

Standard Bulletin

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**The Standard
for service and security**

The Standard



Renewal

The club has recently concluded its 2017 renewal. Here we provide an overview.



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In the last 18 months, claims across the P&I market have reduced. This is partly due to a continued reduction in global economic activity and, in the case of The Standard Club, a result of the cancellation of poorly performing business over recent years.

The club has recognised its current surplus by returning 5% of estimated total premium for the 2016/17 policy year. This has been returned as of right to all mutual members entered in the year and irrespective of other considerations such as renewal into 2017 or record; not all clubs have been able to make a return. The club has remained at the forefront of those considered economically secure and has one of the lowest published release calls of any International Group club.

In addition to the above, the club did not set a general increase for the 2017 renewal. As with all recent renewals, the club has renewed the majority of its members and takes the view that quality of operation should remain a key condition for entry. The club has welcomed some new members and, as at 20 February 2017, insures approximately 150mgt, with a Standard Group income of approximately \$310m. The club anticipates that

existing members will continue to add new tonnage as it is acquired and, in renewing, a number of members have agreed to add additional ships to their entries as these arise during the year.

The club's small craft class, Standard London, had a very successful year adding additional tonnage. Likewise, the Defence and War classes had successful renewals.

The Standard Club remains very active in the area of offshore and specialist craft with a flexible reinsurance programme offering limits up to \$1bn. In addition to specialist business, this allows the club to be flexible towards its traditional blue-water members who sign contracts beyond normal poolable cover.

The club is focused on underwriting discipline but recognises that the generation of underwriting surpluses is inefficient. The club's goal is to break even, with investment return an added bonus.

The club's investment return at 20 February 2017 was 3.1% (unaudited). The Standard Club is 'A' rated by S&P.

In this edition

1	Renewal
2	From the Editor
4	Cyber risks and P&I insurance implications
6	What will Brexit mean?
8	The pay-to-be-paid rule
11	Discretionary claims
14	Fine Art and Specie Consortium
16	Club cover for wreck removal
18	Peace of mind – complex logistical medical and security assistance