

18 February 2026

TO ALL MEMBERS AND ASSURED

Dear Sir or Madam

2026/27 - Policy Year arrangements

This Circular provides a summary of the following arrangements for the 2026/27 Policy Year.

(1) Members

(i) Rules

As previously notified, a meeting of the Members of Class 5 (P&I) was held on 28 January 2026.

The Rules changes approved for the 2026/27 Policy Year can be found here: [P&I changes](#).

The Club's Rules for 2026/27, incorporating these changes, are available on our website and can be also be accessed here: [P&I Rules](#), [War Risks Rules](#) and [FD&D Rules](#).

(ii) Mutual P&I Cover – Limits and Overspill

Full details are set out in the Class 5 (P&I) Rules including Rules 11 and 33, and as may appear in individual Certificates of Entry.

The Group Reinsurance Limit is US\$2.25 billion (in excess of US\$100 million) and the International Group has once again purchased reinsurance for claims up to US\$1 billion in excess of that limit, to protect Members against the risk of an Overspill Call pursuant to Rule 33.5 for the purpose of providing funds to pay part of an Overspill Claim of up to US\$3.35 billion.

For oil pollution claims, the limit of the Club's aggregate liability will continue to be US\$1 billion for any one occurrence.

For Passenger/Seafarer claims, despite the changes to the GXL and Overspill Limits, the limit of the Club's aggregate liability will continue to be limited to US\$2 billion in respect of Passenger claims for any one occurrence and to US\$3 billion in respect of Passenger and Seafarer claims both arising out of any one occurrence.

For consortium claims covered under Rule 11.7, claims covered under Rule 10 on a charterers' entry and claims covered under Rule 9 in respect of a charterer Co-assured on an owners' entry, the limit of the Club's aggregate liability will continue to be US\$500 million for any one occurrence.

(iii) International Group (IG) - Pooling and Reinsurance Arrangements

Full details of the IG's summary of pooling and reinsurance arrangements for 2026/27 can be found [here](#).

(iv) Excess War Risks P&I Cover

The Excess War P&I cover has been renewed with effect from 20 February 2026, with shipowner rates included within the overall reinsurance rates charged for 2026/27. The cover afforded is set out in the Excess War Risks P&I Clause (20 February 2023) as incorporated in the individual Certificates of Entry and as set out in the Annex to the [P&I Rules](#).

The cover is maintained with a limit of USD\$500 million in excess of i) the proper value of the Ship as defined in Rule 12, or ii) the amounts recoverable under other insurances, whichever shall be the greater.

The sub-limit for claims arising in the areas of Russia, Ukraine and Belarus as defined in the Clause has been increased from US\$100 million to US\$125 million per event.

(v) Excess War Risks P&I cover - Bio-Chem Claims exclusion - limited reinstatement

The excess war risks P&I cover for Members referred to above is subject to an exclusion for bio-chem risks. However, cover is reinstated up to a limit of US\$30 million per event. The cover afforded is set out in the Excess War Risks P&I Biochem Inclusion Clause (20 February 2005) as incorporated in the individual Certificates of Entry and as set out in the Annex to the [P&I Rules](#).

(vi) Terrorism Insurance for US ships

Any Members entering ships in the Club that qualify for the Terrorism Risk Insurance Act of 2002, as amended, and which has been updated and further extended up to 2027, are reminded that amongst other things it requires their property and casualty insurers to provide cover for acts of terrorism. Such cover is given by the Club by way of the Excess War Risks P&I cover and the proportion of the annual call attributable to its provision is US\$0.0025 per gross ton entered. This information is given in compliance with the legislation.

(vii) Carriage of Heavy Fuel Oil (HFO) as cargo

Members, where applicable, provide the Club with annual declarations of ships in their fleet which had carried HFO as cargo during the preceding 12 months. The Club's Circular on this subject, with the declaration form for 2026/27, will be issued in March in the usual way.

(2) Fixed Premium Assureds

(i) Charterers' CSL Cover

The coverage which will apply to new or renewing business from 20 February 2026 is set out in the [Terms and Conditions \(February 2026\)](#) and can be found (together with the [changes](#) to the Terms and Conditions (February 2025)) on the Club's website.

(ii) Owners' Fixed Premium P&I Cover

The coverage which will apply to new or renewing business from 20 February 2026 is set out in the [Terms and Conditions \(February 2026\)](#) and can be found (together with the [changes](#) to the Terms and Conditions (February 2025)) on the Club's website.

(iii) War Risks cover for all Fixed Premium Assureds

Fixed Premium Assureds (including extensions or ancillary cover to mutual covers against a fixed premium) are reminded that for certain geographical areas, (currently those set out in the

Section 1 C Clause 1.5 for Owners' Fixed Premium P&I and Section III A Clause 4.3 for Charterers' CSL Cover and the Circular of 13 February 2024 for extensions or ancillary cover to mutual covers against a fixed premium), War Risks cover is excluded unless reinstated against a prior agreed additional premium and any other additional terms.

(3) Circulars – Members and Fixed Premium Assureds

Members and Fixed Premium Assureds are reminded of the provisions in Rule 5.6 and equivalent for Fixed Premium Assureds (Section D.1 for Owners' Fixed Premium P&I and Section IV A 1.5 for Charterers' CSL) that they should use best endeavors to comply with any recommendation as the Club may make in Circulars about the carriage of a particular cargo, any trade or other operational matter.

Copies of all Circulars are available on the Club's website.

(4) List of P&I Correspondents

We recommend that the "Correspondents" search facility on the Club's website be used for the most up to date information throughout the year.

Yours faithfully

A BILBROUGH & CO LTD (MANAGERS)