

October 2006

**TO ALL MEMBERS OF CLASS 3
PROTECTION AND INDEMNITY**

The Britannia Steam Ship
Insurance Association Limited

Managers
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Dear Sirs

Calls – Class 3 – Protection and Indemnity

At its meeting on 17 October 2006 your Committee reached the following decisions in respect of the following policy years:-

2003/04

No further calls will be made and the year will be closed in accordance with the provisions of Rule 37 (1).

Advance calls were based on Scale 6.88 (a 15% increase) and deferred calls were originally set at 40%. In October 2004 the Committee approved the 40% deferred call of which 25% was collected at the end of that month. The balance of 15% was collected at the end of October 2005. No further calls will be made and the year will be closed in accordance with the provisions of Rule 37 (1).

2004/05

Members are no longer advised to budget for the outstanding 10% deferred call.

Advance calls were based on Scale 7.46 (an 8.5% increase) and Members were advised to budget for a 40% deferred call.

In the light of this year's heavy claims experience, the Committee decided in October 2005 to approve a 30% deferred call of which 20% was collected in October 2005 and the remaining 10% will be collected in October this year. The Committee now advises Members that they need no longer budget for the remaining 10% deferred call originally advised to them.

The Committee will review the position in October 2007, at which time it is expected that the policy year will be closed.

p.t.o.

2005/06

The Committee approved a 30% deferred call. Members need no longer budget for the remaining 10% originally forecast.

Advance calls were based on Scale 8.02 (a 7.5% increase) and Members originally were advised to budget for a 40% deferred call.

The Committee has now approved a 30% deferred call, 20% to be collected in October 2006 and the balance of 10% in a year's time.

It is unlikely that a further call will be required and the Committee therefore recommends that Members need no longer budget for the remaining 10% of the originally projected deferred call. The Committee will review the position in October 2007.

2006/07

Members should continue to budget for a 30% deferred call.

Advance calls were based on Scale 8.42 (a 5.0% increase) and Members were advised to budget for a 30% deferred call.

At this early stage in development of the year, Members are advised to continue to budget for the 30% deferred call. The Committee will review the position at its meeting in October 2007.

2007/08

Advance calls will be based on Scale 8.84 (a 5.0% increase). Deferred calls are estimated at 30%.

In anticipation that claims will continue to increase at a rate in excess of general inflation, the Committee decided that advance call rates for the coming policy year should be increased by 5%, and that deferred calls be set at 30%.

All individual rates will be adjusted to reflect any changes in the cost of the International Group reinsurance programme as well as Members' individual claims records and risk profiles.

Unless you receive notification to the contrary, this circular constitutes notice that, with effect from 20 February 2007, your existing advance call rate(s) will increase by 5.0%.

USA Voyage Additional Premium

Members whose tankers carry persistent oil as cargo to or from the United States will be separately advised of the amount of the additional premium to be charged for the 2007/08 policy year.

Yours faithfully
Tindall Riley (Britannia) Limited
Managers

This circular should not be placed in the Binder