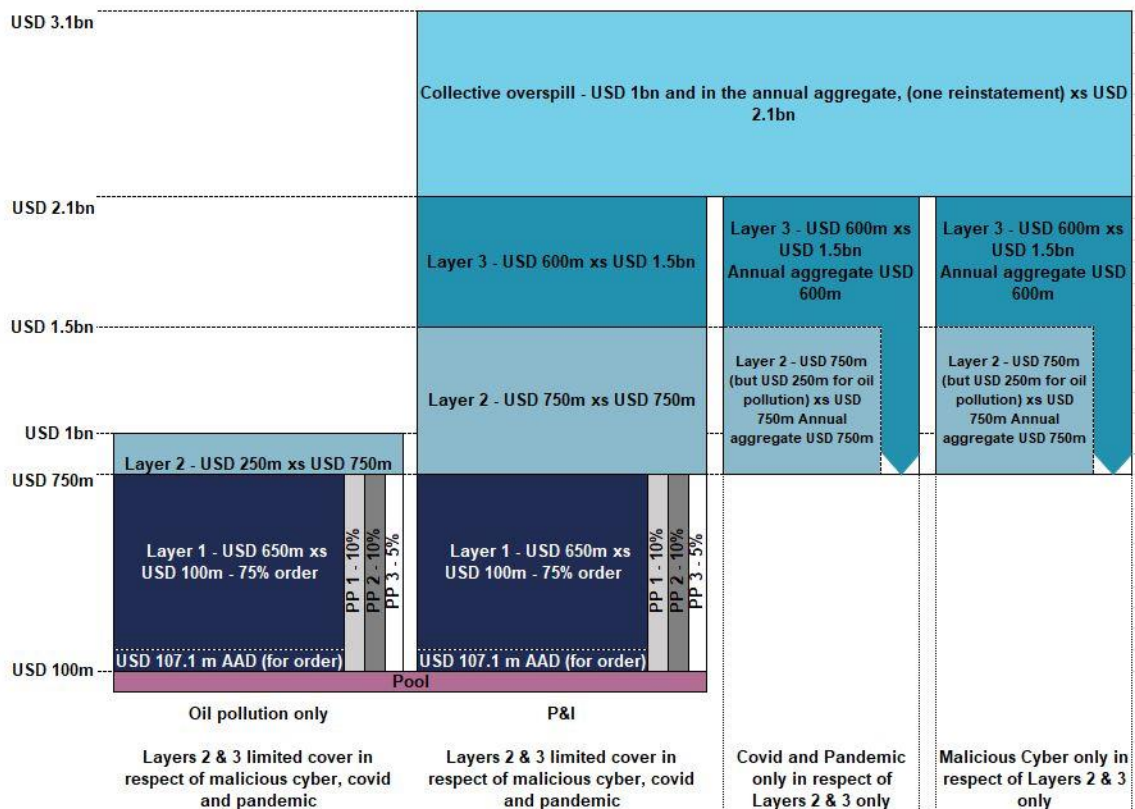
The MLC market reinsurance cover is being renewed for 2024/25 at competitive market terms, with the premium included in the overall reinsurance rates charged to shipowners.

War cover

See section (v) of the covering Circular.

2024/25 GXL programme structure

The diagram below illustrates the layer and participation structure of the GXL programme for 2024/25:



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Reinsurance cost allocation 2024/25

As part of its annual analysis and in addition to reviewing premiums, the IG's Reinsurance Committee has, as referred to above, been looking at vessel categories.

The conclusions are that there should be no change in the number of categories at this time, but that there should be some adjustments to the relative rate changes having regard to each category's historical claims performance against the GXL.

The 2024/25 rates are set out below:

Tonnage category	2024/25 rate per GT	% change in rate per GT
Persistent Oil Tankers	61.63	-7.5%
Clean Tankers	39.82	-1.7%
Dry	58.63	-2.1%
FCC	72.04	-1.0%
Passenger	338.42	-12.5%
Chartered tankers	31.27	+0.0%
Chartered dries	15.26	+0.0%

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