

## GENERAL INCREASE BULLETIN NO. 7 / 18

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### *Club – Standard*

20<sup>th</sup> November 2018

#### P&I

- No general increase ordered.
- Deductibles to be increased by 10% with deductibles below US\$ 20,000 increased by US\$ 2,000

#### FDD

- No general increase ordered.

The Board of Directors of The Standard Club have announced the renewal requirements for P&I and FDD for the forthcoming policy year 2019/20. In reaching their conclusions it has been noted that the current policy year has seen an increased P&I claims activity relative to the previous two years. When analysed against a reduced premium level and a small anticipated investment loss in the difficult financial market the current forecast made by the club is for a small reduction in free reserves at the end of the financial year. The club's finances however remain strong. The Defence class continues to perform satisfactorily.

The Board has deliberated that no general increase will be applied to members' P&I and FDD expiring premiums on renewal at 20<sup>th</sup> February 2019. The board has determined that the managers are to engage with those members whose claims and exposure are out of line with their premiums to discuss the terms of their renewal individually. Where members claims / premium record warrants , premium increases and changes in terms which more accurately reflect individual records and exposure will be sought by the managers. Any changes in the International Group's reinsurance costs will be reflected in members' premium.

#### P&I Deductibles

The club circular highlights that the board continues to be concerned that the general level of deductibles are too low. The Board instructed the managers to apply a 10% increase to all expiring deductibles with existing deductibles below \$20,000 increased by \$2,000.

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