

PRESS RELEASE

UK P&I Club announces general increase for 2015 policy year

The UK P&I Club Board has agreed at its meeting on 27th October 2014 that the general increase for the 2015 renewal will be 6.5%.

The premium rating increase is in addition to any change in the cost of the International Group reinsurance premium for 2015 for the mutual Members, which will be determined next January.

In setting the general increase, the UK Club Board is mindful of the balance between the needs of the Club's Members on the one hand, and the Club's commitment to maintaining balanced underwriting and sound financial planning on the other. The 2013 year has proved to be one of the most expensive claims years of the last two decades, and underlines the importance of keeping premiums moving.

The general increase reflects the Club's commitment to maintain balanced underwriting and put the Club in the best position to meet the challenges of the future.

Alan Olivier, Chairman of the UK P&I Club, said: "The Board is determined to maintain our highly disciplined approach to underwriting to secure the long term stability of the Club. The Board is equally determined to support our Members through the current commercial environment."

Hugo Wynn-Williams, Chief Executive of the UK Club's managers, Thomas Miller P&I (Europe) said: "The 2013 policy year has proved to be particularly expensive for the Club due to a few large claims. The strength of the Club has enabled it to weather this storm and emerge with a stable level of capital. The Club's has built a firm foundation from which it will continue to provide first class service to our Members".

The Club has maintained its capital position at the half year with \$529m in free reserves and capital and total assets of \$1.6 billion at the 20th August 2014. The UK Club's Standard and Poor's rating is A (Stable). At the meeting the board approved a moderate change in standard deductible for the 2015 policy year from \$8,500 to \$10,000 per event. A detailed explanation of the background to the Board's decisions can be found in the "October Review 2014" and Circular 10/14. Both documents are available electronically on the Club website www.ukpandi.com.

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UK P&I Club

The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited is generally known as the UK P&I Club. As a mutual association since its establishment in 1869 the Club has existed solely for the benefit of its members. Its structure as a mutual insurance association enables it to respond to the changing needs of its assureds and allows it to provide superior service, attention and coverage.

The UK P&I Club is directed by the members. Overall control lies with the directors, elected by the members from amongst themselves. The directors normally meet four times a year to formulate policy on calls, the scope of cover, finance, underwriting and claims matters, reinsurance and issues affecting the P&I world. They resolve specific claims which may not fall clearly within the cover.

Thomas Miller, the Club's managers, is organised to respond promptly to requests for assistance and to provide informed advice and help with members' claims. Individual support goes far beyond that normally provided by a commercial insurer.

The UK Club's size and the scale of the managers' operations has enabled the latter to develop specialist skills and expertise seldom seen in marine P&I.

In 350 ports around the world, on-the-spot help and local expertise is always available to members and the masters of their ships from the Club's 460 correspondents and claims handling services and advice from the network of offices and branches in London, Piraeus, New Jersey, San Francisco, Hong Kong, Singapore, Tokyo, Beijing and Shanghai.