



中国船东互保协会
China Shipowners Mutual Assurance Association

Member Circular No.7/2022

19 September 2022

To the members,

Dear Sirs,

Closing of the 2019 Policy Year and Release Calls for Open Policy Years

At their Meeting held on 25 August 2022 in Yinchuan China, the Board of this Association reviewed the latest P&I, FD&D and H&M figures, the club's financial position and made the following decisions:

Protection and Indemnity

At the autumn Board Meeting in 2020, the Board decided to collect the full 20% budgeted supplementary call of the 2019 policy year by 20 March 2021.

As at 20 February 2022, the Association has produced a moderate underwriting surplus for the 2019 policy year. The Board has decided to transfer the surplus to the P&I Reserves of the Association and then that the 2019 policy year shall be formally closed.

The underwriting result for the 2020 and 2021 policy years is currently within the projected range based on the latest claim development. The development of the claim situation will be further reviewed at the next Board Meeting.

In summary, the present status of the closed and open policy years for P&I insurance are as follows:

Closed Policy Years

The 2019 policy year and all the previous policy years have been closed.

Open Policy Years

2020 Policy Year	The release call is 15% of ETC.
2021 Policy Year	The release call is 15% of ETC.
2022 Policy Year	The release call is 15% of ETC.



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Freight, Demurrage and Defence

At the autumn Board Meeting in 2021, the Board decided to collect the full 20% budgeted supplementary call of the 2019 policy year by 20 March 2022.

As at 20 February 2022, the Association has produced a moderate underwriting surplus for the 2019 policy year. The Board has decided to transfer the surplus to the FD&D Reserves of the Association and then that the 2019 policy year shall be formally closed.

The underwriting result for the 2020 and 2021 policy years is currently within the projected range based on the latest claim development. The development of the claim situation will be further reviewed at the next Board Meeting.

In summary, the present status of the closed and open policy years for FD&D insurance are as follows:

Closed Policy Years

2019 and all the previous policy years have been closed.

Open Policy Years

2020 Policy Year	The release call is 15% of ETC.
2021 Policy Year	The release call is 15% of ETC.
2022 Policy Year	The release call is 15% of ETC.

Hull and Machinery

2019 Policy Year

As always, the Board has decided not to charge any supplementary calls for this policy year and the underwriting deficit occurred shall be balanced by credit from the H&M Reserves of the Association and then the 2019 policy year is closed accordingly.

2020 Policy Year

The 2020 policy year is expected to be in minor deficit based on the underwriting result, but the Board will consider any balance measures after reviewing the claim developments next year and the policy year remains open as usual.

2021 Policy Year



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The underwriting result for the 2021 policy year is currently in deficit and the Board will further review the claim development at the next Board Meeting.

In summary, the present status of the closed and open policy years for H&M are as follows:

Closed Policy Years

2019 and all the previous policy years have been closed.

Open Policy Years

2020 Policy Year	Remains open.
2021 Policy Year	Remains open.
2022 Policy Year	Remains open.

Yours faithfully,

Song Chunfeng

Managing Director

China Shipowners Mutual Assurance Association

