



Steamship Mutual makes a cash call

Steamship Mutual has become the latest P&I club that has had to react to the impact of the collapse in investment markets on its financial reserves by levying an additional call. The club advises that free reserves, which in February 2008 stood at USD185.8m, had declined to a projected level at 20 February 2009 of USD106.4m. In consequence it requires additional premium as follows, which is expected to bring in about USD80m over the next two years;

- 2006 policy year - 12.5% of total call, to be debited in May 2009.
- 2007 policy year - 14% of total call, to be debited in two equal instalments in August 2009 and May 2010.
- 2008 policy year - 20% of total call, to be debited in two equal instalments in August 2009 and August 2010.

The Norwegian Plan

Marine insurers in Denmark, Finland, Norway and Sweden have separately developed their own insurance conditions over many years most of which are primarily used as the basis of insurance for shipping from each country. The exception are the Norwegian conditions, known as the Norwegian Marine Insurance Plan, or simply the Norwegian Plan, which have had much wider application reflecting that country's position as a major provider of marine insurance for international shipping. The Norwegian Plan is regularly redrafted with the next version expected in January 2010 and it has been reported that marine insurers in Denmark, Finland and Sweden are ready to adopt the 2010 edition, withdrawing their own traditional conditions.

Scuttlebutt: Drinking water on a sailing vessel was stored in a barrel or 'butt'. The butt was 'scuttled' by drilling holes in it so that the sailors could get to the water. The water barrel or 'scuttlebutt' became the place where sailors met to exchange gossip.

Scuttlebutt: A newsletter prepared by HSBC Insurance Brokers to keep you informed about news from the world of marine insurance and P&I.

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