

POLICY YEAR 2010/2011

Rule Changes

At the Extraordinary General Meeting of Members held on 7 May, 2010, the amendments to the Rules as set out in the Notice to Members dated 16 April, 2010 were approved. These amendments will be incorporated into the Rules of the Company which will be effective from 1 July, 2010.

Superintendent's Allowance

For the 2010/2011 Policy Year, the Directors have agreed that the allowance for Members' superintendent's costs will remain at £400 or equivalent per day in addition to provable expenses.

Ship Values

Members are reminded that they should keep the insured values of their ships under regular review to ensure they are appropriately insured, and the Managers will request confirmation that values have been reviewed as part of the renewal process.

War Risks Cover

Members are reminded that War Risk cover for Hull & Machinery, Increased Value and Loss of Hire is now available from the Company in respect of any entered ships.

Renewal 1 July 2010

The Board of Directors continually review the financial position of the Company and are mindful of the importance of both maintaining the Company's financial strength, and of supporting its reinsurance partners. The global financial turmoil has affected the overall performance of the Company, and therefore with MSMI's mutual service, positive claims attitude and pricing consistency in mind, the Directors have decided that at the forthcoming renewal, overall premiums should be increased by 10% and that where appropriate there should also be increases in deductible levels.

Renewal proposals will be formulated and advised to Members over the next few weeks, at which stage the individual claims experience and the risk profile of Members and their fleets will be assessed.

The Directors are confident that MSMI is well positioned to continue to deliver a quality service, and that further enhancement of the Company's financial strength will be supported by the Membership.

PA JENNINGS

JOINT MANAGING DIRECTOR – North Insurance Management Limited

As Managers on behalf of Marine Shipping Mutual Insurance Company Limited