

The International Group (IG) Pooling and Group Excess of Loss Reinsurance contract (GXL) structure for the 2026/27 Policy Year has now been finalised.

The International Group has released the GXL renewal rates for the 2026/7 policy year.

Cover has been extended by a further \$250m, raising the overall RI limit (including overspill) to \$3.35bn. The overall cost is to shipowners as a percentage of overall entered tonnage remains unaltered, but there have been some changes in cost allocations by ship type – principally an increase in container ship rates and a decrease for persistent oil, dry and passenger ships. This change in allocation reflects recent loss activity to Hydra and Reinsurers.

Renewal rates and changes for the 2026 year are as follows:

Tonnage Category	2026 rate per g.t.	% change from 2025
Persistent Oil tankers	\$0.5758	-8.0%
Clean Tankers	\$0.4337	NIL
Dry	\$0.5751	-5.0%
FCC	\$1.0237	+15.0%
Passenger	\$3.1472	-8.5%

Full details of the renewal structure are as below:

Following a relatively benign Pool claims environment for the 2022/23 and 2023/4 policy years, the 2024/25 and 2025/26 policy years have seen a move back towards a higher level of pool claims activity, more consistent with the 2019-2021 period.

The GXL allows IG Clubs to offer uniquely high levels of free and unlimited coverage for most of the risks they insure. In securing this renewal, the IG is therefore grateful for the ongoing support of its leader, AXA XL, and also to its many other longstanding reinsurance partners.

There are two changes to the GXL programme for the coming year:

- As part of the GXL, the IG has arranged four private placements amounting to 27.5% of Layer 1 of the programme (USD650m xs USD100m) reducing the market share of Layer 1 from 75% to 72.5%.
- The IG has also extended the cover offered by Clubs to their shipowner members by expanding Layer 3 of the GXL from US\$600m excess of US\$1.5bn to US\$850m excess of US\$1.5bn. This in turn means that the IG's Collective Overspill cover of US\$1bn is now excess of US\$2.35bn as opposed to US\$2.1bn in 2025/26.

For Layers 2 and 3 the COVID-19/Pandemic risk aggregated cover and Malicious Cyber aggregated cover continue to be

split. For both these risks there continues to be free and unlimited cover for all claims up to USD650m xs USD100m and two towers of separate aggregated cover for claims above USD750m up to US\$2.35 billion.

To ensure the fairness of cost allocation between different vessel types, each year the IG's Reinsurance Committee considers the vessel categories used. Having given due consideration to possible variations for 2026/27, those categories will remain unchanged with the rates having been adjusted as set out in detail at the end of this press release.

Renewal Overview

The main GXL placement (Layers 1-3, USD 2.25 billion excess of USD 100m) has been maintained as three layers. There continues to be the USD 1 billion Collective Overspill cover excess of the GXL but there has been a move to four private placements in Layer 1 amounting to 27.5% (compared with three private placements of 25% in 2025/6).

An overview of the entire GXL for 2026/27 is as follows:

- Individual Club's retention on any claim remains at USD 10 m;
- Claims are pooled between Group Clubs for USD 90 m excess USD 10 m;
- Excess USD 100 m, the GXL applies as follows:
 - Layer 1 USD 650 m excess USD 100m; Layer 2 USD 750 m excess USD 750 m; Layer 3 USD 850 m excess USD 1.5 bn;
 - 72.5% 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 2026/27 policy year, there remains free and unlimited cover for claims up to USD 650m excess of USD 100m. This covers almost all IG Clubs' certificated risks. Excess of USD 750m there is up to US\$1.6bn of annual aggregated cover in respect of Malicious Cyber cover and separate annual aggregated cover of USD1.6bn in respect of pandemic/Covid risks. Excess of that aggregated cover, the IG continues to pool any reinsurance shortfall, resulting in no change to shipowners' cover.
 - 27.5% of Layer 1 is covered by four 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 in 100% terms has moved down in value from USD 107.1m to US\$103.6m for the 2026/27 policy year, reflecting the reduced market share in Layer 1.
- Other placements: The Collective Overspill (USD 1bn excess of USD 2.35 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 the majority of vessel categories (save for FCCs) as outlined later in this paper.

Individual Club retention and GXL programme attachment

Following a comprehensive review of the retention structure it has been decided to maintain the Individual Club Retention unchanged for the 2026/27 policy year at USD 10 million, as does the structure of the Pool and the

attachment point for the GXL at US\$100m.

MLC cover

The MLC market reinsurance cover is being renewed for 2026/27 at competitive market terms, with the premium included in the overall reinsurance rates charged to shipowners.

War cover

The excess War P&I cover will be renewed for 2026/27 for a period of 12 months. Again, this will be included in the total rates charged to shipowners.

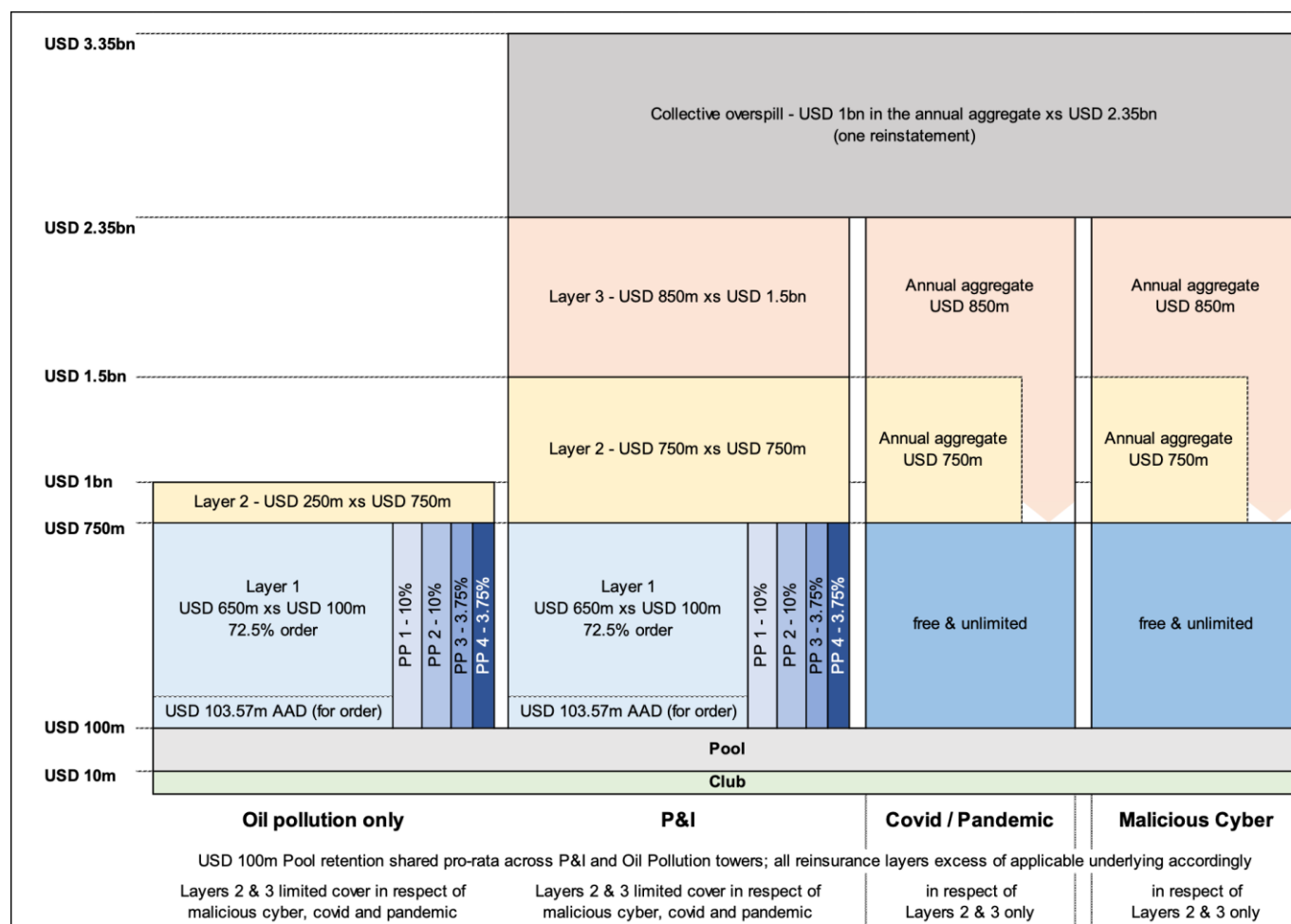
However, due to the ongoing active war between Russia and Ukraine, the IG's Excess War reinsurers have maintained their requirement for Territorial Exclusion language (consistent with exclusionary language already applied by reinsurers for Primary War P&I coverage) for vessels trading in these waters. As such the Group continues to purchase aggregated sub-limited cover from the reinsurance markets to cover the Russia/Ukraine/Belarus excluded risks but this has increased from US\$100m in 2025/26 to US\$125m for 2026/27.

Passengers

Despite the changes to Layer 3 of the GXL and to the Collective Overspill limits, the limits for Passengers and Crew remain unchanged for the 2026 renewal.

2026/7 GXL programme structure

The diagram below illustrates the layer and participation structure of the GXL programme for 2026/7.



Reinsurance cost allocation 2026/7

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 full press release can be found here.](#)