



EST. 1820

200
YEARS
OF INSURANCE

International Insurance and Reinsurance Brokers

THE P&I REPORT '21

OLYMPICS SPECIAL EDITION

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INTRODUCTION

Welcome to the latest edition of the Tysers P&I Report.

There can be no question that the pandemic has resulted in the last twelve months being very difficult for all. In addition to this the P&I Clubs have experienced an unprecedented number of sizeable claims.

Nevertheless, with global vaccination efforts allowing the easing of lockdown restrictions in many areas resulting in a return towards pre-pandemic trade, we detect a real sense of hope for better times over the next twelve months.

With this in mind we have decided to return to our light-hearted style of headline in the attached report (including our own subjective rankings) whilst maintaining a succinct and incisive review of the P&I market. We hope you will find this report both enjoyable and informative.



“AT TYERS WE ASPIRE TO PROVIDE THE VERY BEST QUALITY OF SERVICE TO OUR CLIENTS AND WE HOPE THAT YOU WILL FIND THE ATTACHED REPORT A GOOD INDICATION OF THE HELPFUL AND ACCESSIBLE INFORMATION WE CAN PROVIDE THAT SETS US APART FROM OTHER BROKERS.”

Thomas D. Wilson
Managing Director
Head of Marine & Aviation

ABOUT TYSERS

KEY FACTS

- Tysers is 200 years old.
- Founded in 1820, it is now one of the largest independent Lloyd's Brokers.
- In 2020 Tysers acquired RFIB, which also had a large marine portfolio.
- The combined total staff exceed 1,100 handling circa US\$3 billion of annual premium emanating from clients in over 140 countries.
- We have offices strategically located across all continents positioned to assist in developing local markets or helping local clients where required.
- We are specialist brokers, operating only in classes where we have expertise.
- We excel at finding creative solutions for unusual risks.

Marine remains the largest division within Tysers.

Whilst size may give us added leverage and extended reach, we are adamant that this does not and will not compromise our efforts to remain a client focussed, service oriented broker working hard to provide the best advice, guidance, coverage, claims advocacy and overall service in all aspects of insurance, reinsurance and risk management.

Please visit our website to learn more about what we can offer:

www.tysers.com

KEY STRENGTHS

Global expertise

We support clients based in 140 countries around the world, from offices on all the continents.

Established market presence

With Tysers having been around longer than all the P&I Clubs we have had strong relationships with all 13 of them since their beginnings. Furthermore, we have been instrumental in supporting selected alternative fixed premium P&I and open market insurers. The depth of these relationships enable us to achieve competitive pricing together with comprehensive coverages.

Extensive experience

Our P&I team has a unique blend of expertise (totalling more than 250 years!) that is available to

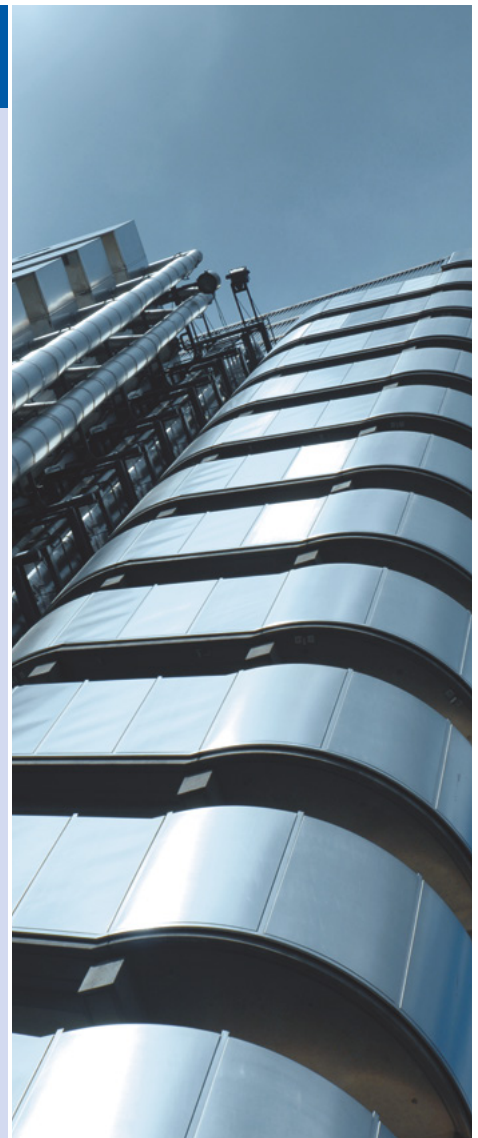
clients, having worked previously for International Group P&I Clubs, shipping companies, leading insurers and other major brokers.

Reinsurance expertise

Our reinsurance clients range from the London Market to other major marine underwriting centres, P&I Clubs, fixed premium insurance providers and overseas insurers.

Proactive claims service

Strong claims advocacy is at the heart of what we provide. The broking and claims teams work in harmony, from the same office, to deliver a complete and responsive service.



AREAS OF EXPERTISE

- P&I, FD&D and other marine liabilities including contractual and specialist operations
- Charterers' Covers
- Hull & Machinery
- War Risks
- Piracy
- Kidnap & Ransom
- Loss of Hire/Trade Disruption
- Ports and Terminals
- Cargo
- Containers and Chassis
- Ship Agents' Liabilities
- Bespoke Crew Insurance
- Reinsurance
- Builders' Risks, including related delay covers, and Ship Repairers' Liabilities
- Mortgagees Interest



P&I TEAM CONTACTS

Tom Wilson

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Tom has over 35 years experience working in all classes of marine coverage and leads the Marine & Aviation practice at Tysers. Tom is on the Marine Executive of LIIBA



Martin Hubbard

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Over 40 years P&I experience, mainly as a Senior Underwriter and Director with the Steamship Mutual Underwriting Association Ltd. Joined Tysers in 2005.



Ian Harris

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Ian joined Tysers from Willis in January 2014, and has over 40 years P&I and H&M experience, including ten years in claims.



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Simon joined Tysers in 2012 having previously worked with Marsh and JLT and brings almost 30 years experience in P&I.



Laurent Charlet

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Laurent joined Tysers in January 2018, with 20 years of experience having previously worked as the in-house insurance manager for a major multi-modal shipping company.



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Piers joined the Marine Division in 1999 having previously been with Sedgwicks and Aon.



Diana Sailor

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Diana joins us from Zodiac Maritime where she was responsible for insurances of a fleet of over 140 vessels. Prior to Zodiac, Diana worked at the Steamship Mutual as senior FDD claims handler and Stephenson Harwood and Thomas Cooper Law.



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Henry joined Tysers in August 2017 from another Lloyds broker, and has a wealth of broking experience across all Marine classes. His primary focus is Protection & Indemnity, as well as Market Liability insurance.



Kate Crofton

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Kate has been working in the insurance industry for over 15 years and joined Tysers from Willis in January 2018.



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Liam joined Tysers in 2016 straight from education and worked in the technical department for a year before being promoted to work in the P&I team.



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Adrian has worked for almost 10 years in the market primarily at RFIB specializing in P&I and Liability placings.



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Over 40 years with Tysers specialising in Marine and Aviation Claims. Chris is also Deputy Chairman of the LIIBA Marine Claims Sub-Committee.





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A full-page background image of a swimmer in a pool. The swimmer is a man with a beard, wearing a dark swim cap and goggles, performing a butterfly stroke. He is in the center of the frame, with his arms extended forward and his head above water. The water is a vibrant blue, and there are ripples and splashes around the swimmer. In the background, other swimmers are visible, though out of focus.

**OLYMPICS SPECIAL
FEATURING ALL THE
ACTION FROM THE POOL**

It was something of a miracle that the Olympic Games took place in Japan this year so we thought it only right to use them as our theme for our 2021 Report, and this also gives the opportunity to review how the International Group has

changed over the five years since our Rio Olympics report in 2016.

It is fair to say that 2020/21 was an awful year in terms of technical underwriting results, with all Clubs reporting net combined ratios in

excess of 100%. The blame is laid universally on Pool and Covid claims. Yet, investment returns have been much better than expected enabling seven Clubs to report an overall surplus.

Net combined ratios (%)

	2017/18*	2018/19*	2019/20 **	2020/21	2020/21 P&I only
American	103	116	117	116	116
Britannia	96	113	132	120	120
Gard	103	116	102	104	112
Japan	101	86	113	108	108
London	119	140	137	137	137
North	104	105	126	114	114
Shipowners	99	104	105	101	101
Skuld	99	98	109	108	121
Standard	107	113	131	121	121
Steamship	113	116	100	125	125
Swedish	105	99	106	123	146
UK	91	114	120	150	150
West	116	114	107	140	140
Average	104	111	116	121	124

* After changes to calls but not including capital distributions

** Britannia and Steamship net of capital distributions

Since Rio de Janeiro, IG owned tonnage and free reserves have grown as follows:

Year	Owned GT	Free Reserves (US\$)	Reserves per GT
2015/16	1,154,000,000	4,826,000,000	\$4.18
2016/17	1,204,000,000	5,303,000,000	\$4.40
2017/18	1,245,000,000	5,643,000,000	\$4.53
2018/19	1,273,000,000	5,334,000,000	\$4.19
2019/20	1,321,000,000	5,522,000,000	\$4.18
2020/21	1,355,930,000	5,524,133,000	\$4.07

A comparison of IG headline figures in 2016 and 2021 shows a clear change to the market:

Year	Average combined ratio	Technical Result	Investment Income	Overall result
2015/16	91%	\$375m	(\$168m)	\$211m
2020/21	121%	(\$514m)	\$613m	\$38m

2016 to 2018 were very benign years for claims, but since then we have seen an upsurge in large claims although claims at more routine levels have remained stable and, in some case, have reduced, reflecting the changes to world shipping, particularly the growth of mega-container ships and regulatory control, and also increased deductibles imposed by the Clubs. Tonnage growth was still high and Clubs were happy to be very competitive on rating – irrespective of their individual protestations about the effect of churn – so as not to miss out on new tonnage. Despite the change to the claims' environment there is still a lot of competition for new business, reflected in the continued worsening of technical

results. In some cases, such negative results are less of a worry as many Clubs have developed very successful investment strategies. While Clubs do not want to rely on investment income and are under pressure from regulators and rating agencies to improve their underwriting results, their desire for growth and higher market share will render this a very slow process and may well see weaker Clubs eventually resorting to unbudgeted additional calls to balance the technical account.

Pool claims

The individual Club retention for claims has remained unaltered since 2016 at \$10m, but the Pool layer has increased

from \$10m –\$80m to \$10m –\$100m. In addition, the Clubs through Hydra now bear a \$100m annual aggregate deductible under the 70% market share of the Excess Loss contract.

The following table shows how Pool claims have risen and deteriorated dramatically since 2015/16.

Incurred Pool claims in US\$ millions

Year	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
After 12 months	198	84	227	306	259	463
At 20/02/2021	296	140	311	490	442	

These figures indicate average deterioration since the end of a policy year in excess of 50%, showing how difficult it is for the Clubs to estimate the outcome of large claims, and some may be guilty of excessive optimism and, at times, tardiness in notification. There is little doubt that 2020/21 will end up the worst year in history for Pool claims and if it follows the usual deterioration pattern, the final total cost could reach around \$700m.

The problem is that there is little the Clubs can do about it. These large incidents are very random in nature and it is to a large extent pot luck which Club suffers them. There is already a penalty for the Club which incurs a Pool claim as it has to pay 7.5% of the amount between \$50m and \$100m (so a maximum of \$3.5m), and the overall contribution of each Club to any Pool claims is based not only on its entered GT and premium but also its overall record on the Pool over a number of years.

The IG will not be able to reduce the \$100m limit, as it is already going to face a very difficult renewal of its Excess Loss contract, which kicks in

at \$100m. This contract was placed for two years in 2020 and the record has deteriorated considerably, not least due to North's 2019 Golden Ray casualty (wreck removal in USA) which, prior to the last Excess loss renewal, was estimated at under \$100m and is now expected to cost over \$840m. Other serious incidents such as Wakashio, One Apus and Ever Given will ensure the 2022 Excess Loss reinsurance renewal will be the most difficult ever faced by the IG. This will be so not only in terms of pricing but also the reinsurance cover available as the commercial market seeks to exclude exposure to pandemic and cyber risks.

New claims arising from the pandemic required conservative estimating but, hopefully, will not recur while claims under MLC are surprising the Clubs with their increased regularity. The Clubs are feeling a strain on capital, the result of courts around the world being closed due to the pandemic so the level of claims outstanding is much higher than normal and will test the Clubs' estimating abilities. We do wonder whether the high combined ratios may be due in part to ultra-conservative estimating and we would not be surprised to see an improvement in open years as they mature and claims are settled.

2020/21 WILL END UP THE WORST YEAR IN HISTORY FOR POOL CLAIMS AND IF IT FOLLOWS THE USUAL DETERIORATION PATTERN, THE FINAL TOTAL COST COULD REACH AROUND \$700M.

Thanks to better than expected investment returns, many Clubs have emerged relatively unscathed from the challenges of 2020/21. Nevertheless, with Pool claims in 2021 continuing at high levels and with S&P placing half the IG on negative outlook due to concern at underwriting results and pressure on capital, we must expect a very difficult

Prospects for 2022

All Clubs will be concerned with their underwriting performance in 2020/21.

2022 renewal with general increases well above the levels experienced over the last five years.

TYSERS RANKING OF P&I CLUBS



2021 medal table

Silver medal

Steamship
Swedish
North
UK
West



Gold medal

Gard
Shipowners
Skuld
Britannia



Bronze medal

Japan
Standard
London
American

In 2016 our medal table looked like this:

Silver medal

Steamship
Shipowners
West
North
Standard

Gold medal

Gard
UK
Britannia
Skuld

Bronze medal

Swedish
London
Japan
American

Release Calls as at September 2021

Policy Year	American	Britannia	Gard	Japan	London	North	Shipowners	Skuld	Standard	SSM	Swedish	UK	West
2018	20	0	0	3.6	5	0	0	7.5	0	0	0	5	0
2019	20	5	5	3.6	12.5	0	0	10	0	10	5	10	0
2020	20	7.5	5	3.6	15	5	0	15	6	10	15	15	15
2021	20	15	10	3.6	15	15	0	15	12.5	10	15	20	15

All release calls expressed as a percentage of estimated total premium

Over the last five years, Gard has shown a consistency only matched by the US basketball team, while Britannia and Skuld remain solid competitors and Shipowners has improved its performance to push well up the field.

Steamship only just miss out on a Gold, while West had been showing great progress but dropped the baton during 2020. Swedish just lacks depth in its team of members, while UK needs a visit to the underwriting treatment

room. North is rebuilding with the help of diversification, but London and Standard are currently well of the pace. Japan remains isolated but stable, and American might need some luck even to get an invite to the next Games.

THE FIXED P&I MARKET

The dependency of some of the MGAs, and indeed some of the Club fixed premium offerings, on Lloyd's for renewal of their annual reinsurance contracts has resulted in a more volatile market and this volatility is likely to continue into the next round of renewals.

Shipowners Club continue to be top of the podium for smaller tonnage, whether on a mutual or fixed basis, supported by a vast range of additional coverages and a highly specialised yacht P&I team. North's fixed premium offering is just two years old, and is showing good growth, with the full support of the services of North P&I. West and London Club also continue to be excellent choices for those seeking fixed premium P&I supported by a mutual club.

British Marine, Thomas Miller Specialty (the consolidation of Osprey, Navigators, Hanseatic and Lodestar), Eagle Ocean, EF Marine and MS Amlin all have their own geographic and tonnage type targets.

Meanwhile, Carina have sold some of their European portfolio to London Club, which also involved the movement of some Carina people to London Club to manage that business, in addition to which many of Carina's senior underwriters have found alternative homes.



SHIPOWNERS CLUB CONTINUE TO BE TOP OF THE PODIUM FOR SMALLER TONNAGE, WHETHER ON A MUTUAL OR FIXED BASIS

SUMMARY OF 2020/21 RESULTS

Club	U/W Profit/ Loss 2020/21 (\$M)	Net Combined Ratio 2020/21	Investment Income 2020/21 (\$M)	Surplus Feb 2021 (\$M)	Free Reserves Feb 2021 (\$M)	Total Owned GT Feb 2021 (M)	Free Reserves Per Owned GT Feb 2021	Solvency Capital Ratio 2021
American*	(-10)	116%	7	-4	47	19	\$2.53	N/A
Britannia**	(-32)	120%	76	32	627	125	\$5.01	189%
Gard***	(-11)	104%	112	84	1,263	261	\$4.83	257%
Japan	(-11)	108%	24	8	244	97	\$2.51	N/A
London	(-37)	137%	17	-20	154	53	\$2.90	136%
North	(-45)	114%	63	7	450	158	\$2.85	224%
Shipowners****	(-2)	101%	49	39	379	28	\$13.62	190%
Skuld	(-30)	108%	63	25	459	98	\$4.68	184%
Standard	(-62)	121%	29	-33	360	121	\$2.98	153%
Steamship	(-59)	125%	54	-4	511	96	\$5.32	195%
Swedish	(-28)	123%	31	3	231	56	\$4.13	180%
UK	(-107)	150%	53	-52	507	138	\$3.69	185%
West	-80	140%	35	-47	291	106	\$2.74	163%
	Total (-514)	Average 121%	Total 613	Total 38	Total 5,523	Total 1,356	Average \$4.07	Average 187%

Note: Figures in orange are consolidated figures covering all lines of business

* Excludes EBUB (potential additional calls) -see Club commentary

** Includes Boudicca. Surplus net of \$10m capital distribution

*** Net combined ratio on ETC basis

**** Surplus net of one-off pension charge of \$7m

P&I MARKET SHARE

These comparisons show the relative size of the P&I Clubs by owned gross tonnage, financial year income and free reserves as at 20th February 2021.

P&I Club	Owned GT	%	Accounting Year Premium \$	%	Free Reserves \$	%
Gard*	261,400,000	19.28	887,651,000	23.31	1,262,920,000	22.86
North	158,000,000	11.65	406,159,000	10.66	450,300,000	8.15
UK	137,500,000	10.14	286,376,000	7.52	507,398,000	9.19
Britannia	125,200,000	9.23	200,086,000	5.25	626,855,000	11.35
Standard	121,000,000	8.92	292,700,000	7.69	360,300,000	6.52
West	106,400,000	7.85	243,037,000	6.38	291,134,000	5.27
Skuld**	98,000,000	7.23	390,839,000	10.26	459,079,000	8.31
Japan	97,000,000	7.15	178,080,000	4.68	243,666,000	4.41
Steamship	96,000,000	7.08	284,405,000	7.47	511,064,000	9.25
Swedish***	56,000,000	4.13	173,838,000	4.56	231,431,000	4.19
London	52,900,000	3.90	119,497,000	3.14	153,571,000	2.78
Shipowners	27,830,000	2.05	232,081,000	6.09	379,065,000	6.86
American	18,700,000	1.38	113,934,000	2.99	47,350,000	0.86
TOTAL	1,355,930,000		3,808,683,000		5,524,133,000	

*Premium for all lines of business. P&I income \$520m

** Premium for all lines of business, P&I income \$297m.

*** Premium for all lines of business. P&I income \$94,115,000

By comparison, market share in 2016 was as follows:

P&I Club	Owned GT	%	Accounting Year Premium \$	%	Free Reserves \$	%
Gard*	215,200,000	18.65	873,941,000	21.12	1,016,697,000	21.06
UK	135,000,000	11.70	385,360,000	9.31	546,913,000	11.33
North	131,000,000	11.35	489,810,000	11.84	428,401,000	8.88
Standard	116,000,000	10.05	354,300,000	8.56	390,100,000	8.08
Britannia	105,900,000	9.18	260,722,000	6.30	512,696,000	10.62
Japan	92,200,000	7.99	224,258,000	5.42	187,130,000	3.88
Skuld	82,200,000	7.12	409,980,000	9.91	348,230,000	7.21
Steamship	77,800,000	6.74	350,329,000	8.47	440,321,000	9.12
West	72,100,000	6.25	227,614,000	5.50	276,661,000	5.73
London	44,400,000	3.85	110,072,000	2.66	160,707,000	3.33
Swedish	43,650,000	3.78	109,958,000	2.66	183,074,000	3.79
Shipowners	24,630,000	2.13	243,293,000	5.88	279,378,000	5.79
American	14,100,000	1.22	97,504,000	2.36	56,410,000	1.17
TOTAL	1,154,180,000		4,137,141,000		4,826,718,000	

*Premium for all lines of business. P&I income \$607m

STANDARD & POOR'S RATINGS OF P&I CLUBS

Insurance Year	2017	2018	2019	2020	2021	Outlook Aug 2021
Gard	A+	A+	A+	A+	A+	Negative
Britannia	A	A	A	A	A	Stable
Skuld	A	A	A	A	A	Stable
Steamship	A	A	A	A	A	Stable
Shipowners	A	A	A	A	A	Stable
UK	A	A	A	A	A	Negative
North	A	A	A	A	A	Negative
Standard	A	A	A	A	A	Negative
Swedish	BBB+	BBB+	A-	A-	A-	Stable
West	A-	A-	A-	A-	A-	Negative
Japan	BBB+	BBB+	BBB+	BBB+	BBB+	Stable
London	BBB	BBB	BBB	BBB	BBB	Negative
American	BBB-	BBB-	BBB-	BBB-	BBB-	Stable

AVERAGE EXPENSE RATIOS (AER)

The AER was introduced in 1998 as a means of comparing the administration costs of the mutual P&I Associations under the terms of their exemption from the E.U. Competition Directive. The Clubs are only obliged to report their five-year AER and the below figures are all five-year averages.

	2017	2018	2019	2020	2021
American Club	25.70%	27.90%	26.60%	24.30%	22.20%
Shipowners	22.00%	22.00%	24%	23%	22%
West of England	15.15%	14.75%	14.68%	14.60%	14.60%
North of England	12.00%	12.10%	12.70%	13.70%	13.60%
Gard	12.02%	11.21%	13.04%	12.81%	13.51%
Swedish	13.30%	13.40%	13.80%	13.20%	12.80%
Standard	12.40%	12.50%	12.78%	12.90%	12.70%
Skuld	12.80%	12.70%	12.80%	13%	12.60%
Steamship	12.10%	12.20%	12.40%	12.10%	11.90%
Britannia	9.42%	9.73%	10.90%	11.50%	11.66%
UK Club	10.22%	10.31%	11.09%	11.28%	11.45%
London Club	9.51%	9.68%	10.30%	10.41%	10.46%
Japan Club	5.46%	6.21%	6.52%	7.42%	8.02%
Average	13.24%	13.44%	13.97%	13.86%	13.65%

P&I GENERAL INCREASES 2012- 2021

	Skuld*	Shipowners	Gard	Britannia	Swedish	Steamship	American	West**	Japan	UK	Standard	North	London
2012	0	0	5	5	5	5	5	5	3	3	5	5	5
2013	8.5	5	5	16.5	7.5	7.5	10	7.5	5	7.5	7.5	15	12.5
2014	8.5	5	5	2.5	7.5	10	10	7.5	7.5	10	12.5	7.5	10
2015	0	0	2.5	2.5	2.5	0	4.5	2.5	3	6.5	5	4.75	6
2016	0	0	2.5	2.5	0	0	2.5	0	3	2.5	2.5	2.5	5
2017	0	0	0	0	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	5	0	0	0	0	0
2020	0	5	0	0	5	7.5	0	2.5	7.5	7.5	7.5	7.5	7.5
2021	0	5	0	0	5	5	5	7.5	10	10	10	10	10
Total 2012/ 2021	118	122	122	132	137	140	143	144	146	157	162	165	171

↓
Average 143

* Skuld 2014 is an estimated figure

** West increases were applied to premium net of Group Excess Loss reinsurance costs until 2019

The total shows the cumulative increase based on 2011 premium of 100

SUPPLEMENTARY CALL RECORD

(Original Estimate/Current Estimate)

Policy Year	American	Britannia	Gard	Japan	London	North	Shipowners	Skuld	Standard	Steamship	Swedish	UK	West
2012	0/0	40/40	25/15	40/40	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	30/30
2013	0/0	45/45	25/15	40/40	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	35/35
2014	0/0	45/35	25/15	40/20	0/0	0/0	0/0	0/0	0/0	0/-10	0/0	0/-2.50	35/35
2015	0/0	45/40	25/15	40/30	0/0	0/0	0/0	0/0	0/0	0/-10	0/0	0/-3	35/35
2016	0/22.5	45/45	25/0	40/30	0/0	0/-5	0/0	0/-2.50	0/-5	0/0	0/0	0/0	35/35
2017	0/17.5	45/45	25/0	40/40	0/0	0/0	0/0	0/-2.50	0/-5	0/0	0/-4	0/0	35/35
2018	0/0	45/45	25/12.5	40/40	0/0	0/0	0/0	0/-2.50	0/0	0/0	0/-5	0/0	0/0
2019	0/0	45/45	0/-5	40/40	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
2020	0/0	0/0	0/-10	40/40	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
2021	0/0	0/0	0/-5	40/40	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0

Called above Estimated Total Call

Called below Estimated Total Call

Called full Estimated Total Call

This table does not include capital distributions made by certain Clubs as these are not policy year specific and/or for the benefit of all members.

FREIGHT, DEMURRAGE AND DEFENCE SUMMARY

General Increases

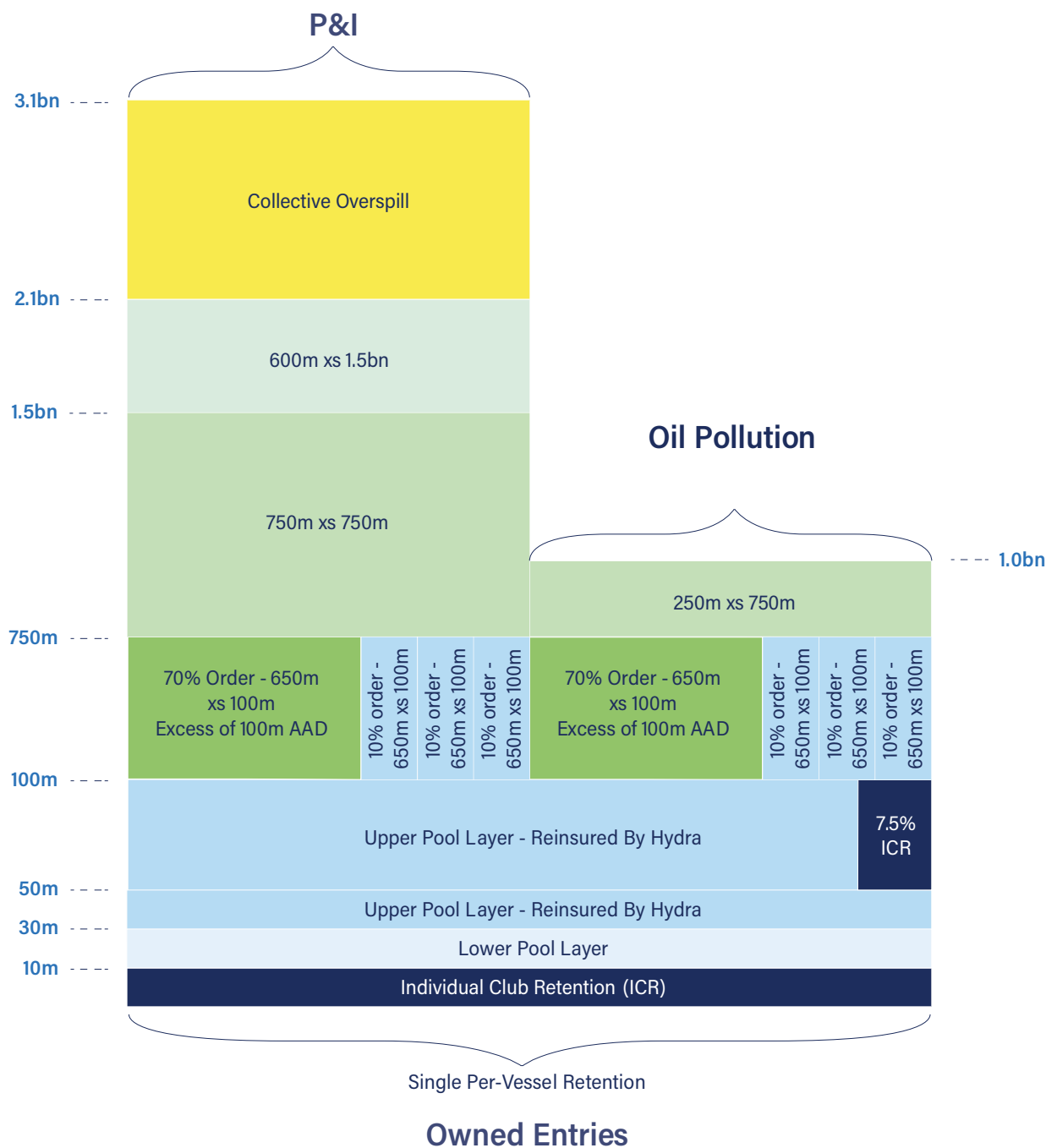
	American	Britannia	Gard	Japan	London	North	Shipowners	Skuld	Standard	Steamship	Swedish	UK Defence Club	West
2015	4.5	0	10	0	6	2.5	0	0	5	0	5	0	0
2016	0	0	2.5	0	5	2.5	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	7.5	7.5	5	0	7.5	7.5	0	0	0
2021	5	0	0	0	10	5	5	0	0	5	10	5	7.5

2021 Limits and Deductibles

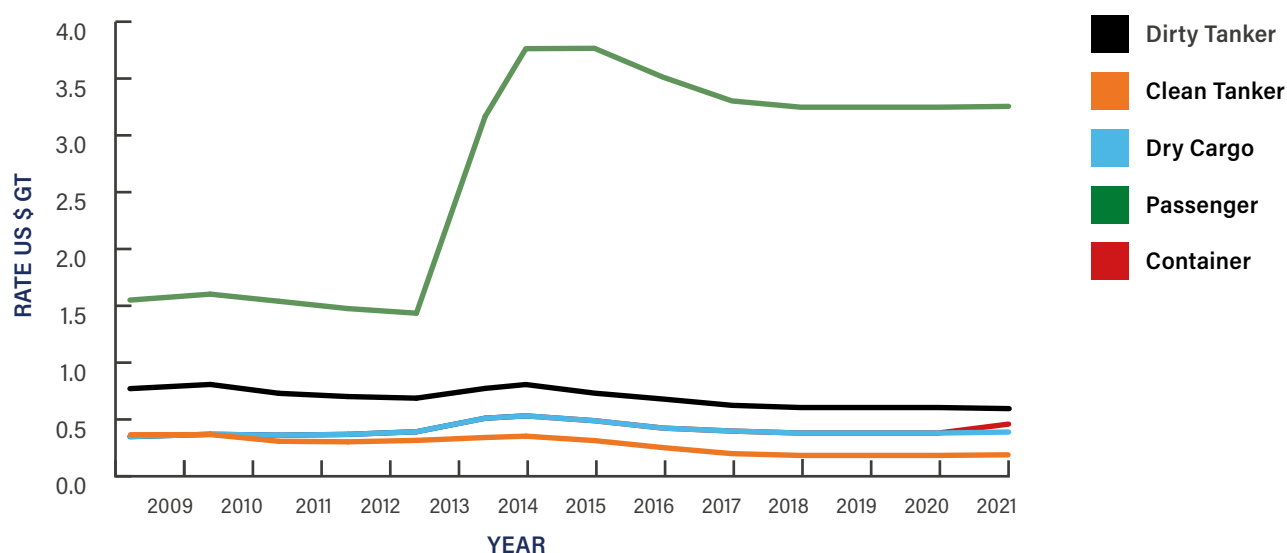
Club	Standard Limit	Standard Deductible
API	\$2m (up to \$10m on request).	25% Minimum \$5,000 maximum \$30,000.
Britannia	\$10,000,000 (but \$2,000,000 sale and purchase).	1/3 of all expenses in excess of \$7,500 (capped at \$150,000).
Gard	USD 10,000,000 (but USD 1m for pre delivery).	Deductible 25%, minimum USD 5,000.
Japan	Yen 1.5 billion (Eq USD 13.7m).	One third of all costs in excess of USD 1,000.
London	USD7,500,000.	25% of all costs.
North	None (but USD 250,000 for building, purchase, sale and repair etc).	25% with a minimum of US\$10,000 and a maximum of US\$150,000 per claim.
SOP	USD 5,000,000 (USD 1m building, purchase/sale).	25%, minimum USD 5,000 maximum USD 30,000.
Skuld	USD 50,000,000 (USD 300k for purchase etc).	25% (min. USD 12,500).
Standard	USD 5,000,000.	25% (min. USD 10,000).
SSM	USD 10,000,000 (USD 2,000,000 construction, purchase etc).	USD 7,500 then one third overall maximum USD 50,000.
Swedish	USD 5,000,000 (up to USD 10,000,000 on request).	USD 12,000. However, for costs incurred in excess of USD 250,000 a further deductible of 25% applies.
UK	USD 15,000,000.	Nil but no cover for dispute less than USD 10,000.
West	USD 10m inc new build disputes; USD 15m can be arranged if required.	US\$ 5,000 and 25% of the claim in excess of the amount of US\$ 5,000, provided that the total deductible shall not exceed US\$ 50,000 except where the claim relates to a contract for the building of an insured vessel where the total deductible shall not exceed US\$ 100,000.

POOLING AND REINSURANCE 2021/22

Excess Loss Programme 2021/22



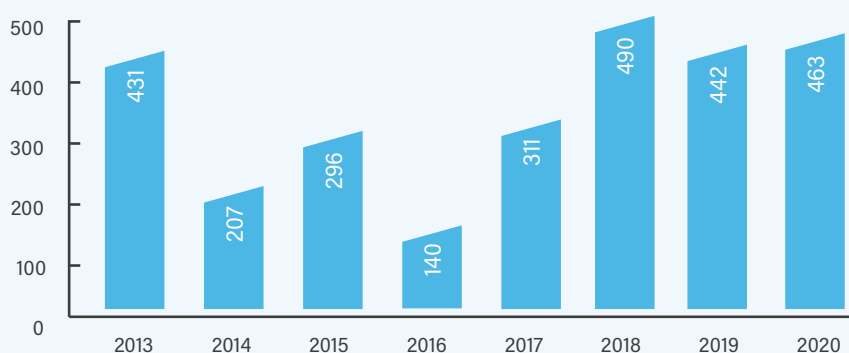
EXCESS OF LOSS REINSURANCE RATES



The Actual rates US\$ per GT are:

Category	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Dirty Tankers	0.6567	0.5955	0.5845	0.5747	0.5747	0.5625
Clean Tankers	0.2816	0.2675	0.2626	0.2582	0.2582	0.2619
Dry Cargo Vessels	0.4537	0.4114	0.4038	0.3971	0.3971	0.4028
Passenger Vessels	3.5073	3.3319	3.2707	3.2161	3.2161	3.2624
Container Vessels	(same rate as Dry Cargo until 2021/22)					0.4249

ESTIMATED COST OF NOTIFIED POOL CLAIMS



For 2021, there was no change to the Club retention of \$10m or the Pool limit of \$100m. The table shows the total cost of Pool claims based on historical thresholds.

**Estimates in USD millions
as at February 2021**



AMERICAN
28



BRITANNIA
29



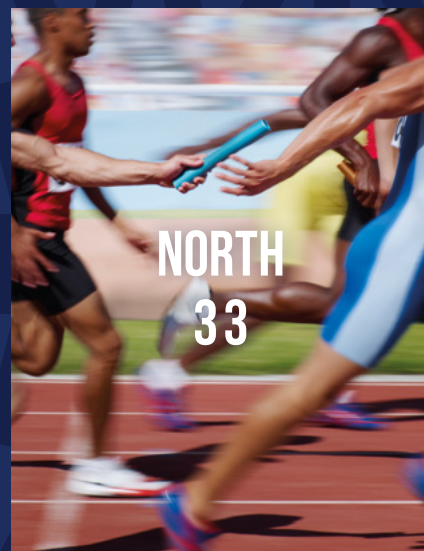
GARD
30



JAPAN
31



LONDON
32



NORTH
33



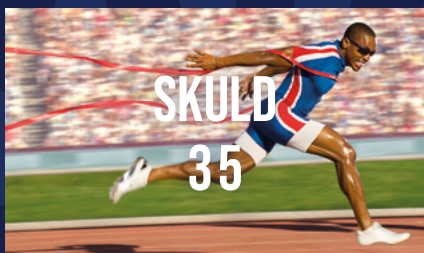
SHIPOWNERS
34



STANDARD
36



**STEAMSHIP
MUTUAL**
37



SKULD
35



SWEDISH
38



UK
39



WEST
40

P&I CLUB INFORMATION & REVIEWS

Introduction

- The information contained in this report is not and is not intended to be a definitive analysis of the Clubs' accounts.
- In so far as is possible we have homogenised the data to enable comparison.
- Calls and Premiums are the consolidated totals for all classes.
- The net underwriting statistics express the 'technical' result for the year and exclude any 'non-technical' investment income.
- Operating Expenses include management expenses and business acquisition costs.
- Solvency margins are calculated as the ratio between total assets and gross outstanding claims.
- All monetary figures shown are US dollars.
- Whilst every effort has been made to ensure that the information contained in the report is accurate and up-to-date at the time of printing, this cannot be guaranteed by Tysers. Under no circumstances shall Tysers be responsible or liable for any loss or damage caused directly or indirectly by the publication or use of this information.

AMERICAN STEAMSHIP OWNERS MUTUAL PROTECTION & INDEMNITY ASSOCIATION, INC.



Managers

SCB Inc

(Eagle Ocean Management LLC)

Gross Tonnage

Owned **18,700,000**

Chartered **2,000,000**

Free reserves

2021 **47,350,000**

2020 **54,192,000**

2019 **45,225,000**

2018 **57,614,000**

2017 **51,418,000**

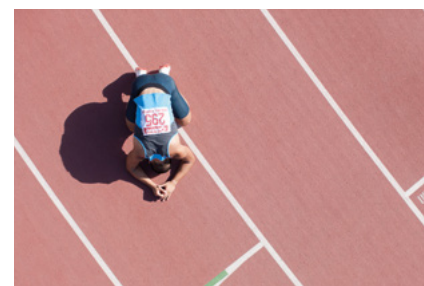
Standard & Poor's Rating

BBB-

The Club has this year adopted the concept of premium earned but unbilled (EBUB) in its 2020 financial accounts, representing a different approach to that which prevailed in earlier years. This concept has been used to recognise the benefit of the Club's 2008 settlement agreement for pre-1989 asbestos claims, but has now been extended as a means to cover deficits on open policy years.

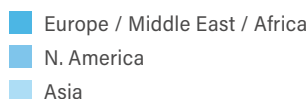
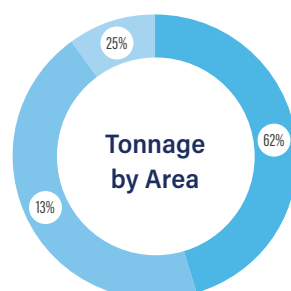
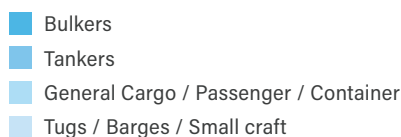
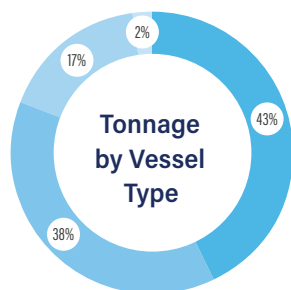
The Club has told us EBUB "properly recognises the adjustable, ex post facto nature of the premium entitlements of mutual insurers and has been approved by the Club's independent auditors". It seeks to justify its use by comparing it to the ability of those Clubs subject to the EU Solvency II regime to allow for the ability to make additional calls in calculating their solvency capital ratio. However, we observe that whilst Clubs subject to the EU Solvency II regime are allowed to take the ability to make additional calls into account when calculating their solvency capital ratio, they are not allowed to use it to improve their balance sheets. In the circumstances, we are uncomfortable with the use of EBUB in financial accounts even if it is entirely lawful to do so (which we accept is the case here).

By using EBUB, the Club reports an increase in free reserves to \$72m from last year's figure of



\$54.2m, although the latter has been restated with EBUB this year to show free reserves of \$75.7m. We prefer to ignore EBUB and, on this basis, free reserves have dropped from \$54.2m to \$47.4m, due to a combined ratio of 116% (as the Club explained in the circular which attended the distribution of its latest annual report) partially offset by an investment return of 5.4%. The Club's hull facility, American Hellenic, is yet to provide any return on the Club's investment.

Free reserves of \$47.4m equates to \$2.53 per owned GT. In our view, additional unbudgeted calls have to be made and the Club's use of EBUB is a not so subtle warning that these calls are on their way to provide a much-needed lifeline for the Club. Whilst the use of EBUB may meet the approval of US regulators and auditors, one has to wonder whether the IOC would have called for an enquiry. ■



Year	2021	2020	2019	2018	2017
Calls/Premium	113,934	137,085	95,951	98,389	109,493
Reinsurance Cost	23,306	28,411	22,546	24,194	14,168
Net Claims (incurred)	59,033	71,443	45,905	36,302	70,761
Operating Expenses	42,502	43,545	39,805	40,300	37,744
Net Underwriting Result	(10,907)	(6,314)	(12,305)	(2,407)	(13,180)
Gross Outstanding Claims	215,440	215,503	192,689	193,493	222,214
Total Assets	365,769	341,224	308,060	322,228	334,996
Average Expense Ratio	22.20%	24.30%	26.60%	27.90%	25.70%
Solvency Margin	1.70	1.58	1.60	1.67	1.51
Reserves/GT Ratio	\$3.85	\$3.17	\$2.42	\$3.37	\$3.32

Figures include EBUB - premium earned but unbilled - which appears to reflect the ability of the Club to charge additional calls to cover policy year deficits

All figures \$'000

THE BRITANNIA STEAM SHIP INSURANCE ASSOCIATION LIMITED



Managers

Tindall Riley (Britannia) Limited

Gross Tonnage

Owned	125,200,000
Chartered	53,500,000

Free reserves

2021	626,855,000
2020	594,388,000
2019	587,561,000
2018	641,557,000
2017	601,042,000

Standard & Poor's Rating

A

As usual we have combined the figures of the Club and its dedicated reinsurer Boudicca to enable proper comparison with other Clubs.

Britannia maintained its gold medal performance in 2020/21, although this was due to an investment return of \$74m and the release of a substantial \$73m for claims reserves on prior years. A net combined ratio of 120% was an improvement on 2019's 132% but did result in an underwriting deficit of \$32m (down from \$54m the previous year). The investment return of 7.2% turned this into a surplus of \$42m so the Club felt able to make a cash distribution of \$10m to members. It has now returned \$95m since May 2017.

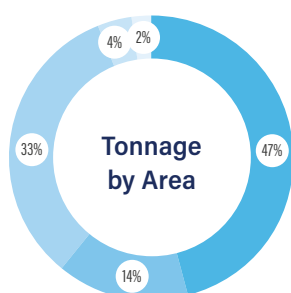
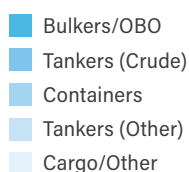
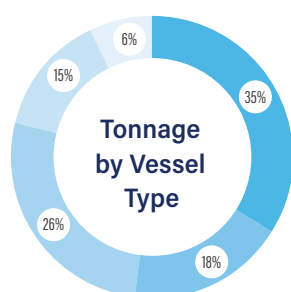
Free reserves thus rose by \$32m to a very healthy \$627m. The Club also saw good growth in tonnage, with owned entries rising by over 7m to 125m GT and chartered tonnage increasing by 8m to over 53m GT.

In the 2020/21 policy year the Club suffered 20 claims in excess of \$1m and totalling \$63m – the



same number of claims as 2019/20 but with a total estimate \$6m less. There were three claims which hit the Pool. The main issue for the Club was the rise in Pool claims across the IG, so the substantial release of reserves on prior years was very timely to counter the increase in Pool contributions. Whatever one may think about the Club's claims reserving, we imagine the Britannia members are happy enough to see a return of \$10m in a very difficult year.

The Club does warn that the imbalance between premiums earned and claims incurred is unsustainable if it wishes to avoid scrutiny from regulators and rating agencies in the future. ■



Year	2021	2020	2019	2018	2017
Calls/Premium	200,086	201,185	204,415	208,147	225,854
Reinsurance Cost	38,798	33,152	32,433	30,507	39,498
Net Claims (incurred)	160,674	189,832	164,941	144,828	114,789
Operating Expenses	32,520	31,891	28,649	25,666	25,719
Net Underwriting Result	(31,906)	(53,691)	(21,608)	7,146	45,848
Gross Outstanding Claims	1,220,857	1,198,743	1,163,551	1,142,577	1,173,878
Total Assets	1,873,450	1,806,962	1,747,396	1,807,557	1,796,568
Average Expense Ratio	11.66%	11.50%	10.90%	9.73%	9.42%
Solvency Margin	1.53	1.51	1.50	1.58	1.53
Reserves/GT Ratio	\$5.01	\$5.06	\$5.25	\$6.00	\$5.96

Please note all figures for Britannia have been restated to include those of Boudicca.

All figures \$'000

GARD P&I (BERMUDA) LIMITED



Managers

Gard AS

Gross Tonnage

Owned 261,400,000

Chartered 95,000,000

Free reserves

2021 1,262,920,000*

2020 1,179,200,000*

2019 1,158,391,000*

2018 1,248,567,000*

2017 1,134,400,000*

Standard & Poor's Rating

A+

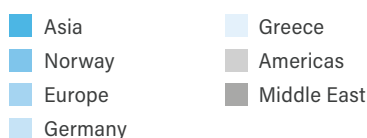
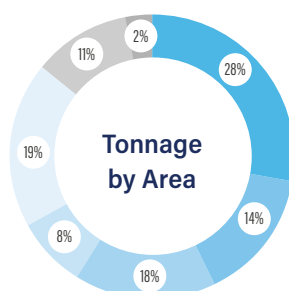
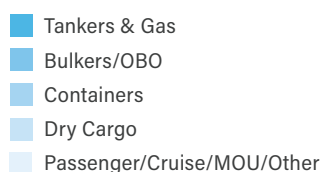
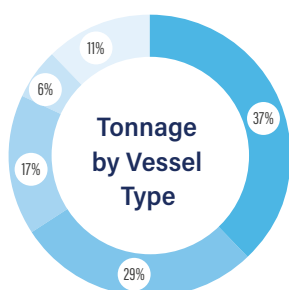
Whilst other Clubs complain of unprecedented events in 2020 causing serious problems, Gard returns \$38m to members by means of a 10% reduction in 2020 premium and also gives an up front reduction of 5% for 2021. Before allowance for the 2020 reduction the P&I combined ratio was 112%, but with Marine and Energy performing well at 93%, the overall ratio was 104%, a loss of \$11m which was easily offset by an investment return of \$113m. The net result was an increase of \$84m in free reserves to \$1,263m.

CEO Rolf Roppestad advises that the 2021 P&I renewal was the best in Gard's history with 99.4% of tonnage renewing and 17m GT being added, mainly at renewal, so pushing up Owned tonnage by 17m to 261m GT. Chartered entries remain stable at 95m GT. Roppestad attributes much of this success to two factors - the strength of the Club's service capabilities and the change made to the premium policy to allow for up front reductions rather than changes to final instalments.



There is no complacency at Gard, and Chairman Marten Hoegh emphasises that years such as 2020 show the need for reflection of the strengths and weaknesses of the P&I system and consideration of where change could reinforce the good or ameliorate the bad. "This is a debate that Clubs individually and collectively need to undertake to prepare for the next crisis".

No question, Gard again finish at the top of our Gold medal table. ■



Year	2021	2020	2019	2018	2017
Calls/Premium	519,838	442,052	481,130	467,425	531,474
Reinsurance Cost	103,238	97,890	102,296	106,201	117,371
Net Claims (incurred)	412,504	405,015	338,538	357,388	325,585
Operating Expenses	35,088	38,831	102,190	45,490	52,147
Net Underwriting Result	(30,992)	(99,864)	(61,894)	(41,654)	37,693
Gross Outstanding Claims	1,473,288*	1,381,122*	1,409,646*	1,338,266*	1,445,660*
Total Assets	3,206,380*	2,881,429*	2,858,758*	2,867,126*	3,047,131*
Average Expense Ratio	13.51%	12.81%	13.04%	11.21%	12.02%
Solvency Margin	2.18*	2.09*	2.03*	2.14*	2.11*
Reserves/GT Ratio	\$4.83*	\$4.82*	\$5.05*	\$5.59*	\$5.24*

Note: items marked * are Group figures and include all business lines, not just P&I.

All figures \$'000

THE JAPAN SHIP OWNERS' MUTUAL PROTECTION & INDEMNITY ASSOCIATION



Managers

Self-Managed

Gross Tonnage

Owned 97,000,000

Chartered 8,600,000

Free reserves

2021 243,666,000

2020 235,935,000

2019 237,876,000

2018 226,524,000

2017 208,423,000

Standard & Poor's Rating

BBB+

Our congratulations go to Japan for hosting a successful Olympic games in the most difficult of circumstances.

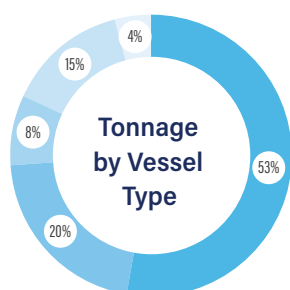
While the Japan Club did not quite manage to emulate the success of its athletes, it did return a decent performance despite suffering two Pool claims, including the "Wakashio" grounding and pollution claim off Mauritius which is likely to be the largest claim for the IG in 2020. The combined ratio improved to 108% from 113%, one of the best in the IG, and an investment return of \$24m helped produce a surplus after tax of \$8m. Free reserves thus rose from \$236m to over \$243m.

The Club appears to be in a stable position with an average combined ratio of 98% over the last five years and owned tonnage steady over the same period at between 90m and 98m GT. The annual report is clear and concise with, unusually, no mention of any special plans for development.



Perhaps the Club is now rightly concentrating on its home-grown tonnage rather than trying to gain international market share. As we go to press, the Club has just suffered what is likely to be its fifth Pool claim in five years with the woodchip carrier "Crimson Polaris" breaking in two off the Japanese coast, so it has much to concentrate on in ensuring its premium levels are at a suitable level to cope with increasing large claims.

The Club only just misses out on a silver medal, but it was a good effort. ■



- Bulk carriers
- Tankers
- Car Carriers
- Container Ships
- General Cargo/Other

Year	2021	2020	2019	2018	2017
Calls/Premium	178,080	183,078	194,384	214,241	221,126
Reinsurance Cost	44,157	46,174	42,351	50,681	49,132
Net Claims (incurred)	120,396	118,370	118,734	121,533	122,604
Operating Expenses	24,250	25,710	25,739	26,536	25,441
Net Underwriting Result	(10,723)	(7,176)	7,560	14,164	23,949
Gross Outstanding Claims	592,800	468,556	435,842	398,057	367,501
Total Assets	673,058	659,533	643,569	645,160	626,834
Average Expense Ratio	8.02%	7.42%	6.52%	6.21%	5.46%
Solvency Margin	1.14	1.41	1.48	1.62	1.71
Reserves/GT Ratio	\$2.51	\$2.39	\$2.49	\$2.42	\$2.28

All figures \$'000

LONDON STEAMSHIP OWNERS MUTUAL INSURANCE ASSOCIATION LTD

Managers

A Bilbrough & Co Ltd

Gross Tonnage

Owned 52,900,000

Chartered 19,000,000

Free reserves

2021 153,571,000

2020 173,891,000

2019 168,843,000

2018 194,642,000

2017 188,012,000

Standard & Poor's Rating

BBB

The Club repeated last year's combined ratio of 137% but this year investment income failed to come to the rescue although a 5.3% return did reduce the overall loss to \$20.3m, so free reserves fell from \$174m to \$154m.

Mutual owned tonnage grew by approx.3m GT to just under 50m, while its fixed premium owned entries remained stable at 3m GT and chartered tonnage grew from 16m to 19m GT.

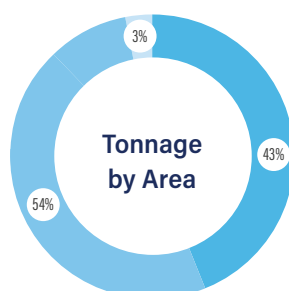
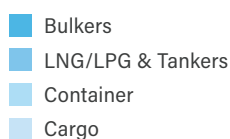
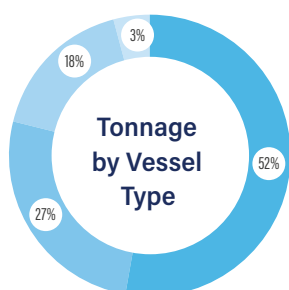
On a financial year basis, gross premium rose by \$3.3m to nearly \$120m but this only covered the cost of net incurred claims, and reinsurance and operating costs produced a technical deficit of nearly \$37m. On a policy year basis, net incurred claims in 2020/21 were down nearly \$8m on the comparative figure for 2019/20, but these two years at \$81m and \$89m are the two highest in the last decade. The blame is placed on increased Pool costs and, to a limited extent, the impact of coronavirus on Personnel claims.

Over the last four years, the Club has suffered a technical loss of \$122m and seen free reserves reduce by 21% from the 2018 figure of \$194.6m.



Investment returns have generally been good and have helped cut the losses, but during 2020 the Club halved its equity holdings and took other steps aimed at reducing volatility in turbulent times. The problem with this is, of course, that returns in rising markets will be lower and there will be even more pressure on the Club to increase underwriting discipline to avoid continued erosion of free reserves and the potential for unbudgeted calls. The Club's market share is so small that it can ill-afford to lose tonnage so it will be hoping the rest of the IG will be looking for increases at the 2022 renewal that do not make it stand out in the crowd.

Applause would have been very muted even if fans had been allowed at the Olympics. ■



Year	2021	2020	2019	2018	2017
Calls/Premium	119,497	116,175	103,660	101,728	102,891
Reinsurance Cost	19,529	18,502	19,671	20,393	20,181
Net Claims (incurred)	120,194	118,680	104,019	83,902	69,472
Operating Expenses	16,489	15,093	13,644	12,655	11,542
Net Underwriting Result	(36,715)	(36,100)	(33,674)	(15,222)	1,696
Gross Outstanding Claims	352,225	334,851	326,160	298,144	298,867
Total Assets	545,036	526,501	511,570	512,840	501,916
Average Expense Ratio	10.46%	10.41%	10.30%	9.68%	9.51%
Solvency Margin	1.55	1.57	1.53	1.72	1.68
Reserves/GT Ratio	\$3.08	\$3.43	\$3.30	\$4.29	\$4.28

All figures \$'000

NORTH



Managers

Self-Managed

Gross Tonnage

Owned 158,000,000

Chartered 90,000,000

Free reserves

2021 450,300,000

2020 443,810,000

2019 463,037,000

2018 450,462,000

2017 430,755,000

Standard & Poor's Rating

A

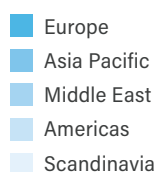
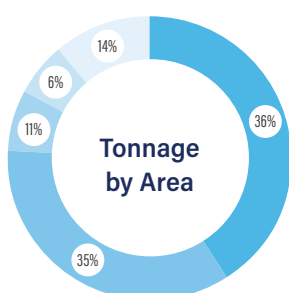
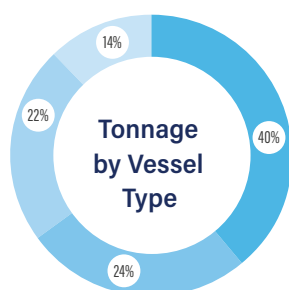
North feels it is making good progress with diversification helping to improve overall results. Premium income rose by nearly \$60m to \$406m and while the combined ratio of 114% is an improvement on the previous year's 126% it still meant an underwriting loss of \$45m, down from \$68m, and was the fourth year running of the combined ratio exceeding 100%. The Club feels diversification did help the Club to absorb their financial year contribution of \$90m to Pool claims, incurred despite having no Pool claim itself in 2020. (although it gave the Pool a battering in 2019).

For the 2020/21 policy year, retained claims after 12 months are down \$36m on the previous year. The Club feels this is due to less activity during the pandemic and saw a return to current trends towards the end of the year which has continued into 2021/22.



The shining light for the North was its best investment return for many years at 6.67%. This produced \$63m (net of a small revaluation of the Club's land and buildings) and after adjustment for an \$11m pension deficit, the Club delivered a net surplus for the year of nearly \$7m, pushing free reserves to just over \$450m.

Not a bad year overall and the Club deserves its silver medal. We shall, though, be watching how their diversification develops over the next year and we do feel we can expect a general increase for 2022 towards the top end of the scale. ■



Year	2021	2020	2019	2018	2017
Calls/Premium	406,159	346,567	345,019	387,599	428,348
Reinsurance Cost	79,822	65,512	61,701	81,326	98,389
Net Claims (incurred)	301,885	274,490	227,138	243,944	246,013
Operating Expenses	69,456	74,715	68,868	77,410	75,698
Net Underwriting Result	(45,004)	(68,150)	(12,688)	(15,081)	8,248
Gross Outstanding Claims	1,288,182	1,256,282	836,932	826,053	865,610
Total Assets	1,930,274	1,873,184	1,429,786	1,413,731	1,494,210
Average Expense Ratio	13.60%	13.70%	12.70%	12.10%	12.00%
Solvency Margin	1.50	1.49	1.71	1.71	1.73
Reserves/GT Ratio	\$2.85	\$2.77	\$3.15	\$3.17	\$3.08

Figures include all lines of business

All figures \$'000

THE SHIPOWNERS MUTUAL PROTECTION & INDEMNITY INSURANCE ASSOCIATION (LUXEMBOURG)



Managers

The Shipowners' Protection Ltd

Gross Tonnage

Owned **27,830,000**

Chartered **N/A**

Free reserves

2021 **379,065,000**

2020 **339,974,000**

2019 **303,825,000**

2018 **341,726,000**

2017 **294,041,000**

Standard & Poor's Rating

A

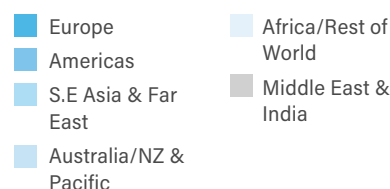
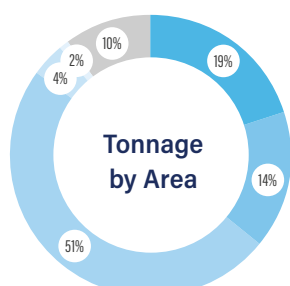
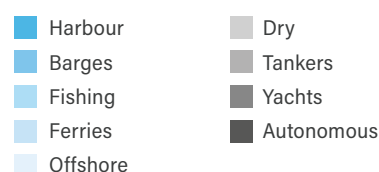
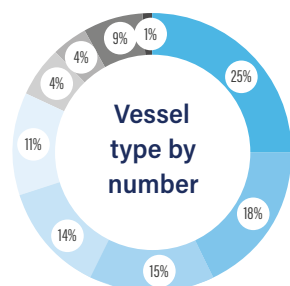
Chairman Philip Orme is rightly proud of an excellent performance by the Club during such a difficult year. A 98% membership retention saw tonnage rise by 3% to almost 28m GT, again confirming the Club has nothing to fear from the dwindling fixed commercial market and that owners of small vessels appreciate just as much as the big fleets the value of quality service, as well as an excellent offering of additional coverages.

The Club achieved the best combined ratio in the IG, virtually breaking even at 101%. The average ratio over five years is 101.6% and over 10 years 98%. An excellent investment return of 8% produced \$48m and after a one-off pension charge of \$7m, free reserves grew by \$39m to \$379m. As the Chairman comments, 2020 was a very challenging year but "the Club has risen to the challenge and delivered what it set out to do in terms of both Member support and indeed financial stability".



The Club did suffer additional claims resulting from Covid outbreaks onboard vessels, but these were offset by lower levels of other claims which the Club accepts was due to reduced operations in various areas, particularly the passenger excursion vessel sector. There were no claims over \$5m. For the financial year ending 31st December 2020, gross premium rose by nearly \$4m to \$234m, while net incurred claims remained stable at around \$157m.

CEO Simon Swallow looks very chirpy in the Annual Report and he and the Club got themselves in peak condition for a true Gold medal performance. ■



Year	2021	2020	2019	2018	2017
Calls/Premium	232,081	224,902	224,267	216,341	228,580
Reinsurance Cost	24,864	24,943	29,270	29,706	27,527
Net Claims (incurred)	157,091	156,491	151,038	136,165	149,087
Operating Expenses	59,159	53,741	52,156	48,709	49,164
Net Underwriting Result	(9,033)	(10,273)	(8,197)	1,761	2,802
Gross Outstanding Claims	516,216	464,442	440,348	425,420	433,441
Total Assets	1,002,390	905,789	843,216	859,393	823,121
Average Expense Ratio	22%	23%	24%	22%	22%
Solvency Margin	1.94	1.95	1.91	2.02	1.90
Reserves/GT Ratio	\$13.62	\$12.56	\$11.15	\$13.41	\$11.56

All figures \$'000

ASSURANCEFORENINGEN SKULD

**Managers****Self-Managed****Gross Tonnage****Owned** 98,000,000**Chartered** N/A**Free reserves****2021** 459,079,000**2020** 465,845,000**2019** 452,723,000**2018** 442,026,000**2017** 394,075,000**Standard & Poor's Rating****A**

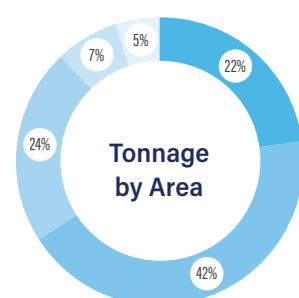
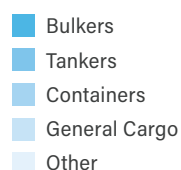
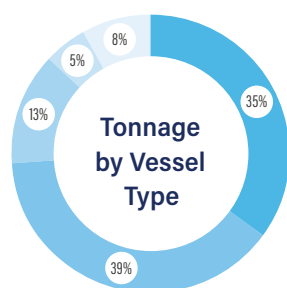
Chairman Klaus Kjaerulff regards the Club's 2020/21 results as nothing more than "satisfactory". This is due to a P&I combined ratio of 121%, a position Kjaerulff clearly regards as unacceptable and requiring immediate change. Otherwise, the Club performed well with a combined ratio of 94% for its commercial lines reducing the overall technical loss to \$30m and an investment return of 9.8% resulting in a surplus for the year of \$25m.

Premium income was flat at \$391m while claims rose by \$13m to \$301m. CEO Stale Hansen advises that the Club saw a significant increase in personnel injury and illness claims due to the pandemic, but with no Pool claims since 2018 the Club's share of Pool claims from other Clubs has reduced.



Owned tonnage grew by 5m to 98m GT and market share across all other lines of business also grew. We agree with Hansen that size is an important driver of stability in the insurance market, and we also like his confirmation that the Club will continue its strategic avoidance of imposing a general increase and will seek to correct its P&I underwriting position through selective performance-based increases.

The Club has comfortably survived a difficult year and is a worthy gold medal winner. ■



Year	2021	2020	2019	2018	2017
Calls/Premium	390,839	390,760	401,621	412,739	403,235
Reinsurance Cost	44,736	47,361	56,070	57,363	71,636
Net Claims (incurred)	301,168	288,842	244,577	251,580	229,143
Operating Expenses	75,065	89,775	92,937	92,224	88,510
Net Underwriting Result	(30,130)	(35,219)	8,037	11,572	13,946
Gross Outstanding Claims	690,573	801,897	875,663	925,721	617,049
Total Assets	1,080,979	1,067,131	1,040,143	1,070,091	1,000,465
Average Expense Ratio	12.60%	13%	12.80%	12.70%	12.80%
Solvency Margin	1.57	1.33	1.19	1.16	1.62
Reserves/GT Ratio	\$4.68	\$5.01	\$4.93	\$4.73	\$ 4.34

Note: All figures are Group figures including all business lines, not just P&I.

All figures \$'000

Managers

Self-managed

Gross Tonnage

Owned 121,000,000

Chartered 28,000,000

Free reserves

2021 360,300,000

2020 393,700,000

2019 434,700,000

2018 461,500,000

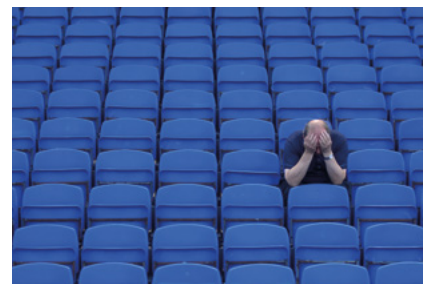
2017 430,500,000

Standard & Poor's Rating

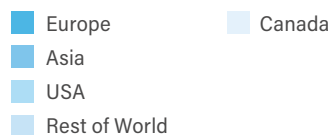
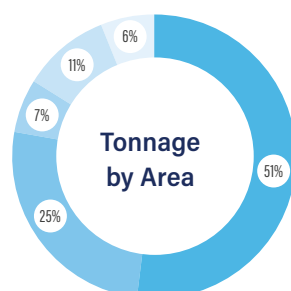
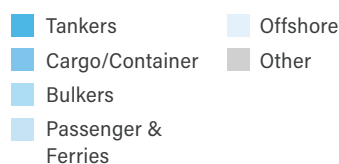
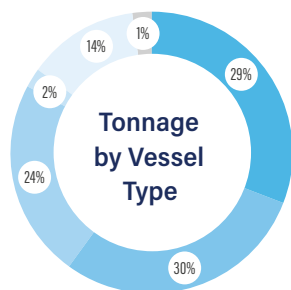
A

Chairman Cesare d'Amico attempts to paint an optimistic picture of the Club's first year since ceasing its Lloyd's syndicate activities and as it finalises the move to in-house management. However, it must be a concern that an overall loss of \$33m has seen free reserves drop to \$360m, a reduction of \$100m since 2018, and the Club joins five others with free reserves under \$3 per entered owned GT.

P&I premium actually rose by \$5m to \$293 while claims dropped \$7m to \$260m, excluding Syndicate figures. This still resulted in an underwriting loss of \$63m and a combined ratio of 121% (last year 131%), with an investment return of 4.7% reducing the loss by \$29m. Overall underwriting losses (including Syndicate activities) for the last four years total a staggering \$247m.



Owned tonnage dropped by 9m to 121m GT, although chartered tonnage rose by 3m to 28m GT. The Club has a lot of work to do to regain market confidence and with only three years to the next Olympics, may struggle to move out of its current bronze medal position. ■



Year	2021	2020	2019	2018	2017
Calls/Premium	292,700	353,500	386,400	334,300	338,800
Reinsurance Cost	64,400	96,000	80,700	80,800	77,000
Net Claims (incurred)	260,400	309,100	274,100	232,300	200,800
Operating Expenses	30,000	58,100	81,100	45,700	43,500
Net Underwriting Result	(62,100)	(109,700)	(49,500)	(24,500)	17,500
Gross Outstanding Claims	834,600	929,500	883,600	967,900	971,100
Total Assets	1,254,200	1,416,700	1,466,300	1,538,400	1,477,100
Average Expense Ratio	12.70%	12.90%	12.78%	12.50%	12.40%
Solvency Margin	1.50	1.52	1.66	1.59	1.52
Reserves/GT Ratio	\$2.98	\$3.03	\$3.34	\$3.50	\$3.42

All figures \$'000

STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED



Managers

Steamship P&I Management LLP

Gross Tonnage

Owned 96,000,000

Chartered 81,000,000

Free reserves

2021 511,064,000

2020 515,342,000

2019 467,049,000

2018 515,968,000

2017 510,290,000

Standard & Poor's Rating

A

Unsurprisingly, Chairman Armand Pohan, prefers to highlight another solid investment return of \$54m and an average combined ratio for the last six years of 99% to the underwriting performance for 2020/21, which saw a combined ratio of 125% and an underwriting loss of \$59m. This performance was due to Pool claims and to the necessity to take a conservative approach towards projected pandemic claims. Overall, the Club is probably quite happy with a reduction in free reserves of just \$4m to \$511m, which remains a very healthy position. Sensibly, the Club has decided against any capital distribution this year in order to accommodate potential volatility.

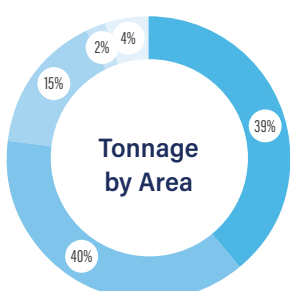
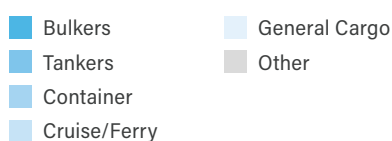
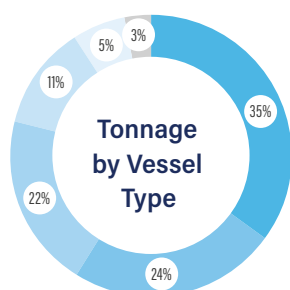
Gross premium was down \$25m at \$284m and we imagine this was due to a large extent to inactivity in its large passenger vessel sector, where the Club did its utmost to help cruise operators through very difficult times. Net incurred claims rose by \$35m to \$253m and prior year releases of reserves were less than budgeted due to adverse developments on two large claims. For the 2020/21 policy year, Covid net retained claims totalled \$27m and included two claims



on cruise vessels which hit the Pool, although the Club's exposure was limited as the insurance was on a quota share basis. The Club suffered one further Pool claim, relating to pollution consequent on the loss of containers overboard.

After four years of little growth, the Club will be pleased that owned tonnage last year increased by 8m to 96m GT and its substantial chartered entries grew from 68m to 81m GT. It is, though, surprising in view of its much improved performance since the Rio Olympics, that the Club languishes in 9th place in the IG on owned tonnage.

The Club was just beaten on the line for Gold but sits at the top of the Silver medals. ■



Year	2021	2020	2019	2018	2017
Calls/Premium	284,405	308,725	306,661	295,318	305,642
Reinsurance Cost	50,773	48,389	50,522	52,089	56,033
Net Claims (incurred)	252,735	218,027	246,358	241,369	168,455
Operating Expenses	40,307	40,780	41,623	40,570	39,219
Net Underwriting Result	(59,410)	529	(31,842)	(38,710)	41,935
Gross Outstanding Claims	955,538	821,204	827,408	830,826	765,386
Total Assets	1,507,197	1,381,712	1,343,120	1,378,037	1,301,995
Average Expense Ratio	11.90%	12.10%	12.40%	12.20%	12.10%
Solvency Margin	1.58	1.68	1.62	1.66	1.70
Reserves/GT Ratio	\$5.32	\$5.83	\$5.46	\$6.06	\$6.03

All figures \$'000

THE SWEDISH CLUB



Managers

Self-Managed

Gross Tonnage

Owned	56,000,000
Chartered	32,000,000

Free reserves*

2021	231,431,000
2020	228,445,000
2019	203,838,000
2018	213,472,000
2017	194,880,000

Standard & Poor's Rating

A-

* All classes of business

Managing Director Lars Rhodin describes 2020 as an extraordinary year with extraordinary volatility, and is happy that by the end of it the Club had managed an overall surplus of \$3m to push free reserves up to a record \$231m, and also maintained its A- (stable) rating from S&P.

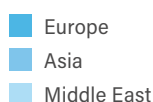
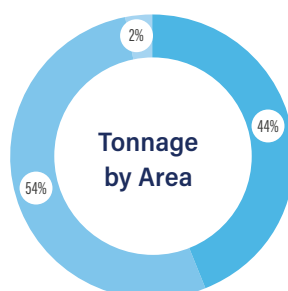
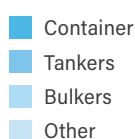
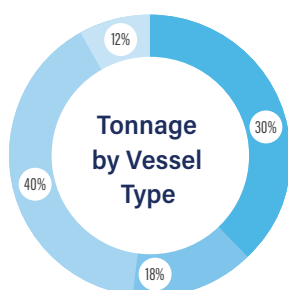
Thank goodness for diversification. As was the case with its Scandinavian neighbours, it was a good performance from the Marine & Energy lines which saved the day, coming in at a combined ratio of 100% compared to a dire 146% for P&I, with Rhodin commenting "I have never seen such a high volume of Pool claims notified in one month, as we did in August." P&I premium was flat at \$94m while claims rose by \$22m to \$82m, of which \$17m related to contributions to Pool claims, up from \$14m in 2019. The P&I technical loss was \$28m, which must be a worry, but a solid investment return of \$31m pushed the Club back into surplus.



It is good to see some tonnage growth, with owned entries up by 6m to 56m GT, although chartered tonnage reduced by 4m to 32m GT.

The Club hopes that 2020 will be regarded as "an outlier year" and fully recognises that coming out of a soft market price adjustments must be made. We hope its members will agree.

As the Club managed a surplus in a very difficult year, it deserves its silver medal. ■



Year	2021	2020	2019	2018	2017
Calls/Premium	94,115	93,268	90,485	95,362	104,113
Reinsurance Cost	27,381	25,827	27,300	27,390	25,096
Net Claims (incurred)	81,529	59,979	47,052	60,562	60,726
Operating Expenses	13,743	14,439	14,870	15,303	14,854
Net Underwriting Result	(28,538)	(6,977)	1,264	(7,893)	3,436
Gross Outstanding Claims*	279,105*	238,041	225,053	258,123	259,819
Total Assets*	632,583*	580,036	530,472	533,582	516,710
Average Expense Ratio	12.80%	13.20%	13.80%	13.40%	13.3%
Solvency Margin*	2.27*	2.44	2.36	2.07	1.99
Reserves/GT Ratio*	\$4.13*	\$4.57	\$4.29	\$4.18	\$4.16

Note: items marked * are Group figures and include all business lines, not just P&I.

All figures \$'000

THE UNITED KINGDOM MUTUAL STEAM SHIP ASSURANCE ASSOCIATION (BERMUDA) LIMITED



Managers

Thomas Miller

Gross Tonnage

Owned 137,500,000

Chartered 100,000,000

Free reserves

2021 507,398,000

2020 559,194,000

2019 504,793,000

2018 539,980,000

2017 458,377,000

Standard & Poor's Rating

A

Chairman Nicholas Inglessis is keen to emphasise that 2020 was an exceptional year, starting with an unprecedented reduction in asset values across the world's financial markets, and followed by the Club incurring over \$25m of Covid-related claims and a short-term reduction in premium as some shipping sectors suspended trading.

As if this was not enough, there was also the very active Pool, and these factors caused the Club to suffer a combined ratio of almost 150%, a technical loss of \$107m, the highest in the IG by some margin. Fortunately, markets rallied strongly later in the year and the Club managed an investment return of 5.6% (\$53m) which helped reduce the overall loss to \$52m. In Inglessis' view, this is a one-off result and the combined ratio will improve significantly in 2021/22.

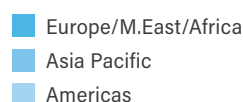
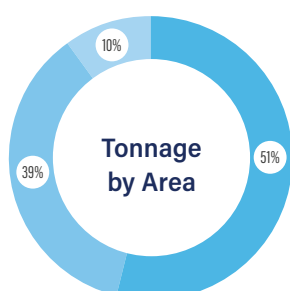
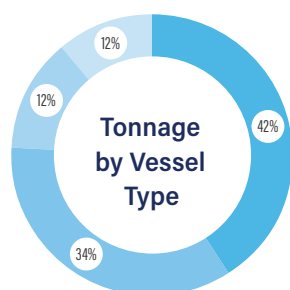
Gross premium was down \$19m to \$286m, while net incurred claims rose by \$21m to \$273m. The underwriting result was without doubt a shocker, and over the last three years the total technical loss is \$195m, but the Club remains



well-capitalised with free reserves of \$507m.

Owned tonnage dropped by over 4m to 137.5m GT while chartered tonnage remains around 100m GT.

Some may call the Club a lumbering giant, but in fairness the Managers do run many useful facilities such as TT Club and ITIC, as well as a separate Defence Club which has free reserves in excess of \$50m. However, the P&I underwriting results of recent years show a clear need for remedial action and we expect the Club will be looking for a sizeable general increase for 2022 on the back of this year's 10%. Sadly, such action looks unavoidable if the Club is to return to Gold medal status. ■



Year	2021	2020	2019	2018	2017
Calls/Premium	286,376	305,037	322,398	361,793	376,170
Reinsurance Cost	76,624	60,386	64,860	65,119	81,082
Net Claims (incurred)	272,506	251,707	250,941	225,700	273,619
Operating Expenses	43,843	43,724	43,654	34,542	51,310
Net Underwriting Result	(106,597)	(50,780)	(37,057)	36,432	(29,841)
Gross Outstanding Claims	1,288,949	957,030	984,145	986,236	924,537
Total Assets	1,841,992	1,533,085	1,506,871	1,640,168	1,515,268
Average Expense Ratio	11.45%	11.28%	11.09%	10.31%	10.22%
Solvency Margin	1.43	1.60	1.53	1.66	1.64
Reserves/GT Ratio	\$3.69	\$3.94	\$3.51	\$3.88*	\$3.30*

All figures \$'000

THE WEST OF ENGLAND SHIPOWNERS MUTUAL INSURANCE ASSOCIATION (LUXEMBOURG)

WEST.

Managers

Self-Managed

Gross Tonnage

Owned 106,400,000

Chartered 40,000,000

Free reserves

2021 291,134,000

2020 338,147,000

2019 306,373,000

2018 308,533,000

2017 306,512,000

Standard & Poor's Rating

A-

Sadly, West appears to have peaked too early for the Olympics and, after a number of decent years which saw free reserves grow from \$277m in 2016 to over \$338m last year, the Club suffered a set back in 2020/21 with incurred claims for the policy year at their highest level ever after 12 months. Covid related claims exceeded \$12m, the Club suffered four Pool claims and contributions to other Clubs' Pool claims increased.

As a result, the Club's combined ratio increased from 107% to 140%, the second highest in the IG. An investment return of 4.4% improved the position by \$33m but free reserves fell by \$47m to \$291m.

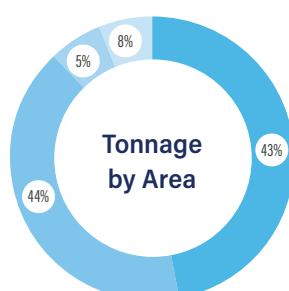
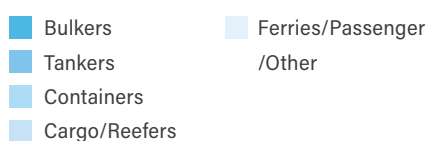
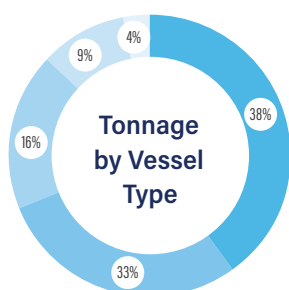
The Club did see an increase in owned tonnage of over 4m to 106m GT, with chartered tonnage stable at 40m GT. Its recent move into limited areas of diversification with Astaara, Nordic and Qwest has made "a solid and positive start" and the Club hopes more progress will be made as the pandemic eases and more direct market contact is possible. Chairman Francis Sarre does mention that the Board is continuing



to look at further opportunities to diversify with "new opportunities which will add value but also make financial sense for the Club"

Clubs are always able to find a euphemism for a bad year, and both Sarre and CEO Tom Bowsher prefer to call 2020/21 a "challenging year". It was a lot worse than that and they, like all other Clubs, will be happy to see the end of an exceptional year and hope life and Pool claims revert to more normal levels.

The Club just managed to cross the line with a Silver medal, but we expect some serious adjustment at the 2022 renewal. ■

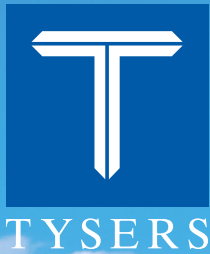


Year	2021	2020	2019	2018	2017
Calls/Premium	243,037	221,663	219,726	213,797	221,849
Reinsurance Cost	41,281	39,908	38,646	37,496	40,172
Net Claims (incurred)	239,511	156,726	169,668	169,143	123,772
Operating Expenses	42,606	38,182	37,438	35,392	34,688
Net Underwriting Result	(80,361)	(13,153)	(26,026)	(28,234)	23,217
Gross Outstanding Claims	757,465	548,719	567,069	577,660	602,525
Total Assets	1,127,841	927,072	912,460	918,531	938,575
Average Expense Ratio	14.60%	14.60%	14.68	14.75%	15.15%
Solvency Margin	1.48	1.69	1.61	1.59	1.56
Reserves/GT Ratio	\$2.74	\$3.33	\$3.30	\$3.41	\$3.72

All figures \$'000

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