

1. International Group General Excess of Loss Reinsurance Contract Renewal 2011/2012

The International Group RI rates (per GT) including Hydra premium, Collective Overspill Cover and excess war risk P & I for the year commencing 20 February 2011 are as follows:-

Tonnage Category	2011 rate per gt	% change from 2010
DIRTY TANKERS	\$0.7038	- 6.83
CLEAN TANKERS	\$0.3055	- 8.40
DRY CARGO VESSELS	\$0.3709	- 4.09
PASSENGER VESSELS	\$1.4780	- 5.58

For chartered tankers, reinsurance costs including **\$0.0037** per GT for excess war risks will be **\$0.1768**, and for chartered dries **\$0.0861** (both rates reduced from 2010).

The Group has decided with effect from 20 February 2011 to increase the excess point on the GXL contract from US \$50m to US \$60m. The resultant additional US \$10m of retained risk within the Group pool will be 100% reinsured by the Group captive, Hydra.

2. U.S. Oil Pollution Surcharge 2011

For 2011, rates have been reduced by 12.5%.

This results in the following voyage surcharges for 2011:

2011 OIL POLLUTION SURCHARGE US VOYAGES

	Non SBT	SBT
	2011	2011
(A) Tankers of more than 1000 gt LOOP/Lightening	\$0.068 \$0.034	\$0.0566 per ton per voyage \$0.0283 per ton per voyage
(B) Tankers of 1000 gt or either less or	\$68 \$1360	\$57 per voyage \$1140 per annum
(C) Parcel tankers carrying less than 5,000 metric tons of persistent oil as cargo	\$204	\$170 per voyage
(D) Parcel tankers carrying 5,000 – 9,999 metric tons of persistent oil as cargo	\$510	\$425 per voyage