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## Group Reinsurance Rates 2021/2022



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**The arrangements for the renewal of the International Group General Excess of Loss (GXL) reinsurance contract and the Hydra reinsurance programme for 2021/22 have now been finalised.**

**These include the Collective Overspill Cover, Excess War Risks P&I cover and MLC cover.**

As part of its annual analysis to ensure the fairness of cost allocation between different vessel types, the current vessel categories have been reviewed by the International Group. Fully Cellular Container Ships (FCCs) now represent approximately 20% of the tonnage entered with Group Clubs and they have experienced a significant number of large claims in recent years. As a result, for 2021 there will be a fifth category of vessel, splitting FCC's from other dry vessels.

In setting the rates, the Group have also reflected the improved record of persistent oil tankers in the rates for 2021.

For 2021 Group Reinsurance rates per GT for owned entries will be as follows:

Tonnage Category	2021 rate per GT	% change from 2020
Persistent Oil tankers	\$0.5625	-2.1%
Clean Tankers	\$0.2619	+1.4%
Dry	\$0.4028	+1.4%
FCC	\$0.4249	+7.0%
Passenger	\$3.2624	+1.4%

These rates will be charged as part of the 2021/22 Mutual call rates and will be split evenly across all instalments.

## Pool structure

No changes to the structure will be introduced for the 2021/22 policy year.

## Hydra participation

Hydra continues to retain 100% of the Pool layer US\$30 million – 50 million and 92.5% of the Pool layer US\$50 million – US\$100 million. Hydra also continues to retain a US\$100 million AAD in the 70% market share of layer 1 of the GXL programme.

## MLC cover

The MLC market reinsurance cover is being renewed for 2021 at competitive market terms, with the premium included in the overall reinsurance rates charged to shipowners.

## Excess War P&I

The excess War P&I cover will be renewed for 2021 for a period of 12 months. Again, premium is included in the total rates charged to shipowners.

Full details of the reinsurance will be set out in a Notice to Members in February as usual.

If you have any questions, please contact the Underwriting department.