

To: All Members

We are pleased to report that at the Board meeting on 12th November, 2015 the Directors decided that there should be a 0% General Increase in premium for the 2016/17 policy year. This is the second year that no general increase has been applied and reflects the continued financial strength of the Association, notwithstanding an uncertain claims environment. Whilst claims levels have generally abated, the impact of the collapse of OW Bunkers is widespread and counterparty default remains a concern, particularly given difficult market conditions in some sectors.

In addition to the above, the Directors also confirmed that the levels of continuity credits will remain the same for the forthcoming policy year; namely a credit of 2.5% will apply to Members who have been with the Association for more than one full policy year. A credit of 5% will be applied for three years of Membership and those Members with greater than five years of Membership will benefit from a credit of 7.5%. In addition, for those Members who have their entire fleet entered with the Association, a further credit of 1.5% will apply. As with the previous policy year any credit will be applied to Members' records after any premium adjustment for claims experience.

Should Members have any questions about the above please speak with your usual Club contact.

Yours faithfully,
THOMAS MILLER DEFENCE LTD.
Managers